



**VILLAGE OF CHAUNCEY
ATHENS COUNTY**

**AGREED-UPON PROCEDURES
FOR THE YEARS ENDED DECEMBER 31, 2023 - 2022**



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Columbus, Ohio 43215
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Village Council
Village of Chauncey
PO Box 227
Chauncey, Ohio 45719

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Village of Chauncey, Athens County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2022 through December 31, 2023. 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 Chauncey is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

October 18, 2024

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**VILLAGE OF CHAUNCEY
ATHENS COUNTY**

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Chauncey
Athens County
PO Box 227
Chauncey, Ohio 45719

We have performed the procedures enumerated below on the Village of Chauncey, Athens County's (the Village) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 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, 2023 and 2022 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, 2023 and 2022, and certain compliance requirements related to these transactions and balances. Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. 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

1. We recalculated the December 31, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2022 beginning fund balances for each opinion unit recorded in the Cash Summary by Fund Report to the December 31, 2021 balances in the prior year audited statements. We found the General Fund varied by \$14,046, Special Revenue Funds varied by (\$23,326), Enterprise funds varied by \$9,279, and Custodial funds varied by \$10 causing a net variance of \$9 due to audit adjustments which were made incorrectly. An adjustment was made to the Village's accounting system to correct this. We also agreed the January 1, 2023 beginning fund balances for each fund recorded in the Cash Summary by Fund Report to the December 31, 2022 balances in the Cash Summary by Fund Report. We found no exceptions.

Cash (Continued)

3. We agreed the 2023 and 2022 bank reconciliation adjusted UAN Balances and Adjusted Bank Balances as of December 31, 2023 and 2022 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 varied by \$1,278 and \$1,558 due to Other Adjusting Factors in 2023 and 2022, respectively caused by audit adjustments that were made incorrectly and returned checks. Adjusting entries have been proposed to correct the prior audit adjustments.
4. We confirmed the December 31, 2023 bank account balances with the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2023 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2023 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found two of five checks in the amount of \$912.78 were over 90 days old had not cleared as of the date of this report. \$677 of this amount was due to other adjusting factors. An adjustment has been made to the accounting system to correct this.
 - 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 selected all reconciling credits (such as deposits in transit) from the December 31, 2023 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found 2 of the reconciling credits were due to other adjusting factors and a receipt that was voided in the system but remained on the bank reconciliation. Adjustments have been made to the accounting system to correct this.
 - b. We agreed the credit amounts to the Revenue Ledger and determined they were dated prior to December 31. We found no exceptions.
7. We inspected the Cash Summary by Fund to determine whether the Findings For Adjustment identified in the prior audit report due from the Street, Parks and Recreation, and Permissive Motor Vehicle License Tax funds, payable to the General, State Highway, and Mayor's Court funds, were properly posted to the ledgers and reflected in the fund balances in Procedure 2. We found these adjustments were made incorrectly in the system. An adjustment was made to the accounting system to correct this.

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 Auditor DTLs 2023 and a total of 5 from 2022:
 - a. We compared the amount from the above named reports to the amount recorded in the Revenue Ledger Report. We noted the 1st Half Settlement Sheet in 2022 was recorded to the Revenue Ledger Report at the net amount received as opposed to the gross amount.
 - b. We inspected the Revenue Ledger Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code §§ 5705.05 and 5705.10. We noted ARPA receipts were posted to the Sewer Operating Fund in 2023 and General Fund in 2022. Adjustments have been made to the accounting system to correct these errors.
 - c. We inspected the Revenue Ledger 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 Revenue Ledger Report to determine whether it included 2 real estate tax receipts for 2023 and 2022. The Revenue Ledger 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 total amount paid from the Ohio Water Development Authority to the Village during 2023 and 2022 with the Authority. We found no exceptions.
 - a. We inspected the Revenue Ledger Report to determine whether these receipts were allocated to the proper funds. We found that 2 receipts totaling \$74,328 in 2022 and 1 receipt for \$39,099 in 2023 were posted to the General Fund instead of the Sewer Operating Fund. Adjustments have been made to the accounting system to correct this.
 - b. We inspected the Revenue Ledger Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Other Receipts

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

- a. Agreed the receipt amount recorded in the Revenue Ledger 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 Revenue Ledger 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, 2023 and 10 Water and Sewer Fund collection cash receipts from the year ended 2022 recorded in the Revenue Ledger Report and determined whether the:
 - a. Receipt amount per the Revenue Ledger Report agreed to the amount recorded to the credit of the customer's account in the Billing Register. The amounts agreed.
 - b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the Billing Register 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, plus any applicable late penalties, plus unpaid prior billings. 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 Cutoff Accounts List.
 - a. This report listed \$3,134 and \$573 of accounts receivable as of December 31, 2023 and 2022, respectively.
 - b. Of the total receivables reported in the preceding procedure, \$2,817 and \$573 were recorded as more than 90 days delinquent.
3. We observed the Billing Period Report for 2023 and the Transaction History Report for 2022.
 - a. These reports listed a total of \$34,955 and \$21,185 non-cash receipts adjustments for the years ended December 31, 2023 and 2022, respectively.
 - b. We selected 5 non-cash adjustments from 2023 and 5 non-cash adjustments from 2022, and observed that the Village Administrator approved each adjustment.

