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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Jewett
Harrison County
110 West Main St.
Jewett, Ohio 43986

We have performed the procedures enumerated below on the Village of Jewett's, Harrison County, Ohio (the Village), receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2020 and 2019 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, 2020 and 2019 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, 2020 and 2019, and certain compliance requirements related to these transactions and balances. 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 and Investments

1. We recalculated the December 31, 2020 and December 31, 2019 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2019 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2018 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2020 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2019 balances in the Fund Status Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2020 and 2019 fund cash balances reported in the Fund Status Report and the financial statements filed by the Village in the Hinkle System. The amounts agreed.

Cash and Investments (Continued)

4. We confirmed the December 31, 2020 bank account balances through the Ohio Pooled Collateral System and with the Village's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2020 bank reconciliation, except the confirmed STAR Ohio account balance was off by \$19,529 from the amount appearing in the December 31, 2020 bank reconciliation. The difference is STAR Ohio investment gains are reflected on the reconciliation as a deposit-in-transit instead of in the bank balance amount.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2020 bank reconciliation:
 - a. We traced each debit to the subsequent January and February bank statements. We found no exceptions.
 - b. We traced the amounts and dates to the check register and determined the debits were dated prior to December 31. There were no exceptions.
6. We inspected investments held at December 31, 2020 and December 31, 2019 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We noted no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Listing (DTL), and the County Auditor's Cross Reference Report for 2020 and a total of five from 2019:
 - a. We compared the amount from the above named reports to the amount recorded in the AWB Receipts Report. The amounts agreed.
 - b. We inspected the AWB Receipts Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code §§ 5705.05-.06 and 5705.10. We found one receipt in 2020 of \$344 for MVL fees that was improperly posted 100% to the State Highway Fund, rather than allocated 92.5% or \$318 to the Street Fund and 7.5% or \$26 to the State Highway Fund. We brought this to management's attention. They corrected the Street and State Highway fund balances for this item. However, because we did not inspect all receipts, our report provides no assurances regarding whether or not other similar error occurred.
 - c. We inspected the AWB Receipts 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 AWB Receipts Report to determine whether it included two real estate tax receipts for 2020 and 2019. The AWB Receipts Report included the proper number of tax receipts for each year.

Income Tax Receipts

1. We obtained the May and October, 2020 and 2019 Monthly Distribution reports submitted by the Regional Income Tax Agency (RITA), the agency responsible for collecting income taxes on behalf of the Village. We agreed the total gross income taxes per month to the Village's AWB Receipts Report. The amounts agreed.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2020 and 10 other receipts from the year ended 2019 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 one exception in 2019 where we were unable to confirm the rate charged for a park rental.
- c. Inspected the Revenue Ledger Report to determine the receipt was posted to the proper funds, and was recorded in the proper year. One exception was noted in 2020 where portions of an Ohio Bureau of Workers' Compensation premium refund was improperly posted to the Street, Street Levy and Water Reserve funds in the amounts of \$400, \$130 and \$258, respectively, instead of the General Fund. We brought this to management's attention. They corrected the General, Street, Street Levy and Water Reserve fund balances for this item. However, because we did not inspect all receipts, our report provides no assurance regarding whether or not other similar errors occurred.

Water and Sewer Fund

1. We selected 10 Water and Sewer Fund collection cash receipts from the year ended December 31, 2020 and 10 Water and Sewer Fund collection cash receipts from the year ended 2019 recorded in the Cash Receipts Journal and determined whether the:
 - a. Receipt amount per the Cash Receipts Journal agreed to the amount recorded to the credit of the customer's account in the Demand Statement. The amounts agreed.
 - b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the Demand Statement for the billing period. We found no exceptions.
 - ii. Complied with rates in force during the audit 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 one exception where \$436 in daily water collections was improperly posted to the Sewer Mort. Revenue Bond and Int. Sinking Fund that should have been posted to the Fresh Water & Water Line Fund. We brought this to management's attention. They corrected the Sewer Mort. Revenue Bond and Int. Sinking and Fresh Water & Water Line fund balances for this item. However, because we did not inspect all receipts, our report provides no assurance regarding whether or not other similar errors occurred.
2. We observed the Trial Balance Report.
 - a. This report listed \$9,393.48 and \$38,302.81 of accounts receivable as of December 31, 2020 and 2019, respectively.
 - b. The Village was unable to provide an accounts receivable report as of December 31, 2020 and 2019 that listed accounts that were more than 90 days delinquent. Without accounts receivable information, the Village lacks reliable information on overdue amounts and information upon which to judge whether the Village should write-off or follow-up on uncollectible amounts.
3. We observed the Summary Trial Balance Report.
 - a. This report listed a total of \$5,254.42 and \$6,568.71 non-cash receipts adjustments for the years ended December 31, 2020 and 2019, respectively.
 - b. The Village failed to require or maintain approval of non-cash receipts adjustments that were made during 2020 and 2019.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following bond and loans were outstanding as of December 31, 2018. These amounts agreed to the Villages January 1, 2019 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2018:
USDA Sewer Revenue Bond	\$1,098,000
Ohio Water Development Loan #6100	\$29,299
Ohio Water Development Loan #7454	\$205,411
Ohio Water Development Loan #8245	\$167,349

