

**VILLAGE OF WEST JEFFERSON**  
MADISON COUNTY, OHIO

**REGULAR AUDIT**

**FOR THE YEARS ENDED  
DECEMBER 31, 2024 & 2023**



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Village Council  
Village of West Jefferson  
28 East Main Street  
West Jefferson, Ohio 43162

We have reviewed the *Independent Auditor's Report* of the Village of West Jefferson, Madison County, prepared by Julian & Grube, Inc., for the audit period January 1, 2023 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of West Jefferson is responsible for compliance with these laws and regulations.

KEITH FABER  
Ohio Auditor of State

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

**August 20, 2025**

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**VILLAGE OF WEST JEFFERSON  
MADISON COUNTY, OHIO**

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## Independent Auditor's Report

Village of West Jefferson  
Madison County  
28 East Main Street  
West Jefferson, Ohio 43162

To the Members of the Village Council:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the Village of West Jefferson, Madison County, Ohio, which comprises the cash balances, receipts, and disbursements for each governmental and proprietary fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

#### *Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental and proprietary fund type of the Village of West Jefferson, as of and for the years ended December 31, 2024 and 2023, 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 West Jefferson, as of December 31, 2024 and 2023, or changes in financial position, or, where applicable, cash flows thereof for the years then ended.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 West Jefferson 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 West Jefferson 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 West Jefferson'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 West Jefferson'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 West Jefferson's ability to continue as a going concern for a reasonable period of time.



Village of West Jefferson  
Madison 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.

**Other Reporting Required by *Government Auditing Standards***

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
June 25, 2025

**Village of West Jefferson**  
*Madison 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			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 147,957	-	-	\$ 147,957
Municipal Income Tax	7,821,474	-	-	7,821,474
Charges for Services	62,209	-	-	62,209
Licenses, Permits, and Fees	898,267	14,721	137,264	1,050,252
Fines, Forfeitures, and Settlements	24,836	6,880	-	31,716
Intergovernmental	171,053	299,399	-	470,452
Special Assessments	2,692	1,238,187	-	1,240,879
Earnings on Investments	331,520	61,923	73,008	466,451
Miscellaneous	86,485	20,172	-	106,657
<i>Total Cash Receipts</i>	<u>9,546,493</u>	<u>1,641,282</u>	<u>210,272</u>	<u>11,398,047</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons & Property	2,457,665	400	-	2,458,065
Public Health Services	-	7,005	-	7,005
Leisure Time Activities	224,791	273,558	-	498,349
Community Environment	690,887	-	-	690,887
Transportation	-	946,614	-	946,614
General Governmental	4,218,668	873,272	-	5,091,940
Capital Outlay	-	18,210	351,009	369,219
Debt Service:				
Principal Retirement	-	79,841	92,747	172,588
Interest and Fiscal Charges	-	28,036	68,753	96,789
<i>Total Cash Disbursements</i>	<u>7,592,011</u>	<u>2,226,936</u>	<u>512,509</u>	<u>10,331,456</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,954,482</u>	<u>(585,654)</u>	<u>(302,237)</u>	<u>1,066,591</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	1,204,000	1,785,000	2,989,000
Transfers Out	<u>(3,375,000)</u>	<u>-</u>	<u>-</u>	<u>(3,375,000)</u>
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(3,375,000)</u>	<u>1,204,000</u>	<u>1,785,000</u>	<u>(386,000)</u>
<i>Net Change in Fund Cash Balances</i>	(1,420,518)	618,346	1,482,763	680,591
<i>Fund Cash Balances, January 1, restated</i>	<u>4,238,821</u>	<u>1,078,635</u>	<u>1,020,138</u>	<u>6,337,594</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,818,303</u>	<u>\$ 1,696,981</u>	<u>\$ 2,502,901</u>	<u>\$ 7,018,185</u>

See accompanying notes to the financial statements

**Village of West Jefferson**  
*Madison County, Ohio*  
**Combined Statement of Receipts Disbursements**  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
**Proprietary Fund Type**  
*For the Year Ended December 31, 2024*

