

***VILLAGE OF GENEVA-ON-THE-LAKE***

***ASHTABULA COUNTY***

Agreed Upon Procedures

For the Years Ended December 31, 2020 and 2019





OHIO AUDITOR OF STATE  
KEITH FABER



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Village Council  
Village of Geneva-on-the-Lake  
4929 South Warner Drive  
Geneva, Ohio 44041

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Village of Geneva-on-the-Lake, Ashtabula County, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2019 through December 31, 2020. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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 Geneva-on-the-Lake is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

July 07, 2021

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***Village of Geneva-on-the-Lake***  
***Ashtabula County***  
For the Years Ended December 31, 2020 and 2019

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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Village of Geneva-on-the-Lake  
Ashtabula County  
4929 S. Warner Drive  
Geneva, Ohio 44041

We have performed the procedures enumerated below, which were agreed to by the Village Council, Mayor and the management of the Village of Geneva-on-the-Lake, Ashtabula County (the Village) and the Auditor of State, on the receipts, disbursements and balances recorded in the Village's cash basis accounting records for the years ended December 31, 2020 and 2019 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, 2020 and 2019 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village. The sufficiency of the procedures is solely the responsibility of the parties specified in this 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.

This report only describes exceptions exceeding \$10.

**Cash and Investments**

1. We recalculated the December 31, 2020 and December 31, 2019 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2019 beginning fund balances recorded in the Fund Status Report to the December 31, 2018 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2020 beginning fund balances recorded in the Fund Status Report to the December 31, 2019 balances in the Fund Status Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2020 and 2019 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 observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the observed balances to the amounts appearing in the December 31, 2020 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2020 bank reconciliation:
  - a. We traced each debit to the subsequent January and February bank statements. We found no exceptions.
  - b. We traced the amounts and dates to the check register and determined the debits were dated prior to December 31. There were no exceptions.

6. We selected all three reconciling credits (such as deposits in transit) from the December 31, 2020 bank reconciliation:
  - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
  - b. We agreed the credit amounts to the Receipt Export Report and determined they were dated prior to December 31. We found no exceptions.
7. We traced interbank account transfers occurring in December of 2020 and 2019 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.
8. We inspected investments held at December 31, 2020 and December 31, 2019 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

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

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Listing (DTL), and the County Auditor DTLs for 2020 and a total of five from 2019:
  - a. We compared the amount from the above-named reports to the amount recorded in the Receipt Export Report. The amounts agreed.
  - b. We inspected the Receipt Export Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We inspected the Receipt Export 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 Receipt Export Report to determine whether it included two real estate tax receipts for 2020 and 2019. The Receipt Export Report included the proper number of tax receipts for each year.

#### **Income Tax Receipts**

1. We obtained the February 2019, September 2019, April 2020, and July 2020 Gross Income reports submitted by the Central Collection Agency, the agency responsible for collecting income taxes on behalf of the Village. We agreed the total gross income taxes per month to the Village's Receipt Export Report. The amounts agreed.

#### **Other Receipts**

We selected 10 other receipts from the year ended December 31, 2020 and 10 other receipts from the year ended December 31, 2019 and:

- a. Agreed the receipt amount recorded in the Receipt Export 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 Receipt Export Report to determine the receipt was posted to the proper funds and was recorded in the proper year. We found no exceptions.



**Sewer Fund**

1. We obtained the October 2019, November 2019, March 2020, and October 2020 Reimbursement Requests submitted by the Ashtabula Department of Environmental Services, the organization responsible for collecting utility payments on behalf of the Village. We agreed the gross utilities per month to the Village's Receipt Export Report. The amounts agreed.

