

**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

SINGLE AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2024**



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Columbus, Ohio 43215
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Village Council
Village of Russells Point
433 SR 708
PO Box 30
Russells Point, OH 43348

We have reviewed the *Independent Auditor's Report* of the Village of Russells Point, Logan County, prepared by Julian & Grube, Inc., for the audit period January 1, 2024 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 Russells Point is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

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

December 31, 2025

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**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

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Independent Auditor's Report

Village of Russells Point
Logan County
433 SR 708
P.O. Box 30
Russells Point, Ohio 43348

To the Members of the Village Council and Mayor:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Village of Russells Point, Logan County, Ohio, which comprises the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024, and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total of the Village of Russells Point, as of and for the year ended December 31, 2024, and the related notes to the financial statements, in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), as 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 referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village of Russells Point, as of December 31, 2024, or changes in financial position or, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 of Russells Point 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 of Russells Point 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 a basis of accounting 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 GAAP, 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 these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). 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 misstatements, 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 of Russells Point'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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 of Russells Point'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 of Russells Point's ability to continue as a going concern for a reasonable period of time.

Village of Russells Point
Logan County
Independent Auditor's Report

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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Russells Point's financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2025 on our consideration of the Village of Russells Point's internal control over financial reporting and on 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 of Russells Point'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 of Russells Point's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
August 25, 2025

**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

**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			Total (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts:				
Property and Other Taxes	\$ 119,532	\$ 119,105	\$ 1,939	\$ 240,576
Municipal Income Tax	403,256	-	-	403,256
Intergovernmental	62,974	145,283	-	208,257
Licenses, Permits and Fees	20,541	-	-	20,541
Fines, Forfeitures and Settlements	22,761	19,335	-	42,096
Earnings on Investments	137,418	12,630	-	150,048
Miscellaneous	75,924	10,218	-	86,142
Total Cash Receipts	<u>842,406</u>	<u>306,571</u>	<u>1,939</u>	<u>1,150,916</u>
Cash Disbursements:				
Current:				
Security of Persons and Property	37,165	411,202	-	448,367
Leisure Time Activities	-	30,859	-	30,859
Community Environment	80,513	-	-	80,513
Transportation	-	104,961	-	104,961
General Government	363,458	-	-	363,458
Capital Outlay	-	125,537	1,939	127,476
Total Cash Disbursements	<u>481,136</u>	<u>672,559</u>	<u>1,939</u>	<u>1,155,634</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i><u>361,270</u></i>	<i><u>(365,988)</u></i>	<i><u>-</u></i>	<i><u>(4,718)</u></i>
Other Financing Receipts (Disbursements)				
Transfers In	-	377,500	12,000	389,500
Transfers Out	(389,500)	-	-	(389,500)
Sale of Capital Assets	-	4,775	-	4,775
Total Other Financing Receipts (Disbursements)	<u>(389,500)</u>	<u>382,275</u>	<u>12,000</u>	<u>4,775</u>
Net Change in Fund Cash Balances	(28,230)	16,287	12,000	57
Fund Cash Balances, January 1, 2024 (restated)	<u>2,735,996</u>	<u>516,473</u>	<u>96,000</u>	<u>3,348,469</u>
Fund Cash Balances, December 31, 2024	<u>\$ 2,707,766</u>	<u>\$ 532,760</u>	<u>\$ 108,000</u>	<u>\$ 3,348,526</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