	Proprietary Fund Type
	Enterprise
<b>Operating Cash Receipts</b>	
Charges For Services	\$3,077,170
Miscellaneous	2,792
<i>Total Operating Cash Receipts</i>	3,079,962
<b>Operating Cash Disbursements</b>	
Personal Services	818,960
Employee Fringe Benefits	261,304
Contractual Services	1,127,212
Supplies and Materials	251,658
Other	16,210
<i>Total Operating Cash Disbursements</i>	2,475,344
<i>Operating Income (Loss)</i>	604,618
<b>Non-Operating Receipts (Disbursements)</b>	
Special Assessments	49
Miscellaneous Receipts	430
Capital Outlay	(826,550)
Principal Retirement	(541,065)
Interest and Other Fiscal Charges	(140,141)
<i>Total Non-Operating Receipts (Disbursements)</i>	(1,507,277)
<i>Income (Loss) before Transfers</i>	(902,659)
Transfers In	386,000
<i>Net Change in Fund Cash Balances</i>	(516,659)
<i>Fund Cash Balances, January 1</i>	2,461,033
<i>Fund Cash Balances, December 31</i>	\$ 1,944,374

See accompanying notes to the financial statements

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 1 - Reporting Entity**

The Village of West Jefferson (the Village), Madison 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 seven-member Council directs the Village. The Village provides water and sewer utilities, pool and park operations, and police services.

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

**Note 2 - Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Park Development Fund*** The park development fund accounts for and reports fines, licenses and permits revenue that are restricted to fund the park.

***Tax Increment Equivalent Funds*** The tax increment equivalent funds receive tax increment financing money to fund public infrastructure improvements.

***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:

***Capital Projects Fund*** The capital projects fund accounts for and reports proceeds from the General Fund along with grant funds. The proceeds are restricted for Village wide capital improvements.

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

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

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

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

***Sanitation Fund*** The sanitation fund receives charges for services from residents to cover trash collection service costs.

***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 hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government.

The Village's has a custodial fund to account for fire loss claims as described in Ohio Revised Code Section 3929.86. There was no activity or fund balance in 2024.

***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.

***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. Unencumbered appropriations lapse at year end.

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

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

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.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

The Village invests all available funds in interest-bearing checking accounts and STAR Ohio. Interest earned is recognized and recorded when received. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

***Capital Assets***

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

***Accumulated Leave***

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

***Fund Balance***

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

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

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

***Committed*** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

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

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. 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 13.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

**Note 3 - Budgetary Activity**

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

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 9,875,366	\$ 9,546,493	\$ (328,873)
Special Revenue	3,175,226	2,845,282	(329,944)
Capital Projects	2,836,000	1,995,272	(840,728)
Enterprise	6,848,479	3,466,441	(3,382,038)
Custodial	1,000	-	(1,000)
Total	\$ 22,736,071	\$ 17,853,488	\$ (4,882,583)

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 12,531,535	\$ 11,156,002	\$ 1,375,533
Special Revenue	3,330,271	2,565,966	764,305
Capital Projects	901,503	899,100	2,403
Enterprise	7,916,778	7,142,727	774,051
Total	\$ 24,680,087	\$ 21,763,795	\$ 2,916,292

**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 deposits and investment accounts are as follows:

**Cash Management Pool:**

Demand deposits	\$ 1,039,367
Total deposits	\$ 1,039,367
STAR Ohio	\$ 7,923,192
Total investments	\$ 7,923,192
<b>Total carrying amount of deposits and investments held in Pool</b>	<b>\$ 8,962,559</b>

The Village does not use a separate payroll clearing account. The disbursements included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2024, the Village is holding \$0 in unremitted employee payroll withholdings.

**Deposits**

Deposits are insured by the Federal Depository Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 4 - Deposits and Investments (Continued)**

***Investments***

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

**Note 5 - Taxes**

***Property Taxes***

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

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 1.0% 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 semi-monthly, monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**Note 6 -Interfund Balances**

***Advances***

No advances were made during 2024.

**Note 7 - Risk Management**

***Worker's Compensation***

Worker's Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

- . Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.



