



**VILLAGE OF BOWERSTON  
HARRISON COUNTY**

**AGREED-UPON PROCEDURES AUDIT**

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

**OHIO AUDITOR OF STATE  
KEITH FABER**

A small, stylized outline map of the state of Ohio is positioned to the right of the text "OHIO AUDITOR OF STATE KEITH FABER".

# OHIO AUDITOR OF STATE KEITH FABER

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Bowerston  
Harrison County  
P.O. Box 262  
Bowerston, Ohio 44695

We have performed the procedures enumerated below on the Village of Bowerston, Harrison County, Ohio (the Village), receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2024 and 2023 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Village. The Village is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2024 and 2023 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village.

The Village Council, Mayor and the management of the Village have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Village's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2024 and 2023, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

### Cash and Investments

1. We recalculated the December 31, 2024 and December 31, 2023 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2023 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2022 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2024 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2023 balances in the Fund Ledger Report. We found no exceptions.

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**Cash and Investments (Continued)**

3. We agreed the 2024 and 2023 bank reconciliation adjusted UAN Balances and Adjusted Bank Balances as of December 31, 2024 and 2023 to the total fund cash balances reported in the Fund Status Report and the financial statements filed by the Village in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2024 bank account balances with Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2024 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2024 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement, and noted 3 checks were still outstanding, which ranged from 1 year to 13 years old, that had not yet cleared the bank.
  - b. We traced the amounts and dates to the check register and determined the debits were dated prior to December 31. We found no exceptions.
6. We inspected investments held at December 31, 2024 and December 31, 2023 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We found no exceptions.

**Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a total of 5 receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Listing (DTL), and the County Cross-Reference Report for 2024 and a total of 5 from 2023:
  - a. We compared the amount from the above named reports to the amount recorded in the Receipt Register Detail Report. The amounts agreed.
  - b. We inspected the Receipt Register Detail Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code §§ 5705.05 and 5705.10. We noted 1 Disaster Relief Program Grant receipt that was posted 100% to the General Fund instead of a portion being posted to the Street Construction, Maintenance and Repair, Parks and Recreation and Water Operating Funds in the amounts of \$1,678, \$758, and \$510, respectively. We brought this to management's attention. They corrected the fund balances for this item. However, because we did not inspect all receipts, our report provides no assurance regarding whether or not other similar errors occurred.
  - c. We inspected the Receipt Register Detail Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the AWB Receipt Report to determine whether it included two real estate tax receipts for 2024 and 2023. The AWB Receipt Report included the proper number of tax receipts for each year. We found no exceptions.

**Property Taxes, Intergovernmental and Other Confirmable Cash Receipts (Continued)**

3. We confirmed the individual amounts paid from the Ohio Department of Public Safety Permissive Tax to the Village during 2024 and 2023. We found no exceptions.
  - a. We inspected the AWB Receipt Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We inspected the AWB Receipt Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

**Income Tax Receipts**

1. We compared the allocation of income tax receipts for the years ended December 31, 2024 and 2023 to the Village's funds according to the allocation requirements of Ordinance No. 235. The allocation agreed with the percentages the Ordinance requires.
2. We selected 5 income tax returns filed during 2024 and 5 from 2023.
  - a. We compared the payment amount recorded on the tax return to the amount recorded on the Daily Payment Journal. The amounts agreed.
  - b. We compared the Daily Payment Journal total from procedure a. to the amount recorded as income tax receipts in the AWB Receipts Report for that date. The amounts agreed.
  - c. We compared the date of the receipts to the date the receipts were posted in the AWB Receipts Report to determine whether the receipts were recorded in the year received. We found no exceptions.
  - d. We obtained the original income tax ordinance which set the rate and effective period. The original ordinance was dated 11/20/1980. We determined there were no additional (council or voter) approved amendments to the original ordinance. We agreed the most recent approved rate to the rate used on the income tax return. We found no exceptions.
3. We selected all income tax refunds from 2024 and all from 2023.
  - a. We compared the refund paid from AWB Payment Report to the refund amount requested in the tax return. The amounts agreed.
  - b. We observed the approval by Income Tax Administrator on each of the refunds. We found no exceptions.
  - c. We observed the refunds were paid solely from the General Fund, instead of 10% being paid from the Other Capital Projects Fund in the amount of \$52. We brought this to management's attention. They corrected the fund balances for these items.

