



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash  
11117 Kenwood Road  
Blue Ash, Ohio 45242-1817  
(513) 361-8550 or (800) 368-7419  
SouthwestRegion@ohioauditor.gov

Richmond Dale Sewer District  
Ross County  
Richmond Dale, Ohio 45673

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Richmond Dale Sewer District, Ross County, (the District) for the years ended December 31, 2019 and 2018.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 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. Ohio Rev. Code § 149.43(E)(2) provides the public office shall create a poster describing their public records policy and shall post it in a conspicuous place in all public locations of that public office.  
A poster describing the Sewer District's public records policy was not posted in a conspicuous place in the Sewer District's public office.  
We recommend the Sewer District prepare a poster of the public records policy and post it in a conspicuous place in the Sewer District's public office.
2. The District did not file an annual report with the Auditor of State within 60 days of the fiscal year end for 2019 and 2018. Ohio Revised Code Section 117.38 states that cash-basis entities must file annual reports with the Auditor of State within 60 days of the fiscal year end.
3. The District's accounting system did not allow for integration of budget information. Budgeted amounts of receipts and disbursements integrated into the District's accounting system would allow for meaningful comparisons between the budgeted and actual figures. If budgetary integration is not feasible, the District should document its manual monitoring of budgetary status on the reports.
4. General Fund disbursements of \$87,176 exceeded appropriations by approximately \$15,522 for the year ended December 31, 2019. Ohio Rev. Code Section 5705.41(B) prohibits a subdivision or taxing unit from expending money unless it has been appropriated. Budgetary expenditures enacted by the District may not exceed appropriations at the legal level of control for all funds.
5. The District did not pay state tax withholdings timely in 2019. State taxes for fiscal year 2019 were paid January 27, 2020 but were due January 15, 2020.

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

1. The District did not file an annual report with the Auditor of State within 60 days of the fiscal year end for 2017 and 2016. Ohio Rev. Code Section 117.38 states that cash-basis entities must file annual reports with the Auditor of State within 60 days of the fiscal year end. The District did not correct this matter during 2019 and 2018 as noted in Item 2 above in Current Year Observations.
2. The District's accounting system did not allow for integration of budget information. Budgeted amounts of receipts and disbursements integrated into the District's accounting system would allow for meaningful comparisons between the budgeted and actual figures. If budgetary integration is not feasible, the District should document its manual monitoring of budgetary status on the reports. The District did not correct this matter during 2019 and 2018 as noted in Item 3 above in Current Year Observations.
3. General Fund disbursements of \$77,569 exceeded appropriations by approximately \$2,602 for the year ended December 31, 2017. Ohio Rev. Code Section 5705.41(B) prohibits a subdivision or taxing unit from expending money unless it has been appropriated. Budgetary expenditures enacted by the District may not exceed appropriations at the legal level of control for all funds. The District did not correct this matter during 2019 as noted in Item 4 above in Current Year Observations.
4. District did not pay payroll tax withholding timely in 2017. Federal and State taxes for fiscal year 2017 were paid February 2, 2018; with federal taxes being due January 31, 2018 and State taxes due January 15, 2018. The District did not correct this matter during 2019 as noted in Item 5 above in Current Year Observations.
5. During 2017 and 2016 the District Board did not document review and approval of cash and non-cash adjustments to sewer bills. Also, the Board did not have a formal policy regarding billing adjustments. The District did correct this matter during 2019 and 2018.



Keith Faber  
Auditor of State

Columbus, Ohio

April 30, 2020

OHIO AUDITOR OF STATE  
**KEITH FABER**



**RICHMOND DALE SEWER DISTRICT**

**ROSS COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MAY 12, 2020**