**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some 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 survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Village contributed an amount equaling 14%, 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 Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. During 2023, OP&F participants contributed 12.25% of their wages. For 2024, the Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2024.

***Social Security***

Some of the Village's employees contribute 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 of the participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

**Note 9 - 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 expense 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 2023, 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.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

**Note 10 – Debt**

Debt outstanding at December 31, 2024 was as follows:

	Principal	Interest Rate
OWDA - #4748	\$ 695,560	2.75%
OWDA - #6941	3,451,736	1.34%
OPWC - #CK07N	160,120	0.00%
OPWC - #CT51P	181,996	0.00%
OPWC - #CK22Q	388,866	0.00%
OPWC - #CK21R	240,000	0.00%
OWDA - #7805 (#6783 Rolled In)	4,837,764	2.78%/3.27%
SIB Loan	851,352	3.00%
OPWC - #CK40V	175,600	0.00%
OPWC - #CT60X	124,210	0.00%
OPWC - #CK24Z	47,199	0.00%
	\$ 11,154,403	

During 2007, the Village entered into a loan agreement with the Ohio Water Development Authority (OWDA) for OWDA Loan #4748 for the water plant improvement project. The original amount of the loan was \$2,131,847. The loan bears an interest rate of 2.75% with payments of \$92,410, including principal and interest.

During 2011, the Village entered into a loan agreement with the Ohio Public Works Commission (OPWC) for OPWC Loan #CK07N for a street reconstruction project. The original loan amount was \$400,300. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$10,008.

During 2013, the Village entered into a loan agreement with OPWC for OPWC Loan #CT51P various waterline replacements. The original loan amount was \$383,150. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$9,579.

During 2014, the Village entered into a loan agreement with OPWC for OPWC Loan #CK22Q for the wellfield and wastewater treatment plant improvement project. The original amount of the loan was \$600,001. The loan bears an interest rate of 0% with semi-annual installments of \$14,956.

During 2015, the Village entered into a loan agreement with OWDA for OWDA Loan #6941 for the wastewater treatment plant improvement project construction. The original amount of the loan was \$6,018,355. The loan bears an interest rate of 1.34% with semi-annual payments of \$156,176, including principal and interest.

During 2015, the Village entered into a loan agreement with OPWC for OPWC Loan #CK21R Westwood Estates Street Improvements. The original loan amount was \$400,000. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$10,000.

During 2017, the Village entered into a loan agreement with OWDA for OWDA Loan #7805 for the water plant improvements project. The original amount of the loan was \$5,275,855. OWDA Loan #6841, in the amount of \$70,184.16 was rolled into this loan. The loan bears an interest rate of 2.78%/3.27% and is to be paid back in semi-annual payments of \$134,963.

During 2018, the Village entered into a loan agreement with the Department of Transportation of the State of Ohio for SIB Loan #180012 for widening and improving State Route 29. The original loan amount was \$1,036,180 (including capitalized interest of \$30,180). The loan bears an interest rate of 3.0% and is to be paid back in semi-annual installments of \$37,460.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

**Note 10 - Debt (Continued)**

During 2019, the Village entered into a loan agreement with OPWC for OPWC Loan #CT40V Walnut St & Fellows Ave Street Improvements. The original loan amount was \$219,500. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$5,488 beginning in July 2020.

During 2020, the Village entered into a loan agreement with OPWC for OPWC Loan #CT60X Lilly Chapel Road Reconstruction. The original loan amount was \$189,893. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$3,267 beginning in 2024.

During 2021, the Village entered into a loan agreement with OPWC for OPWC Loan #CK24Z Westchester Subdivision Street Improvement. The original loan amount was \$49,166. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$983 beginning in 2023.

During 2023, the Village entered into a loan agreement with OPWC for OPWC Loan #CT33AA US Route 40 Water Transmission Main Replacement. The original loan amount was \$250,000. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments, however, an amortization schedule has not yet been provided. As of December 31, 2024, \$0 has been disbursed.