**Other Receipts**

We selected 10 other receipts from the year ended December 31, 2024 and 10 other receipts from the year ended 2023 and:

- a. Agreed the receipt amount recorded in the AWB Receipts Report to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the AWB Receipts Report to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

#### **Water and Sewer Fund**

1. We selected 10 Water and Sewer Fund collection cash receipts from the year ended December 31, 2024 and 10 Water and Sewer Fund collection cash receipts from the year ended 2023 recorded in the AWB Receipts Report and determined whether the:
  - a. Receipt amount per the AWB Receipts Report agreed to the amount recorded to the credit of the customer's account in the Daily Cash Receipts Journal. The amounts agreed.
  - b. Amount charged for the related billing period:
    - i. Agreed with the debit to accounts receivable in the Daily Cash Receipts Journal for the billing period. We found no exceptions.
    - ii. Complied with rates in force during the engagement period multiplied by the consumption amount recorded for the billing period. We found no exceptions.
  - c. Receipt was posted to the proper funds and was recorded in the year received. We found no exceptions.
2. We observed the Aged Customers Balance Report.
  - a. This report listed \$4,260 and \$2,179 of accounts receivable as of December 31, 2024 and 2023, respectively.
  - b. Of the total receivables reported in the preceding procedure, \$2,469 and \$893 were recorded as more than 90 days delinquent.
3. We observed the Daily Cash Receipts Journal.
  - a. This report listed a total of \$2,576 and \$5,011 non-cash receipts adjustments for the years ended December 31, 2024 and 2023, respectively.
  - b. We selected 5 non-cash adjustments from 2024 and 5 non-cash adjustments from 2023, and observed that the Village Administrator approved each adjustment.

#### **Debt**

1. From the prior agreed-upon procedures workpapers, we observed bonds and loans were outstanding as of December 31, 2022. These outstanding balances are included in the "Summary Debt Table - Carry Forward Balance" column in the summary chart in procedure 3.
2. We inquired of management and inspected the AWB Receipts Report and AWB Payments Report for evidence of debt issued during 2024 or 2023 or debt payment activity during 2024 or 2023. We included the newly issued debt for 2024 and 2023 in the Summary Debt table below.
3. From the summary of outstanding debt for 2024 and 2023 below:
  - a. We agreed the principal and interest payments from the related debt amortization schedules or loan detail report to the General, Sewer Operating, and Enterprise Debt Service Fund payments reported in the AWB Payment Report and included the total principal payments for both years in the table below. We found one debt payment that was paid from the Enterprise Debt Service Fund instead of the General Fund in the amount of \$1,901. We brought this to management's attention. They corrected the fund balances for these items.
  - b. We compared the date the debt service payments were due to the date the Village made the payments. We found no exceptions.
  - c. Based on the principal payments made, we agreed the outstanding balances to debt amortization schedule or loan detail report and included the outstanding balances in the summary table below. We found no exceptions.
  - d. For any outstanding debt listed in the table below, we obtained the debt agreements and confirmed the Village was in compliance with its debt covenants. The Village did not have any debt covenants that would result in modification of terms or cancellation of the debt.

**Debt (Continued)**

<b>Summary Debt Table</b>					
<b>Debt Issued</b>	<b>Carry Forward Balance 1/1/2023</b>	<b>New Issue 2023</b>	<b>New Issue 2024</b>	<b>Total Principal Payments 2023/2024</b>	<b>Outstanding Balance 12/31/2024</b>
OWDA 4622	\$35,328	\$0	\$0	\$13,233	\$22,095
OWDA 9493	\$178,000	\$101,025	\$126,475	\$121,650	\$283,850
OWDA 9965	\$175,760	\$95,458	\$71,457	\$16,446	\$326,229
OWDA 10059	\$0	\$134,888	\$0	\$130,595	\$4,293
USDA Equipment Bond	\$16,500	\$0	\$0	\$2,900	\$13,600

4. For any new debt identified in procedure 2 and added to the table in procedures 3, we agreed the amount of debt proceeds received for 2024 and 2023 from the debt documents to amounts recorded in the Water Operating and Sewer Operating funds per the AWB Receipts Report. During 2023, we noted loan proceeds in the amount of \$7,550 that were posted to Sewer Operating Fund instead of Water Operating Fund. We brought this to management's attention. They corrected the fund balances for this item.
5. For new debt issued during 2024 and 2023, we inspected the debt legislation, which stated the Village must use the proceeds on water and sewer projects. We inspected the AWB Payments Report and observed the Village paid for ongoing water and sewer projects throughout 2024 and 2023. We found no exceptions.