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

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts:	
Charges for Services	<u>\$ 727,394</u>
Operating Cash Disbursements:	
Personal Services	225,348
Fringe Benefits	54,008
Contractual Services	716,577
Supplies and Materials	109,258
Total Operating Cash Disbursements	<u>1,105,191</u>
Operating Income (Loss)	<u>(377,797)</u>
Non-Operating Receipts (Disbursements):	
Intergovernmental Receipts	755,884
Loans Issued	2,402,962
Miscellaneous Receipts	271
Capital Outlay	(2,651,261)
Principal Retirement	(114,830)
Interest and Other Fiscal Charges	(14,322)
Total Non-Operating Receipts (Disbursements)	<u>378,704</u>
<i>Income (Loss) before Transfers</i>	<u>907</u>
Other Financing Receipts (Disbursements)	
Transfers In	129,868
Transfers Out	<u>(129,867)</u>
<i>Total Other Financing Receipts (Disbursements)</i>	<u>1</u>
Net Change in Fund Cash Balances	908
Fund Cash Balances, January 1, 2024 (restated)	<u>2,251,890</u>
Fund Cash Balances, December 31, 2024	<u>\$ 2,252,798</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

**COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS) - ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Fiduciary Fund Type</u>
	<u>Custodial</u>
Additions	
Fines, Forfeitures and Settlements for Distribution	<u>\$ 17,505</u>
Deductions	
Distributions to Other Governments	<u>14,399</u>
<i>Net Change in Fund Balances</i>	<u>3,106</u>
Fund Cash Balances, January 1, 2024	<u>-</u>
Fund Cash Balances, December 31, 2024	<u>\$ 3,106</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Village of Russells Point (the Village), Logan 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 storm water utilities, park operations, and police services.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

The Village participates in jointly governed organizations and a public entity risk pool. Notes 6, 12, and 13 to the financial statements provide additional information for these entities. 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 Levy Fund This fund receives property taxes for the provision of police services and is subsidized by transfers from the general fund. This fund reports and tracks all income and expenses related to the police department.

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

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

OPWC Paving Fund – This fund is used to account for disbursements related to various Ohio Public Works Commission (OPWC) paving projects.

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

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

Storm Water Improvement Fund – This fund is used to account for grant and loan revenue and expenses related to a village wide storm water infrastructure project.

Utility Improvement Fund - This fund receives transfers from the water operating fund and loan proceeds from the Ohio Water Development Authority (OWDA) for the purpose of future capital improvement costs and upgrades to the water system.

Fiduciary Funds Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial funds account for resources held for individuals, organization or other governments.

Mayor's Court Fund - This fund accounts for the Mayor's Court receipts and disbursements. The Village disburses these funds as directed by the State.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

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 (except certain custodial funds) be budgeted annually.

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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 canceled and reappropriated in the subsequent year. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2024 budgetary activity appears in Note 3.

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

Village employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for some types unused leave. The financial statements do not include a liability for unpaid leave.

Leases and SBITAs

The Village is the lessor/lessee in various leases (as defined by GASB 87) related to buildings and other equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid.

The Village has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems and various other software. Subscription disbursements are recognized when they are paid.

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2024, distributions of \$580 are reflected as fines, forfeitures and settlements receipts in the Opioid Enforcement and Education Special Revenue Fund in the accompanying financial statements.

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, when applicable.

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 14.

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2024 follows:

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$660,510	\$842,406	\$181,896
Special Revenue	686,155	688,846	2,691
Capital Projects	13,939	13,939	0
Enterprise	5,865,457	4,016,379	(1,849,078)
Total	\$7,226,061	\$5,561,570	(\$1,664,491)

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,740,005	\$870,636	\$869,369
Special Revenue	1,152,705	672,559	480,146
Capital Projects	1,939	1,939	0
Enterprise	6,246,587	4,015,471	2,231,116
Total	\$9,141,236	\$5,560,605	\$3,580,631

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
Cash Management Pool:	
Demand deposits	\$5,604,430
Total deposits	<u>\$5,604,430</u>

Deposits

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

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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.

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 1.00 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.

The income tax is administered by the Central Collection Agency of Cleveland, Ohio.

Note 6 – Risk Management

Workers' Compensation

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The intent of the GRP is to achieve the benefit of reduced premiums for the participants, foster safer working conditions and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating entities is calculated as one experience and a common premium is applied to all entities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for all entities in the GRP rather than its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the GRP. Sedgwick Managed Care Ohio provides administrative, cost control and actuarial services to the GRP.