During 2024, the Village entered into a loan agreement with OPWC for OPWC Loan #CT93AB Fellows Avenue Improvements. The original loan amount was \$250,000. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments, however, an amortization schedule has not yet been provided. As of December 31, 2024, \$0 has been disbursed.

During 2024, the Village entered into a loan agreement with OPWC for OPWC Loan #CT22AB US Route 40 Transmission Main Replacement. The original loan amount was \$250,000. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments, however, an amortization schedule has not yet been provided. As of December 31, 2024, \$0 has been disbursed.

**Amortization**

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

Year Ending December 31:	OWDA # 4748	OWDA # 6941	OPWC # CK07N	OPWC # CT51P	OPWC # CK21R
2025	\$ 184,821	\$ 312,351	\$ 20,015	\$ 19,157	\$ 20,000
2026	184,821	312,351	20,015	19,157	20,000
2027	184,821	312,351	20,015	19,157	20,000
2028	184,821	312,351	20,015	19,158	20,000
2029	-	312,351	20,015	19,158	20,000
2030-2034	-	1,561,757	60,045	86,209	100,000
2035-2039	-	624,703	-	-	40,000
<b>Total</b>	<b>\$ 739,284</b>	<b>\$ 3,748,215</b>	<b>\$ 160,120</b>	<b>\$ 181,996</b>	<b>\$ 240,000</b>

Year ending December 31:	OPWC # CK22Q	OWDA # 7805	SIB LOAN # 180012	OPWC # CT40V	OPWC # CT60X
2025	\$ 29,913	\$ 269,927	\$ 74,921	\$ 10,975	\$ 6,537
2026	29,913	269,927	74,921	10,975	6,537
2027	29,913	269,927	74,921	10,975	6,537
2028	29,913	269,927	74,921	10,975	6,537
2029	29,913	269,927	74,921	10,975	6,537
2030-2034	149,565	1,349,632	374,604	54,875	32,688
2035-2039	89,736	1,349,632	299,682	54,875	32,688
2040-2044	-	1,349,632	-	10,975	26,149
2045-2049	-	1,349,633	-	-	-
<b>Total</b>	<b>\$ 388,866</b>	<b>\$ 6,748,164</b>	<b>\$ 1,048,891</b>	<b>\$ 175,600</b>	<b>\$ 124,210</b>

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

**Note 10 - Debt (Continued)**

Year ending December 31:	OPWC # CK24Z
2025	1,967
2026	1,967
2027	1,967
2028	1,967
2029	1,967
2030-2034	9,833
2035-2039	9,833
2040-2044	9,833
2045-2049	7,866
Total	<u>\$ 47,199</u>

**Note 11 - Contingent Liabilities**

The Village was two pending lawsuits. One is an administrative appeal which will have no impact on the Village's financial condition. The other case, although management cannot presently determine the outcome of this suit, management believes that the resolution of this matters will not materially adversely affect the Village's financial condition.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. 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 - Transfers**

During 2024, the following transfers were made:

	<u>Transfers - In</u>	<u>Transfers - Out</u>
General Fund	\$ -	\$ (3,375,000)
Special Revenue Funds:		
Street Fund	720,000	-
State Highway Fund	177,000	-
Park Development Fund	307,000	-
Capital Projects Funds:		
Capital Fund	785,000	-
Municipal Building Fund	1,000,000	-
Enterprise Funds:		
Water Fund	89,000	-
Sewer Fund	55,000	-
Swimming Pool Fund	207,000	-
Sanitation Fund	35,000	-
	<u>\$ 3,375,000</u>	<u>\$ (3,375,000)</u>

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 13 – Fund Balances**

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:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	\$ 188,991	\$ 339,030	\$ 386,591	\$ 914,612
<i>Total</i>	<u>\$ 188,991</u>	<u>\$ 339,030</u>	<u>\$ 386,591</u>	<u>\$ 914,612</u>

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

**Note 14 – Restatement of Fund Cash Balance**

The Village increased their beginning fund cash position at January 1, 2024 in the general fund due to \$50 in a voided check from prior years. The effect of the adjustment on beginning fund cash balance is reflected in the chart below.