2. We inquired of management, and inspected the AWB Receipts Report and AWB Payments Report for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of bond and loans debt activity for 2020 and 2019 and agreed principal and interest payments from the related debt amortization schedules to special revenue and enterprise fund payments reported in the AWB Payments Report. We also compared the date the debt service payments were due to the date the Village made the payments. We found one exception in 2020 where \$4,043 for an OWDA debt payment for the Village's water storage tank and system improvement project was improperly posted to the Sewer Reserve Fund, rather than the Fresh Water (Reservoir) and Water Line Fund. We brought this to management's attention. They corrected the Sewer Reserve and Fresh Water (Reservoir) and Water Line fund balances for this item.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Fresh Water (Reservoir) and Water Line fund per the AWB Receipts Report. The amounts agreed.
5. For new debt issued during 2020 and 2019, we inspected the debt legislation, which stated the Village must use the proceeds for the water system improvement and water treatment plant rehab projects. We inspected the AWB Payments Report and observed the Village paid vendors relevant to these projects in 2019 and 2020.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2020 and one payroll check for five employees from 2019 from the AWB Payments 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).
 - i. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
 - ii. We agreed these items to the information used to compute gross and net pay related to this check.
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 inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2020 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 2020. 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, 2021	January 8, 2021	\$1,373.87	\$1,373.87
State income taxes	January 15, 2021	January 2, 2021	\$170.88	\$170.88
Village of Jewett income tax	January 31, 2021	January 2, 2021	\$416.90	\$416.90
OPERS retirement	January 30, 2021	January 2, 2021	\$2,905.80	\$2,905.80

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the AWB Payments & Receipts Report for the year ended December 31, 2020 and 10 from the year ended 2019 and determined whether:
 - a. The disbursements were for a proper public purpose. We found one instance where the Village paid a late fee of \$39 on a credit card account balance due to untimely payment.
 - 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 AWB Payments & Receipts Report 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 no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus certified commitments) 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, 2020 and 2019 for the General, Street, and Fire Levy funds, as recorded in the Appropriation Status Report. We observed no funds for which expenditures exceeded appropriations.
2. We inspected the interfund transfer from the 2019 Cash Summary by Fund Report and Interfund Transfer Listing 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.

Compliance – Budgetary (Continued)

3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2020 and 2019 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. We performed the following:
 - 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) and 149.43(B)(3). 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 inspected the Village's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We inquired 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.
8. We determined the Village's elected officials, in accordance with Ohio Rev. Code § 149.43(E)(1), (or his/her designee) did not successfully attend a certified three-hour Public Records Training for each term of office as required by Ohio Rev. Code § 109.43(B).
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.

Sunshine Law Compliance (Continued)

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:
- Prepared – a file is created following the date of the meeting.
 - Filed – placed with similar documents in an organized manner.
 - Maintained - retained, at a minimum, for the engagement period.
 - 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:
- Executive sessions were only held at regular or special meetings.
 - 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).
 - 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, 2020 and 2019 in the Hinkle system. There were no exceptions.

2. For all credit card accounts we obtained:

- copies of existing internal control policies,
- a list(s) of authorized users, and
- a list of all credit card account transactions.

- a. We inspected the established policy(ies) obtained above and determined it is:
- in compliance with the HB 312 statutory requirements, and
 - implemented by the entity.

We found no exceptions.

- b. We selected 1 credit card transaction from each account for testing. For selected transactions we inspected documentation to determine that:
- Use was by an authorized user within the guidelines established in the policy, and
 - Each transaction was supported with original invoices and for a proper public purpose.

We found no exceptions.

- c. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
- No unpaid beginning balance was carried forward to the current billing cycle,
 - Ending statement balance was paid in full, and
 - Statement contained no interest or late fees.

We identified three credit card statements where interest and/or late fees, totaling \$98, were paid by the Village.

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.

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.



Keith Faber
Auditor of State
Columbus, Ohio

December 10, 2021

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF JEWETT

HARRISON 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 12/28/2021

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