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Risk Pool Membership

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated, and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and remained the same through October 31, 2022. Effective November 1, 2022, the property loss corridor was eliminated. OPRM had 847 members as of December 31, 2024.

The Pool's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2024. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2024.

Assets	\$ 24,456,615
Liabilities	(16,692,162)
Members' Equity	<u>\$ 7,764,453</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Most 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 postemployment 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.

Ohio Police and Fire Retirement System

The Village's 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 postemployment health care and survivor and disability benefits.

Village of Russells Point, Ohio
Logan 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.

Social Security

Several Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees 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. 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. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses. For calendar year 2024, the portion of OPERS employer 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. OP&F contributes 0.5 percent to fund these benefits.

Note 9 – Debt

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

	<u>Principal</u>	<u>Interest Rate</u>
2011 OWDA Loan 5439	\$674,128	1.50%
2021 OWDA Loan 9494	\$447,317	0.50%
2021 OWDA Loan 9495	\$162,019	0.50%
2024 OWDA Loan 10546	\$1,807,772	5.13%
2024 OWDA Loan 10567	\$595,190	3.11%
Total	\$3,686,426	

2011 OWDA Loan 5439: In 2009 the Village entered into a loan agreement with the Ohio Water Development Authority in the amount of \$1,114,558 for a Water Plant Addition. The loan is being repaid in semiannual installments with interest at the rate of 1.5%, and matures in 2041. The loan is collateralized by water receipts and is being repaid through the Mortgage Debt Service Fund, which is an enterprise fund.

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

2021 OWDA Loan 9494 and 9495: In 1997, the Village entered into a bond agreement with the USDA in the amount of \$1,245,000 for the construction of a water tower. The debt was being repaid in annual installments with interest at a rate of 5.0% maturing in 2037. In October 2021, the remaining balance of the USDA bonds were refinanced through two loans from the Ohio Water Development Authority in the amount of \$592,336 and \$214,546 at a rate of 0.5% maturing in 2032. The loans will be repaid through semi-annual installments. The loans are collateralized by pledged water receipts and are being repaid through the Mortgage Debt Service Fund, which is an enterprise fund.

The USDA loans required the Village to establish and fund a debt service reserve fund, included as an enterprise fund. The balance in the fund at December 31, 2024, is \$91,054.

2024 OWDA Loan 10546: In 2024, the Village entered into a loan agreement with the Ohio Water Development Authority in the amount of \$1,852,311 for a storm sewer repair project. The loan is being repaid in semiannual installments with interest at the rate of 5.13%. The loan is collateralized by water receipts and is being repaid through the Mortgage Debt Service Fund, which is an enterprise fund. This loan did not have an amortization schedule as it was paid off entirely in 2025 from bond proceeds. See Note 15 for detail.

2024 OWDA Loan 10567: In 2024, the Village entered into a loan agreement with the Ohio Water Development Authority in the amount of \$779,846 for water meter replacements. The loan is being repaid in semiannual installments with interest at the rate of 3.11%. The loan is collateralized by water receipts and is being repaid through the Mortgage Debt Service Fund, which is an enterprise fund. This loan does not have an amortization schedule as this project is still active and more monies may be financed in the future.

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

Year Ending December 31:	2011 OWDA 5439 1.5%	2021 OWDA 9494 0.5%	2021 OWDA 9495 0.5%
2025	\$46,273	\$60,842	\$22,037
2026	46,273	60,842	22,037
2027	46,273	60,842	22,037
2028	46,273	60,842	22,037
2029	46,273	60,842	22,037
2030-2034	231,364	152,105	55,093
2035-2039	231,364	0	0
2040-2041	69,409	0	0
Total	<u><u>\$763,502</u></u>	<u><u>\$456,315</u></u>	<u><u>\$165,278</u></u>

In addition to the debt described above, the Village has defeased certain debt issues from prior years. Debt principal outstanding at December 31, 2024, was \$1,283,464. This disclosure does not include the related defeased debt or assets, since trustee assets should provide sufficient resources to retire the debt.