	<u>12/31/2023 As Previously Reported</u>	<u>Correction 1</u>	<u>1/1/2024 As Restated</u>
<b>Governmental Funds</b>			
General Fund	\$ 4,238,771	\$ 50	\$ 4,238,821
<b>Total Governmental Funds</b>	<u>\$ 4,238,771</u>	<u>\$ 50</u>	<u>\$ 4,238,821</u>

**Village of West Jefferson**  
*Madison 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, 2023*

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 122,564	-	-	\$ 122,564
Municipal Income Tax	7,928,111	-	-	7,928,111
Charges for Services	34,515	-	-	34,515
Fines, Licenses, and Permits	731,137	201,062	446,476	1,378,675
Intergovernmental	136,150	296,748	400,000	832,898
Special Assessments	2,047	516,982	-	519,029
Earnings on Investments	401,309	20,555	30,389	452,253
Miscellaneous	85,509	3,169	2,000	90,678
<i>Total Cash Receipts</i>	<u>9,441,342</u>	<u>1,038,516</u>	<u>878,865</u>	<u>11,358,723</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons & Property	2,646,492	3,657	-	2,650,149
Leisure Time Activities	227,716	407,697	-	635,413
Community Environment	638,269	-	-	638,269
Transportation	-	1,044,611	-	1,044,611
General Governmental	3,937,438	591,626	-	4,529,064
Capital Outlay	-	4,354	1,640,272	1,644,626
Debt Service:				
Principal Retirement	-	76,499	84,404	160,903
Interest and Fiscal Charges	-	29,412	70,559	99,971
<i>Total Cash Disbursements</i>	<u>7,449,915</u>	<u>2,157,856</u>	<u>1,795,235</u>	<u>11,403,006</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,991,427</u>	<u>(1,119,340)</u>	<u>(916,370)</u>	<u>(44,283)</u>
<b>Other Financing Receipts (Disbursements)</b>				
Loans Issued	-	-	49,166	49,166
Transfers In	-	715,000	1,275,000	1,990,000
Transfers Out	(2,260,000)	-	-	(2,260,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(2,260,000)</u>	<u>715,000</u>	<u>1,324,166</u>	<u>(220,834)</u>
<i>Net Change in Fund Cash Balances</i>	(268,573)	(404,340)	407,796	(265,117)
<i>Fund Cash Balances, January 1, restated</i>	<u>4,507,344</u>	<u>1,482,975</u>	<u>612,342</u>	<u>6,602,661</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 4,238,771</u>	<u>\$ 1,078,635</u>	<u>\$ 1,020,138</u>	<u>\$ 6,337,544</u>

See accompanying notes to the financial statements

**Village of West Jefferson**  
*Madison County, Ohio*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*Proprietary Fund Type*  
*For the Year Ended December 31, 2023*

	Proprietary Fund Type
	Enterprise
<b>Operating Cash Receipts</b>	
Charges For Services	\$3,342,694
Miscellaneous	304,128
<i>Total Operating Cash Receipts</i>	3,646,822
<b>Operating Cash Disbursements</b>	
Personal Services	749,742
Employee Fringe Benefits	223,181
Contractual Services	1,105,475
Supplies and Materials	246,108
Other	11,488
<i>Total Operating Cash Disbursements</i>	2,335,994
<i>Operating Income (Loss)</i>	1,310,828
<b>Non-Operating Receipts (Disbursements)</b>	
Intergovernmental	10,000
Miscellaneous Receipts	80
Capital Outlay	(776,782)
Principal Retirement	(518,208)
Interest and Other Fiscal Charges	(149,816)
<i>Total Non-Operating Receipts (Disbursements)</i>	(1,434,726)
<i>Income (Less) before Transfers</i>	(123,898)
Transfers In	270,000
<i>Net Change in Fund Cash Balances</i>	146,102
<i>Fund Cash Balances, January 1, restated</i>	2,314,931
<i>Fund Cash Balances, December 31</i>	\$ 2,461,033

See accompanying notes to the financial statements

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 1 - Reporting Entity**

The Village of West Jefferson (the Village), Madison 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 seven-member Council directs the Village. The Village provides water and sewer utilities, pool and park operations, and police services.