**Debt**

1. From the prior audit documentation, we observed the following bonds, notes, and loans were outstanding as of December 31, 2018. These amounts agreed to the Village's January 1, 2019 balances on the summary we used in procedure 3, except for the 2018 Cruisers Note, which was stated at \$51,370 in the summary used in procedure 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2018:</b>
OWDA New Plant #7110	\$2,816,238
OWDA New Plant #4291	\$116,506
OPWC WWTP Pump #CG16E	\$11,419
OPWC Sani Rehab #CG82D	\$4,751
OPWC Outfall #CT17G	\$27,563
OPWC Sewer Press #CG05N	\$116,117
OPWC New Plant #CT19S	\$500,000
OPWC New Street #CG58T	\$99,522
Golf Course Bonds	\$395,000
S.S. Bldg Series C	\$74,500
S.S. Bldg Series c	\$35,500
S.S. Bldg Series A	\$406,200
General Obligation Notes- 2015 Cruisers	\$7,594
General Obligation Notes- 2018 Cruisers	\$50,870
General Obligation Notes- Linda Dr. Paving	\$3,165
General Obligation Notes- SIB Loan	\$73,435
General Obligation Notes- Backhoe	\$34,999

2. We inquired of management and inspected the Receipt Export Report and Payment Export Report for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of bonds, notes, loans and lease debt activity for 2020 and 2019 and agreed principal and interest payments from the related debt amortization schedules to debt service fund payments reported in the Payment Export Report. We also compared the date the debt service payments were due to the date the Village made the payments. For 2019, we found that for payments on the General Obligation Note – 2018 Cruisers, the Village made the correct payments per the amortization schedule but posted the principal as \$590 higher and the Interest and Fiscal charges as \$590 lower. For 2020, we found two interest payments which differed from the amortization schedules. For the S. S. Building Bond, the Village paid interest of \$21,088 while the amortization schedule required \$21,146, which is due to an early payment for a holiday; for its Lake Road Paving Note (new in 2019), the Village paid \$1,109 while the amortization schedule required \$1,040.

4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Other Capital Projects - Streets Fund and the General Fund per the Receipt Export Report. The amounts agreed. In 2020, the Village recorded bond proceeds of \$25,000 in the General Fund, which is not in compliance with Ohio Rev. Code Section 5705.09(E).
5. For new debt issued during 2020 and 2019, we inspected the debt legislation, which stated the Village must use the proceeds to for a paving project and to purchase police cruisers. We inspected the Payment Export Report and observed the Village paid for a paving project in December 2019 and purchased police cruisers in September 2020.

**Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2020 and one payroll check for five employees from 2019 from the payroll journal and:
  - a. We compared the hours and pay rate, or salary recorded in the payroll journal to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - 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/or minute records. We found no exceptions.
  - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2020 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 2020. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2021	January 6, 2021	\$3,165.44	\$3,165.44
State income taxes	January 15, 2021	January 14, 2021	\$1,458.00	\$1,458.00
Village of Geneva-on-the-Lake income tax	January 15, 2021	January 14, 2021	\$356.21	\$356.21
OPERS retirement	February 1, 2021	January 29, 2021	\$8,386.13	\$8,386.13
OP&F retirement	January 31, 2021	January 19, 2021	\$3,669.00	\$3,669.00

**Non-Payroll Cash Disbursements**

1. We selected 10 disbursements from the Payment Export Report for the year ended December 31, 2020 and 10 from the year ended December 31, 2019 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Export Report and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. 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.

- d. The fiscal officer certified disbursements requiring certification or issued a Then and Now Certificate, as required by Ohio Rev. Code Section 5705.41(D). We found one instance where the certification date was after the vendor invoice date, and there was also no evidence that a Then and Now Certificate was issued. Ohio Rev. Code Section 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.

### **Mayors Court Transactions and Cash Balances**

1. We recalculated the December 31, 2020 and December 31, 2019 bank reconciliations. We found no exceptions.
2. We compared the reconciled cash totals as of December 31, 2020 and December 31, 2019 to the Mayor's Court Fund balance reported in the Cash Summary by Fund Reports. The balances agreed.
3. We confirmed the December 31, 2020 bank account balance through the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2020 bank reconciliation without exception.
4. We selected five cases from the court cash book and agreed the payee and amount posted to the:
  - a. Duplicate receipt book.
  - b. Docket, including comparing the total fine paid to the judgment issued by the judge (i.e. mayor).
  - c. Case file.The amounts recorded in the cash book, receipts book, docket and case file agreed.
5. From the cash book, we selected one month from the year ended December 31, 2020 and one month from the year ended December 31, 2019 and determined whether:
  - a. The monthly sum of fines and costs collected for those months agreed to the amounts reported as remitted to the Village, State or other applicable government in the following month. We found no exceptions.
  - b. The totals remitted for these two months per the cash book agreed to the returned canceled checks. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the cash book.