Debt

1. From the prior audit documentation, we observed the following bonds and loans were outstanding as of December 31, 2021.
 - a. These amounts agreed to the Village's January 1, 2022 balances on the summary we used in procedure 3.
 - b. We inspected the debt's final offering documents for all outstanding debt, and we confirmed the Village does not have any debt covenants.

Issue	Principal outstanding as of December 31, 2021:
OPWC CR21A	10,573
OPWC CT68E	63,011
Water Systems Revenue Bond 1	3,000
Water Systems Revenue Bond 2	4,000
OWDA 3923	211,649
OWDA 4736	8,970
OWDA 5653	17,157
OWDA 9443	44,052

2. We inquired of management and inspected the Revenue Ledger Report and Appropriation Ledger Report for evidence of debt issued during 2023 or 2022 or debt payment activity during 2023 or 2022. We noted late payments in the amount of \$298. We also noted principal and interest payments were not properly split. The difference was \$218 in 2023 and \$36 in 2022.
3. We obtained a summary of bonds and loans debt activity for 2023 and 2022 and agreed principal and interest payments from the related debt amortization schedules to Water and Sewer Operating fund payments reported in the Appropriation Ledger. We also compared the date the debt service payments were due to the date the Village made the payments. We found payments to Ohio Water Development Authority were not always made on time, resulting in late fees being applied to the account.
4. We agreed the amount of debt proceeds received for 2023 and 2022 from the debt documents to amounts recorded in the Water Operating and Sewer Operating funds per the Revenue Ledger Report. The amounts differed by \$2,533 in 2023 and \$1,852 in 2022 due to capitalized interest from Ohio Water Development Authority loans. We also noted that intergovernmental revenue and principal retirement payments were not recorded for a loan which was forgiven by Ohio Water Development Authority in December of 2023.
5. For new debt issued during 2023 and 2022, we inspected the debt legislation and resolution / ordinance, which stated the Village must use the proceeds to sewer improvements. We inspected the Appropriation Ledger Report and observed the Village made sewer improvements throughout 2022 and 2023. We found no exceptions.

Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2023 and 1 payroll check for 5 employees from 2022 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). 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 minute record. We found no exceptions.
 - c. We confirmed the payment was posted to the proper year. We found no exceptions.

Payroll Cash Disbursements (Continued)

2. We selected 3 new employees and Council Members from 2023 and 3 new employees and Council Members from 2022 and:
 - a. We inspected the employees'/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, 2023 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 2023. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2024	January 16, 2024	\$1,017.87	\$1,017.87
State income taxes	January 31, 2024	January 16, 2024	\$191.02	\$191.02
Athens City School Income Taxes	January 31, 2024	January 16, 2024	\$76.86	\$76.86
OPERS retirement	January 30, 2024	January 16, 2024	\$2,495.03	\$2,495.03

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Appropriation Ledger for the year ended December 31, 2023 and 10 from the year ended 2022 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 Appropriation Ledger 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 § 5705.41(D). We found 15 instances where disbursements requiring certification were not certified and 4 instances 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 § 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

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus certified 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, 2023 and 2022 for the General, Parks and Recreation, and Permissive Motor Vehicle License Tax fund as recorded in the Appropriation Status Report. General and Parks and Recreation funds expenditures for 2023 exceeded total appropriations by \$80,348, \$28,963, respectively, due to the Village not filing appropriations with the County in 2023. We also noted the Parks and Recreation fund expenditures for 2022 exceeded total appropriations by \$10,938 contrary to Ohio Rev. Code § 5705.41(B).
2. We inspected the 5 largest interfund transfers from 2023 and the 5 largest from 2022 Cash Summary by Fund for compliance with Ohio Rev. Code §§ 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, 2023 and 2022 for negative cash fund balance. Ohio Rev. Code § 5705.10(l) 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. 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 inquired with Village management and determined that the Village did not have a policy manual during the engagement period therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
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.

Sunshine Law Compliance (Continued)

8. We inspected individual 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 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:
 - 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, 2023 and 2022 in the Hinkle system. We found no exceptions.

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.

Village of Chauncey
Athens County
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Applying Agreed-Upon Procedures
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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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

August 16, 2024

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF CHAUNCEY

ATHENS 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 11/7/2024

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