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

**Note 2 - Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Park Development Fund*** The park development fund accounts for and reports fines, licenses and permits revenue that are restricted to fund the park.

***Tax Increment Equivalent Funds*** The tax increment equivalent funds receive tax increment financing money to fund public infrastructure improvements.

***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:

***Capital Projects Fund*** The capital projects fund accounts for and reports proceeds from the General Fund along with grant funds. The proceeds are restricted for Village wide capital improvements.

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



**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

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

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

**Sanitation Fund** The sanitation fund receives charges for services from residents to cover trash collection service costs.

**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 hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government.

The Village's has a custodial fund to account for fire loss claims as described in Ohio Revised Code Section 3929.86. There was no activity or fund balance in 2023.

***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.

**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. Unencumbered appropriations lapse at year end.

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

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

A summary of 2023 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.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

The Village invests all available funds in interest-bearing checking accounts and STAR Ohio. Interest earned is recognized and recorded when received. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

***Capital Assets***

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

***Accumulated Leave***

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

***Fund Balance***

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

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

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

***Committed*** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

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

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. 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 13.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 3 - 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	\$ 9,025,987	\$ 9,441,342	\$ 415,355
Special Revenue	1,820,123	1,753,516	(66,607)
Capital Projects	2,187,642	2,203,031	15,389
Enterprise	3,796,689	3,926,902	130,213
Custodial	1,000	-	(1,000)
Total	\$ 16,831,441	\$ 17,324,791	\$ 493,350

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 11,686,737	\$ 9,821,327	\$ 1,865,410
Special Revenue	2,621,114	2,331,552	289,562
Capital Projects	1,848,796	1,795,235	53,561
Enterprise	4,726,487	4,052,663	673,824
Total	\$ 20,883,134	\$ 18,000,777	\$ 2,882,357

**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 deposits and investment accounts are as follows:

**Cash Management Pool:**

Demand deposits	\$ 1,284,212
Total deposits	\$ 1,284,212
STAR Ohio	\$ 7,514,365
Total investments	\$ 7,514,365
<b>Total carrying amount of deposits and investments held in Pool</b>	<b>\$ 8,798,577</b>

The Village does not use a separate payroll clearing account. The disbursements included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the Village is holding \$0 in unremitted employee payroll withholdings.

**Deposits**

Deposits are insured by the Federal Depository Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Investments**

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

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**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 1.0% 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 semi-monthly, monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**Note 6 - Interfund Balances**

***Advances***

No advances were made during 2023.

**Note 7 - Risk Management**

***Worker's Compensation***

Worker's Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

- . Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some 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 survivor and disability benefits.

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

***Ohio Police and Fire Retirement System***

The Village's Full-Time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. During 2023, OP&F participants contributed 12.25% of their wages. For 2023, the Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2023.

***Social Security***

Some of the Village's employees contribute 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 of the participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

**Note 9 - 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 expense 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 2023, 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 2023, 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.

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**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 10 – Debt**

Debt outstanding at December 31, 2023 was as follows:

	Principal	Interest Rate
OWDA - #4748	\$ 857,897	2.75%
OWDA - #6941	3,715,184	1.34%
OPWC - #CK07N	180,135	0.00%
OPWC - #CT51P	201,154	0.00%
OPWC - #CK22Q	418,779	0.00%
OPWC - #CK21R	260,000	0.00%
OWDA - #7805 (#6783 Rolled In)	4,970,185	2.78%/3.27%
SIB Loan	899,643	3.00%
OPWC - #CK40V	186,575	0.00%
OPWC - #CT60X	130,748	0.00%
OPWC - #CK24Z	49,166	0.00%
	\$ 11,869,466	

During 2007, the Village entered into a loan agreement with the Ohio Water Development Authority (OWDA) for OWDA Loan #4748 for the water plant improvement project. The original amount of the loan was \$2,131,847. The loan bears an interest rate of 2.75% with payments of \$92,410, including principal and interest.