**Payroll Cash Disbursements**

1. We selected 1 payroll check for 5 employees from 2024 and 1 payroll check for 5 employees from 2023 from the Wage Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). No exceptions were noted in 2023. However, in 2024, we found one instance where an employee's pay rate was not approved in the minutes or by ordinance / resolution.
  - b. We inspected the fund and account codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files and minute record. We found no exceptions.
  - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We selected all new employees and Council Members from 2024 and all new employees and Council Members from 2023 and:
  - a. We inspected the employees' and Council Members' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
  - b. We agreed the items in a above to the Employee General Information Report
We found no exceptions.
3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2024 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2024. We observed the following:



#### Payroll Cash Disbursements (Continued)

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2025	December 31, 2024	\$1,830.38	\$1,830.38
State income taxes	January 15, 2025	December 31, 2024	\$245.62	\$245.62
OPERS retirement	January 30, 2025	December 31, 2024	\$3,265.01	\$3,265.01
Village Income Tax	January 31, 2025	December 31, 2024	\$753.35	\$753.35

We found no exceptions.

#### Non-Payroll Cash Disbursements

We selected 10 disbursements from the AWB Payments Report for the year ended December 31, 2024 and 10 from the year ended 2023 and determined whether:

- The disbursements were for a proper public purpose. We found no exceptions.
- The check number, date, payee name and amount recorded on the canceled check and ACH payment agreed to the check number, date, payee name and amount recorded in the AWB Payments Report and to the names and amounts on the supporting invoices. We found no exceptions.
- The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
- The Fiscal Officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code § 5705.41(D). We found 1 instance in 2023 where the certification date was after the invoice date, and there was no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code § 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

#### Compliance – Budgetary

- Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus contract commitments including outstanding encumbrances) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2024 and 2023 for the General, Street Construction, Maintenance and Repair, and State Highway Funds as recorded in the Appropriation Status Report. Expenditures did not exceed appropriations.
- We inspected the Cash Summary by Fund Report for the years ended December 31, 2024 and 2023 for negative cash fund balance. Ohio Rev. Code § 5705.10(I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. There were no funds having negative cash fund balances.

#### Sunshine Law Compliance

- We obtained and inspected the Village's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.

**Sunshine Law Compliance (Continued)**

2. We performed the following:
  - a. We inquired with Village management and determined that the Village did not have any completed public records requests during the engagement period.
  - b. The Village did not have any denied public records requests during the engagement period.
  - c. The Village did not have any public records requests with redactions during the engagement period.
3. We inquired whether the Village had a records retention schedule and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the Village's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the Village's poster describing their Public Records Policy was displayed conspicuously in all branches of the Village as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with Village management and determined that the Village did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inspected proof of attendance and determined whether each elected official in accordance with Ohio Rev. Code § 149.43(E)(1) (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office as required by Ohio Rev. Code § 109.43(B). We noted that two council members did not attend training before their term ended.
9. We inspected the public notices for the public meetings held during the engagement period and determined the Village notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
  - a. Prepared – a file is created following the date of the meeting
  - b. Filed – placed with similar documents in an organized manner
  - c. Maintained - retained, at a minimum, for the engagement period
  - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
  - a. Executive sessions were only held at regular or special meetings.
  - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.



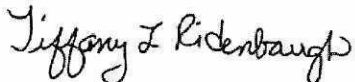
### Other Compliance

1. Ohio Rev. Code § 117.38 requires villages to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Village filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2024 and 2023 in the Hinkle system. We found no exceptions.
2. We inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the clerk obtained the training required by Ohio Rev. Code §§ 507.12 and 733.81. The Fiscal Officer obtained the required training.

We were engaged by the Village to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Village and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

KEITH FABER  
Ohio Auditor of State



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

September 12, 2025