Note 10 – Construction and Contractual Commitments

The Village has two major projects that are still in process. One is a water meter replacement project and the other is a storm water repair project. Both projects should be completed in 2025.

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 11 – 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 12 – Jointly Governed Organizations

The Village participates in two jointly governed organizations. The organizations are:

Indian Joint Fire District: This organization provides fire services to the area, including the Village of Russells Point. The governing body of the district is comprised of one member of Village Council, one member of the Washington Township Trustees, and one Member at Large. All accounting policies and records are separately kept by the organization and are not reflected in the financial records of the Village of Russells Point.

Indian Lake EMS Joint Ambulance District: This organization provides emergency medical services to the area, including the Village of Russells Point. The governing body of the district is comprised of one member of the Village of Russells Point Council, one member of the Village of Lakeview Council, one member of the Washington Township Trustees, and one member of Stokes Township Trustees. All accounting policies and records are kept separately by the organization and are not reflected in the financial records of the Village of Russells Point.

Note 13 – Public Entity Risk Pool

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.

Note 14 – Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Total
Nonspendable:		
Unclaimed Monies	\$541	\$541
<i>Total</i>	<u>\$541</u>	<u>\$541</u>

Village of Russells Point, Ohio
Logan County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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

Note 15 – Subsequent Events

On June 27, 2025, the Village issued Series 2025 Bonds in the amount of \$1,858,000 to pay off the existing Ohio Water Development Authority Loan 10546. The bonds have an interest rate of 1.50%.

Note 16 – Compliance

Contrary to Ohio law, the Village did not record all on-behalf of transactions and thus did not appropriate said transactions.

Note 17 – Fund Balance Restatement

The Village's beginning fund balance as of January 1, 2024 was restated. The beginning balance of Capital Projects was decreased by \$730 and Enterprise was increased by \$730.

SUPPLEMENTARY INFORMATION

VILLAGE OF RUSSELLS POINT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF AGRICULTURE			
<i>Direct</i>			
Water and Waste Disposal Systems for Rural Communities	10.760	N/A	\$ 751,948
Total U.S. Department of Agriculture			<u>751,948</u>
Total Federal Financial Assistance			<u>751,948</u>

The accompanying notes are an integral part of this schedule.

**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Village of Russells Point under programs of the federal government for the year ended December 31, 2024, and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Village of Russells Point, it is not intended to and does not present the financial position or changes in fund balances of the Village of Russells Point. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The Village of Russells Point has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

Village of Russells Point
Logan County
433 SR 708
P.O. Box 30
Russells Point, Ohio 43348

To the Members of the Village Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024 and the related notes to the financial statements of the Village of Russells Point, Logan County, Ohio, and have issued our report thereon dated August 25, 2025, wherein we noted the Village of Russells Point followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Russells Point'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 of Russells Point's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Russells Point'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 of Russells Point's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2024-001 that we consider to be a significant deficiency.

Village of Russells Point
Logan County
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Russells Point'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2024-001.

Village of Russells Point's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Village of Russells Point's response to the finding identified in our audit and described in the accompanying corrective action plan. The Village of Russells Point's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 of Russells Point'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 of Russells Point's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.
August 25, 2025

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Village of Russells Point
Logan County
433 SR 708
P.O. Box 30
Russells Point, Ohio 43348

To the Members of the Village Council and Mayor:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Village of Russells Point's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Village of Russells Point's major federal programs for the year ended December 31, 2024. The Village of Russells Point's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

In our opinion, the Village of Russells Point complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the Village of Russells Point and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Village of Russells Point's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Village of Russells Point's federal programs.