During 2011, the Village entered into a loan agreement with the Ohio Public Works Commission (OPWC) for OPWC Loan #CK07N for a street reconstruction project. The original loan amount was \$400,300. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$10,008.

During 2013, the Village entered into a loan agreement with OPWC for OPWC Loan #CT51P various waterline replacements. The original loan amount was \$383,150. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$9,579.

During 2014, the Village entered into a loan agreement with OPWC for OPWC Loan #CK22Q for the wellfield and wastewater treatment plant improvement project. The original amount of the loan was \$600,001. The loan bears an interest rate of 0% with semi-annual installments of \$14,956.

During 2015, the Village entered into a loan agreement with OWDA for OWDA Loan #6941 for the wastewater treatment plant improvement project construction. The original amount of the loan was \$6,018,355. The loan bears an interest rate of 1.34% with semi-annual payments of \$156,176, including principal and interest.

During 2015, the Village entered into a loan agreement with OPWC for OPWC Loan #CK21R Westwood Estates Street Improvements. The original loan amount was \$400,000. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$10,000.

During 2017, the Village entered into a loan agreement with OWDA for OWDA Loan #7805 for the water plant improvements project. The original amount of the loan was \$5,275,855. OWDA Loan #6841, in the amount of \$70,184 was rolled into this loan. The loan bears an interest rate of 2.78%/3.27% and is to be paid back in semi-annual payments of \$134,963.

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 10 - Debt (Continued)**

During 2018, the Village entered into a loan agreement with the Department of Transportation of the State of Ohio for SIB Loan #180012 for widening and improving State Route 29. The original loan amount was \$1,036,180 (including capitalized interest of \$30,180). The loan bears an interest rate of 3.0% and is to be paid back in semi-annual installments of \$37,460.

During 2019, the Village entered into a loan agreement with OPWC for OPWC Loan #CT40V Walnut St & Fellows Ave Street Improvements. The original loan amount was \$219,500. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$5,488 beginning in July 2020.

During 2020, the Village entered into a loan agreement with OPWC for OPWC Loan #CT60X Lilly Chapel Road Reconstruction. The original loan amount was \$189,893. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$3,267 beginning in 2024.

During 2021, the Village entered into a loan agreement with OPWC for OPWC Loan #CK24Z Westchester Subdivision Street Improvement. The original loan amount was \$49,166. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments of \$983 beginning in 2023.

During 2023, the Village entered into a loan agreement with OPWC for OPWC Loan #CT33AA US Route 40 Water Transmission Main Replacement. The original loan amount was \$250,000. The loan bears an interest rate of 0% and is to be paid back in semi-annual installments, however, an amortization schedule has not yet been provided. As of December 31, 2023, \$0 has been disbursed.

**Amortization**

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

Year ending December 31:	OWDA # 4748	OWDA # 6941	OPWC # CK07N	OPWC # CT51P	OPWC # CK21R	OPWC # CK22Q
2024	\$ 184,821	\$ 312,351	\$ 20,015	\$ 19,157	\$ 20,000	\$ 29,913
2025	184,821	312,351	20,015	19,157	20,000	29,913
2026	184,821	312,351	20,015	19,158	20,000	29,913
2027	184,821	312,351	20,015	19,158	20,000	29,913
2028	184,821	312,351	20,015	19,158	20,000	29,913
2029-2033	-	1,561,757	80,060	95,788	100,000	149,565
2034-2037	-	937,054	-	9,578	60,000	119,649
<b>Total</b>	<b>\$ 924,105</b>	<b>\$ 4,060,566</b>	<b>\$ 180,135</b>	<b>\$ 201,154</b>	<b>\$ 260,000</b>	<b>\$ 418,779</b>

