



**VILLAGE OF MAGNETIC SPRINGS
UNION COUNTY**

BASIC AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

OHIO AUDITOR OF STATE KEITH FABER



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Village of Magnetic Springs
Union County
Magnetic Springs, Ohio 43036

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Village of Magnetic Springs, Union County, (the Village) 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 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, 2019 and 2018.

The Village'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 Observation

1. We noted the Village did not have an approved records retention schedule, was unable to provide written documentation that the Village's records custodian or records manager acknowledged receipt of the copy of the Village's public records policy, and two Council Members (or designee) did not attend public records training for the term ending December 31, 2019. Ohio Rev. Code §149.43 provides that public offices shall have available a copy of their current records retention schedule at a location readily available to the public, that the person designated as the records custodian or records manager acknowledge receipt of the copy of the public records policy, and that all elected officials or their appropriate designees attend public records training during their term. The Village should utilize the guidance contained within the Ohio Attorney General's Ohio Sunshine Laws Manual in crafting their records retention schedule. Additionally, the Village's records custodian or records manager should acknowledge receipt of a copy of the Village's public records policy. Lastly, the Village should ensure that all elected officials attend public records training during their term.

Current Status of Matters Reported in our Prior Engagement

2. Our prior basic audit for the years ended December 31, 2017 and 2016 included an exception for the Village treating all persons performing services for the Village as independent contractors, including the elected or appointed officials. Internal Revenue Code Section 3401(c) indicates that an officer, employee, or elected official of government is an employee for income tax purposes. As employees, the elected officials may elect to participate in the Ohio Public Employees Retirement System (OPERS) or opt out. The Village received further guidance from the Auditor of State's Office which provided that the Village should issue W-2's with appropriate withholdings if any member of council received more than \$600 per year. Both the Mayor and the Fiscal Officer received compensation of greater than \$600 for both 2017 and 2016. This matter has not been corrected for the years ended December 31, 2019 and 2018.

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Union County
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A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive style with a large, stylized 'K' and 'F'.

Keith Faber
Auditor of State

Columbus, Ohio

April 16, 2020

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF MAGNETIC SPRINGS

UNION 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
APRIL 30, 2020**