### **Compliance – Budgetary**

1. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2020 and 2019 for the General Fund, Sewer Operating Fund, and Park Enterprise Fund, as recorded in the Appropriation Status Report. We observed no funds for which expenditures exceeded appropriations.
2. We inspected the 5 largest interfund transfers from 2020 and 2019 from the Interfund Transfer Report for compliance with Ohio Rev. Code Sections 5705.14 - .16. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner.

3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2020 and 2019 for negative cash fund balance. Ohio Rev. Code Section 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**

1. 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.
2. We selected five public records requests from the engagement period and inspected each request to determine the following:
  - a. The Village was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). We found no exceptions.
  - b. The Village did not have any denied public records requests included in our selection for the engagement period.
  - c. The Village was redacting records and making the redactions visible, and provided an explanation which included the legal authority to the requester as required by Ohio Rev. Code § 149.43(B)(1) and 149.43(B)(3). We found no exceptions.
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) and 149.43(B)(3). 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 not included in the manual as required by Ohio Rev. Code § 149.43(E)(2).
6. We inquired of management to determine 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 individual training certificates 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 found no exceptions.
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:
- Prepared – a file is created following the date of the meeting
  - Filed – placed with similar documents in an organized manner
  - Maintained - retained, at a minimum, for the engagement period
  - 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:
- Executive sessions were only held at regular or special meetings.
  - The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
  - Formal governing board actions were adopted in open meetings.

We found no exceptions.

### **HB 481 / HB 614 Coronavirus Relief Fund (CRF) Compliance**

1. We inquired of management and those charged with governance and documented how the Village decided to spend their CRF allocations and how the Village evaluated and documented their compliance with the CARES Act three-prong test. We then selected five non-payroll transactions and determined the Village:
- Spent the CRF money (including additional distributions or redistributions) in accordance with use of funds requirements and
  - Maintained appropriate supporting documentation.

We found no exceptions.

2. We inquired with management and inspected the Appropriation Status Report to determine the local government did not have an unencumbered balance of money to pay back to the county treasurer. We found no exceptions.

### **Other Compliance**

1. Ohio Rev. Code Section 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. The 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 the Auditor of State established policy within the allotted timeframe for the years ended December 31, 2020 and 2019 in the Hinkle system. There were no exceptions.
2. We inquired of the fiscal officer to determine whether the fiscal officer obtained the training required by Ohio Rev. Code Section 507.12 and 733.81. The fiscal officer obtained the required training.
3. For all credit card accounts we obtained:
- copies of existing internal control policies,
  - a list of authorized users, and
  - a list of all credit card account transactions.
- a. We inspected the established policy obtained above and determined it is:
- in compliance with the HB 312 statutory requirements, and
  - implemented by the entity.

We found no exceptions.

- b. We selected 1 credit card transaction from each account for testing. For selected transactions we inspected documentation to determine that:
- i. Use was by an authorized user within the guidelines established in the policy, and
  - ii. Each transaction was supported with original invoices and for a proper public purpose.

We found no exceptions.

- c. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
- i. No unpaid beginning balance was carried forward to the current billing cycle,
  - ii. Ending statement balance was paid in full, and
  - iii. Statement contained no interest or late fees.

We found that the Village paid \$25 in fees and interest on one of the statements. This amount was repaid by the employee responsible for incurring the penalty, as required by the Village policy.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, 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.

This report is to provide 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, 2020 and 2019, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



**Charles E. Harris and Associates, Inc.**  
May 27, 2021

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF GENEVA-ON-THE LAKE**

**ASHTABULA 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 7/20/2021**

88 East Broad Street, Columbus, Ohio 43215  
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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)