Year ending December 31:	OWDA # 7805	SIB LOAN # 180012	OPWC # CT40V	OPWC # CT60X	OPWC # CK24Z
2024	\$ 269,927	\$ 74,921	\$ 10,975	\$ 6,537	\$ 1,967
2025	269,927	74,921	10,975	6,537	1,967
2026	269,927	74,921	10,975	6,537	1,967
2027	269,927	74,921	10,975	6,537	1,967
2028	269,927	74,921	10,975	6,537	1,967
2029-2033	1,349,633	374,604	54,875	32,688	9,833
2034-2038	1,349,633	374,604	54,875	32,688	9,833
2039-2043	1,349,633	-	21,950	32,687	9,833
2044-2048	1,349,633	-	-	-	9,833
2049	269,927	-	-	-	-
<b>Total</b>	<b>\$ 7,018,094</b>	<b>\$ 1,123,813</b>	<b>\$ 186,575</b>	<b>\$ 130,748</b>	<b>\$ 49,166</b>

**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 11 - Contingent Liabilities**

The Village was two pending lawsuits. One is an administrative appeal which will have no impact on the Village's financial condition. The other case, although management cannot presently determine the outcome of this suit, management believes that the resolution of this matters will not materially adversely affect the Village's financial condition.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. 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 - Transfers**

During 2023, the following transfers were made:

	Transfers - In	Transfers - Out
General Fund	\$ -	\$ (2,260,000)
Special Revenue Funds:		
Street Fund	375,000	-
State Highway Fund	40,000	-
Park Development Fund	300,000	-
Capital Projects Funds:		
Capital Fund	775,000	-
Municipal Building Fund	500,000	-
Enterprise Funds:		
Swimming Pool Fund	215,000	-
Sanitation Fund	55,000	-
	\$ 2,260,000	\$ (2,260,000)

**Note 13 – Fund Balances**

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	Special Revenue	Capital Projects	Total
Outstanding Encumbrances	\$ 111,412	\$ 173,696	\$ 271,863	\$ 556,971
<i>Total</i>	\$ 111,412	\$ 173,696	\$ 271,863	\$ 556,971

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



**Village of West Jefferson**  
*Madison County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 14 – Restatement of Fund Cash Balance**

The Village increased their beginning fund cash position at January 1, 2023 in the general fund due to \$429 in voided checks from prior years, in the street construction maintenance and repair special revenue fund due to \$375 in a voided check from prior years, in the water operating enterprise fund due to \$375 in a voided check from prior years, in the sewer operating enterprise fund due to \$375 in a voided check from prior years, and the water deposit enterprise fund due to \$24 in a voided check from prior years . The effect of the adjustment on beginning fund cash balance is reflected in the chart below.

	12/31/2022 As Previously Reported	Correction 1	1/1/2023 As Restated
<b>Governmental Funds</b>			
General Fund	\$ 4,506,915	\$ 429	\$ 4,507,344
Special Revenue Funds	1,482,600	375	1,482,975
<b>Total Governmental Funds</b>	<u>\$ 5,989,515</u>	<u>\$ 804</u>	<u>\$ 5,990,319</u>
<b>Proprietary Funds</b>			
Enterprise Funds	\$ 2,314,157	\$ 774	\$ 2,314,931
<b>Total Proprietary Funds</b>	<u>\$ 2,314,157</u>	<u>\$ 774</u>	<u>\$ 2,314,931</u>

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**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 West Jefferson  
Madison County  
28 East Main Street  
West Jefferson, Ohio 43162

To the Members of the Village Council:

We have audited, in accordance with the 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 as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of the Village of West Jefferson, Madison County, Ohio, and have issued our report thereon dated June 25, 2025, wherein we noted the Village of West Jefferson followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

**Report on Internal Control over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village of West Jefferson’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

Village of West Jefferson

Madison 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*

**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 West Jefferson'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 West Jefferson's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.

June 25, 2025

**VILLAGE OF WEST JEFFERSON  
MADISON COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2024 AND 2023**

<b>Finding Number</b>	<b>Year Initially Occurred</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2022-001	2019	<u>Material Weakness - Financial Statement Presentation</u> – Management is responsible for preparing complete and accurate financial statements in accordance with the applicable financial reporting framework. There were adjustments made to the financial statements during the audit period, due to lack of proper policies and procedures.	Partially Corrected	Moved to Management Letter as adjustments are limited to reclassification.

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF WEST JEFFERSON**

**MADISON 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 9/2/2025**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

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