



OHIO AUDITOR OF STATE  
KEITH FABER

A small, thin-lined map of the state of Ohio is positioned to the right of the auditor's name, with the text "OHIO AUDITOR OF STATE" above it.





## BASIC AUDIT REPORT

Village of Milton Center  
Wood County  
22230 Defiance Street  
Milton Center, Ohio 43541

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 Milton Center, Wood County, Ohio (the Village) for the years ended December 31, 2024 and 2023.

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, 2024 and 2023.

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 found the following significant compliance or accounting issues to report.

### Current Year Observations

1. Sound accounting practices require accurately posting estimated receipts to the ledgers to provide information for budget versus actual comparison and to allow the Council to make informed decisions regarding budgetary matters.

The original certificate and amendments establish the amounts available for expenditures for the Village and the receipts ledger provides the process by which the Village controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

The Village did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The approved Certificate of Estimated Resources (and/or amendments thereof) was not posted to the accounting system.

Failure to accurately post the estimated resources to the ledgers could result in overspending and negative cash balances.

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Village should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and approved by the Council. The Village should then monitor budget vs. actual reports to help ensure amended certificates of resources have been properly posted to the ledgers.

2. Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Council and/ Mayor are responsible for reviewing the reconciliations and related support.

Monthly bank to book reconciliations were not reviewed each month of 2024 and 2023. Failure to reconcile monthly increases the possibility that the Village will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

We examined the bank reconciliation prepared as of December 31, 2024. It included reconciling items in the amount of \$7,866.16, which resulted in fund balances exceeding actual available cash by this amount. It was determined that these amounts were related to posting errors in the accounting system.

Additionally, the Village did not post the interest received for its STAR Ohio account, resulting in an understatement of revenue.

The Fiscal Officer should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Council should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

3. **Ohio Revised Code § 117.38** provides that each public office shall file a financial report for each fiscal year. The report shall be filed with the Auditor of State within sixty days after the close of the fiscal year. The Auditor of State may extend the deadline for filing a financial report and establish terms and conditions for any such extension.

The Village filed their annual report with the Auditor of State for the years ended December 31, 2024 and 2023 on April 7, 2025 and March 26, 2025, respectively. These filings were due March 3, 2025. and February 29, 2024. Failing to file by the due date could result in penalties of \$25 per day up to a maximum of \$750. Additionally, the financial information filed in both years did not include fund balances for the activity reported.

The Village should adopt control procedures to help ensure the Village files annual financial reports that include all activity within the sixty-day filing requirement.

4. **Ohio Rev. Code § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. Generally, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to **Ohio Rev. Code § 149.43(B)(7)(c)**, the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. "Commercial" is narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research.

**Ohio Rev. Code § 149.43(E)(2)** further requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook.

The Village has no formal written policy that would demonstrate compliance with the Ohio Revised Code. This could result in records requests not being fulfilled in accordance with Ohio law.

The Village should establish a public records policy. The policy should be distributed to the records custodian/manager and the Village should have a written acknowledgement of receipt from the records custodian/manager. In addition, a poster describing the public records policy should be conspicuously displayed in all of the Village's branch offices and the public records policy should be included in policy manuals or handbooks if any exist.

5. **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 training received must be certified by the Ohio Attorney General.

No elected officials within the Village attended a required Certified Training or had an appropriate designee attend the training as required by Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1), due to deficiencies in internal controls over public record laws training procedures and monitoring. This could result in improper education of public offices regarding the offices' duties related to public records requests as well as improper withholding of information from stakeholders.

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.

6. **Ohio Rev. Code § 733.81(D)(2)** provides that a fiscal officer who is elected to a subsequent term of office shall complete twelve hours of continuing education courses in each subsequent term of office.

The current Fiscal Officer did not obtain the required hours of continuing education programs during her subsequent term of office. This non-compliance occurred due to deficiencies in the Village's internal controls over continuing education compliance.

Failure to obtain and document the required training could result in the Fiscal Officer not being adequately trained and could result in subsequent recording and compliance errors due to insufficient training.

The Fiscal Officer should complete the required continuing education program hours. Training hours should be reported to the Auditor of State's Fiscal Integrity Act portal.

7. **26 U.S.C. § 3102** states that Medicare taxes 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 withheld but did not remit Medicare taxes and social security withholdings in the amounts of \$221.03 and \$51.71, respectively, for the year ended December 31, 2024.

The Village should remit payments to the Internal Revenue Service in a timely manner.

This matter will be referred to the Internal Revenue Service.

8. **Ohio Rev. Code § 5747.07** requires an employing government to remit taxes which it withheld pursuant to Ohio Rev. Code § 5705.06 (including the state payroll tax) to the appropriate authority. It also requires the employing government to report compensation paid and taxes withheld to the tax commissioner and to each of its own employees by January 31 of each year.

The Fiscal Officer did withhold the required state payroll taxes for both 2024 and 2023; however, there is no evidence the Village paid the taxes in 2024 in accordance with the applicable schedule prescribed by Ohio Rev. Code § 5747.07 or submitted the annual reports to the tax commissioner and/or relevant employees by January 31, 2025. Failure to file, pay, and/or report the withholdings could result in liabilities, penalties, and interest levied against the Village.

The Fiscal Officer should remit payment in accordance with applicable law and/or file the required reports when completing the last payroll of the year to avoid interest and penalties.

This matter will be referred to the Ohio Department of Taxation

**Current Status of Matters Reported in our Prior Engagement**

In addition to items 1, 2, 3, 4, 5, and 6 noted above, our prior audit for the years ended December 31, 2022 and 2021 included a finding for recovery of \$3,000 against the fiscal officer for public monies illegally expended. The June 2025 bank statement recorded the fiscal officer's repayment of this amount on June 30, 2025.

KEITH FABER  
Ohio Auditor of State



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

December 19, 2025

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# OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF MILTON CENTER

WOOD 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 1/8/2026

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