Village of Russells Point
Logan County
Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Village of Russells Point's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Village of Russells Point's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Village of Russells Point's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Village of Russells Point's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Village of Russells Point's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Village of Russells Point
Logan County
Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Julian & Grube, Inc." The signature is cursive and fluid.

Julian & Grube, Inc.
August 25, 2025

**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

SCHEDULE OF FINDINGS

2 CFR § 200.515

DECEMBER 31, 2024

1. SUMMARY OF AUDITOR'S RESULTS		
(d)(1)(i)	<i>Type of Financial Statement Opinions</i>	GAAP – Adverse Regulatory - Unmodified
(d)(1)(ii)	<i>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	Yes
(d)(1)(iii)	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	Yes
(d)(1)(iv)	<i>Were there any material weaknesses in internal control reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	None reported
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
(d)(1)(vi)	<i>Are there any reportable findings under 2 CFR §.516(a)?</i>	No
(d)(1)(vii)	<i>Major Program(s) (listed):</i>	Water and Waste Disposal Systems for Rural Communities (ALN 10.760)
(d)(1)(viii)	<i>Dollar Threshold: Type A/B Programs</i>	Type A:>\$750,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	No

**VILLAGE OF RUSSELLS POINT
LOGAN COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024**

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Finding Number	2024-001
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Significant Deficiency/Noncompliance – Financial Statement Presentation and Ohio Water Development Authority (OWDA) On-Behalf Payments

Accurate financial reporting is required in order to provide management and other members of Council with objective and timely information to enable well-informed decisions. Additionally, Ohio Rev. Code § 5705.42 states when the United States government or 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, or enters into an agreement with the subdivision for the making of any such grant or loan of money, the amount thereof is deemed appropriated for such purpose by the taxing authority of the subdivision as provided by law and shall be recorded as such by the fiscal officer of the subdivision, and is deemed in process of collection within the meaning of section 5705.41 of the Revised Code. In addition, Auditor of State (AOS) Bulletin 2000-008 indicates that when a local government enters into an on-behalf program agreement with another local government or the state, whereby the local government or its residents are the beneficiaries under the agreement, the cash value benefit of the program received under the agreement should be recorded as memorandum receipts and disbursements in the year on-behalf-of disbursements are made.

Certain audit adjustments were made to correct misstatements identified in the audit of the Village's financial statements. These adjustments were necessary to properly state the Storm Water Improvement Fund as an Enterprise Fund instead of a Capital Project Fund as originally presented in the unaudited financial statements and affected the following line items: Loans Issued, Capital Outlay, Intergovernmental Receipts, and Cash balances. In addition, not all on-behalf transactions received from OWDA were recorded in Enterprise Funds understating the Capital Outlay, Contractual Services, and Loans Issued line items. The audited financial statements and note disclosures have been adjusted for the misstatements identified during the audit.

A lack of proper policies and procedures for control and monitoring activities associated with the period-end financial reporting process could lead to financial statement and note disclosure adjustments, which if uncorrected, could lead to a misrepresentation of the Village's activity. Additionally, the failure to record on-behalf loan activity results in understated receipts and disbursements on the financial statements and understated obligations in the financial statement notes.

We recommend the Village implement additional control procedures that enable management to more timely prevent or detect and correct potential misstatements in the financial statement prior to presenting it to the auditors. Further, we recommend the Village review the adjustments noted during the audit and incorporate them into future reports.

Official's Response: See Corrective Action Plan

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



Village of Russells Point

433 St Rt 708, PO Box 30, Russells Point, OH 43348
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CORRECTIVE ACTION PLAN

2 CFR § 200.511(c)
DECEMBER 31, 2024

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	The village will develop clear control procedures as well as establish uniform guidance policies and procedures to prevent potential misstatements in the financials and ensure all transactions are recorded correctly.	2025	Marc McGuire, Fiscal Officer

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF RUSSELLS POINT

LOGAN 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 1/13/2026

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