



OHIO AUDITOR OF STATE
KEITH FABER



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Village of Summerfield
Noble County
310 West Cross Street
Summerfield, Ohio 43788

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Village of Summerfield, Noble County, Ohio (the Village), for the years ended December 31, 2020 and 2019.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2020 and 2019.

The Village's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we the following significant compliance or accounting issues to report.

Current Year Observations

1. We noted deposits of property taxes, local government and House Bill 49 and auto registration receipts were not made timely during 2019. **Ohio Rev. Code § 9.38** provides in part, all public monies received shall be deposited with the treasurer of the public office or designated depository on the business day next following the day of receipt, if the total amount of such monies received exceeds \$1,000. If the total amount of public moneys so received does not exceed \$1,000, the person shall deposit the moneys on the business day next following the day of receipt, unless the public office adopts a policy permitting a different time period, not to exceed three business days next following the day of receipt, for making such deposits, and the person is able to safeguard the moneys until such time as the moneys are deposited. The policy shall include provisions and procedures to safeguard the public monies until they are deposited. The Village should draft, approve, and implement policies and procedures to help ensure timely depositing of public monies.
2. We noted the Mayor did not attend public records training for her term ending December 31, 2019. **Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1)** require all state and local elected officials, or their designees, to attend 3 hours of training on Ohio's Public Records Laws during each term of office. The elected officials, or their designee(s), should, during their term of office, attend public records training and maintain proof of completion of the training.
3. We noted that the Village has not adopted a public records policy or adopted a formal records retention schedule in accordance with **Ohio Rev. Code § 149.43**. The Village should establish a public records policy and a records retention schedule in accordance with the aforementioned Ohio Revised Code.

Current Year Observations (Continued)

4. **Ohio Rev. Code § 733.81(C)** states a newly elected or appointed fiscal officer shall complete at least six hours of initial education programs before commencing, or during the first year of, office. Also, **Ohio Rev. Code § 733.81(D)(1)** states in addition to the six hours of initial education required under division (B) of this section, a newly elected or appointed fiscal officer shall complete at least a total of eighteen continuing education hours during the fiscal officer's first term of office. We noted the prior Fiscal Officer did not complete the requirements of the fiscal integrity act. The Fiscal Officer should attend the required training
5. We noted an auto registration receipt and homestead and rollback receipts were posted to improper funds during 2020. **Ohio Rev. Code § 5705.10(D)** provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose. The Permissive Motor Vehicle License Tax Fund and General Fund should be reduced by \$203 and \$151, respectively, and the Street Construction, Maintenance and Repair Fund, State Highway Fund and Fire Fund should be increased by \$188, \$15 and \$151, respectively. The Village has made this adjustment.
6. We noted real estate taxes, local government and house bill 49 receipts, auto registration receipts, homestead and rollback receipts and permissive auto registration receipts were posted to improper funds during 2019. **Ohio Rev. Code § 5705.10(D)** provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose. The Street Construction, Maintenance and Repair Fund should be decreased by \$10,574 and the General Fund, State Highway Fund, Permissive Motor Vehicle License Tax Fund and Fire Levy Fund should be increased by \$8,227, \$116, \$541 and \$1,690, respectively. The Village has made this adjustment.
7. We noted gasoline excise taxes were not allocated properly between the Street Construction, Maintenance and Repair Fund at 92.5% and the State Highway Fund at 7.5% during 2019. **Ohio Rev. Code § 5735.28** provides wherever a municipal corporation is on the line of the state highway system as designated by the director of transportation as an extension or continuance of the state highway system, seven and one-half per cent of the amount paid to any municipal corporation pursuant to **Ohio Rev. Code §§ 4501.04 and 5735.27** shall be paid into the State Highway Fund. The Street Construction, Maintenance and Repair Fund should be decreased by \$856 and the State Highway Fund should be increased by \$856. The Village has made this adjustment.
8. We noted \$82 in federal taxes withheld and \$347 in Medicare withheld that were not remitted in 2020 for the employee and employer share of these taxes. **Section 278, Public Law 97-248, H. R. 4961** states that Medicare should be deducted from employees' compensation for all employees hired after March 31, 1986. Furthermore, employers are liable for reporting and remitting these taxes. **26 U.S.C. § 3402(a)(1)** states in general, except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary. **26 U.S.C. § 3403** states that the employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter, and shall not be liable to any person for the amount of any such payment. The Village remitted \$429 to the Internal Revenue Service in April 2021.
9. In 2019, we noted property tax settlements were posted at net instead of gross. The Village Officer's Handbook provides tax settlements (including real, personal, manufactured home, and homestead and rollback) should be recorded at gross. The Village should post property tax settlements at gross.

Current Year Observations (Continued)

10. In 2019, we noted \$1,893 deposited in the bank and posted to the Revenue Receipt Ledger; however, there was no documentation to support the receipt was posted to the correct fund and whether it was posted in a timely manner and in the proper period. The Village should maintain supporting documentation for all of the Village's receipts.



Keith Faber
Auditor of State
Columbus, Ohio

October 4, 2021

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF SUMMERFIELD

NOBLE 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 10/14/2021

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This report is a matter of public record and is available online at
www.ohioauditor.gov