



**Auditor of State  
Betty Montgomery**



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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Honorable Greg Kimball, Council President Pro-Tem  
Honorable John Beedy, Mayor  
Village of Mechanicsburg  
18 North Main Street  
Mechanicsburg, Ohio 43044

At your request, and at the request of Champaign County Prosecutor Nick Selvaggio, we have conducted a special audit of the Village of Mechanicsburg's (the "Village") income tax receipts and other selected revenues by performing the procedures enumerated in the attached Supplement to the Special Audit Report for the period November 1, 2001 through April 16, 2004 (the "Period"), solely to:

- Verify all income tax receipts collected were deposited into the Village's corporate treasury (the "Village's bank") account.
- Determine whether the recording of Mayor's Court computerization fees and the revenues recorded in the Law Enforcement Trust fund were in accordance with Ohio Revised Code provisions for calendar years ended December 31, 2002 and 2003.

This engagement was conducted in accordance with the Quality Standards for Inspections established by the President's Council on Integrity and Efficiency (March 1993). The procedures and associated findings are detailed in the attached Supplement to the Special Audit Report. A summary of our procedures and significant results is as follows:

1. We reviewed income tax receipts collected by the Village for the Period and determined whether the monies collected were deposited into the Village's bank account.

Significant Results – We issued two findings for recovery against Ms. Susan Cantrell, former clerk and income tax administrator, totaling \$81,603 for income tax receipts collected but unaccounted for (\$12,176), public monies illegally expended (\$53,580) and salary overcompensation (\$15,847). We also issued a finding for recovery against Mary Culp, former clerk, for \$18,058 in salary overcompensation.

We issued a federal questioned cost for \$325 of unsupported grant expenditures and four management comments regarding internal control weaknesses identified in the Income Tax Department, reviewing voided receipts for validity, establishing a special revenue fund to account for Summer Celebration activity, and establishing a records retention policy.

2. We reviewed the posting of the Mayor's Court computerization fees and the Law Enforcement Trust fund revenues and determined whether the revenues were recorded in accordance with Ohio Revised Code provisions for calendar years ended December 31, 2002 and 2003.

Significant Results – We issued a noncompliance citation for failure to establish a special revenue fund in accordance with Ohio Rev. Code provisions to account for the Council-approved court computerization fees. In addition, we issued a finding for adjustment against the General Fund for \$11,264 in favor of the newly established court computerization fund to account for the computerization fees previously collected as required by Ohio Rev. Code Section 1901.261 (B) (1).

3. On September 15, 2004, we held an exit conference with the following individuals representing the Village:

John Beedy, Mayor  
Bill Farley, Council Member  
Ellen E. Seward, Council Member  
Dina M. Cary, Solicitor

Gregory Kimball, Council President Pro-Tem  
Leslie Shonkwiler, Council Member  
Laura M Troth, Council Member

The attendees were informed that they had five business days to respond to this Special Audit Report. No response was received from the Village.



**Betty Montgomery**  
Auditor of State

July 16, 2004

## Supplement to the Special Audit Report

### Background

On February 16, 2004, we received a complaint from a concerned employee alleging that the Village Clerk/Income Tax Administrator was misusing public funds. The concerned employee suggested the Auditor of State's Office contact the Village Police Chief. On February 19, 2004, Investigator Randy Meyer spoke with Chief Tim Bostic. Chief Bostic indicated he was aware that approximately \$2,800 was missing from the Village's Summer Celebration account. Upon further review of the account, the Chief believed income tax monies were being used to replenish missing Summer Celebration monies. The Chief also mentioned cash income tax collections were missing.

On March 4, 2004, Investigator Randy Meyer and Assistant Chief Legal Counsel Jim Manken met with Chief Bostic and Champaign County Prosecutor Nick Selvaggio. At this meeting, Chief Bostic and Prosecutor Selvaggio requested our assistance in the investigation and for a special audit to be conducted. The Chief also expressed concerns that monies were transferred from the Mayor's Court computerization fund and the Law Enforcement Trust fund to the General Fund at year end leaving a zero balance. Chief Bostic requested we review these "transfers" and ensure the monies were recorded properly.

The above information was presented to the Auditor of State's Special Audit Task Force and on March 23, 2004, the Auditor of State initiated a special audit of the Village of Mechanicsburg income tax receipts and revenues received for the court computerization and Law Enforcement Trust funds.

On July 15, 2004, Susan Cantrell was indicted by the Champaign County Grand Jury on five counts of theft in office, three counts of money laundering and two counts of tampering with governmental records. On September 13, 2004, Ms. Cantrell pled guilty to these 10 counts.

## Supplement to the Special Audit Report

### Issue No. 1 – Review of Income Tax Receipts

We reviewed income tax receipts collected by the Village for the Period and determined whether the monies collected were deposited into the Village's bank account.

#### Procedures

1. We compared the receipts issued during November 1, 2001 through April 16, 2004 to the daily cash receipt journal and deposit slip and determined whether monies collected were deposited.
2. We reconciled the payroll withholdings receipted in Procedure No. 1 to the year-end employer's tax reconciliation and determined whether withholdings were collected and deposited into the Village's bank account.
3. We examined voided income tax receipts and determined whether the void was substantiated by documentation maintained by the Village and was for a valid reason.
4. We reviewed supporting documentation for deposits into the Summer Celebration account and determined the amount of income tax monies deposited into this account instead of the Village's bank account.

#### Results

1. On April 16, 2004, Susan Cantrell, former clerk and income tax administrator, stated she was responsible for receipting, depositing and posting taxpayers' payments. Ms. Cantrell indicated she issued receipts for cash payments to taxpayers, converted the cash received for personal use and posted an adjustment to the taxpayer's account in the computer system reducing the tax liability to zero. Our review of the receipts noted the following:

	2001	2002	2003	2004	Total
Total No. of Receipts Issued	83	1,307	1,307	522	3,219
Dollar Amount Received	\$24,152	\$290,663	\$ 279,296	\$122,830	\$716,941
Total No. of Receipts Not Deposited	3	24	29	9	65
Amount not Deposited	\$555	\$2,291	\$4,589	\$2,170	\$9,605

In addition, we identified a \$548 receipt issued in March 2001 by Ms. Cantrell which was not deposited into the Village's bank account nor was a payment reflected in the computer system. We will issue a finding for recovery against Susan Cantrell for public monies collected but unaccounted for in the amount of \$10,153.

Ms. Cantrell also stated that she recorded the payment amount received on the top of the taxpayer's tax return. We identified two instances, totaling \$365, in which the tax return reflected a payment received for which no receipt was issued and no payment was recorded in the computer system. We will issue a finding for recovery against Susan Cantrell for public monies collected but unaccounted for in the amount of \$365.

## Supplement to the Special Audit Report

We also identified the following internal control weaknesses for which we will issue a management recommendation:

- A lack of segregation of duties for receipting, depositing, and posting taxpayer payments as Ms. Cantrell performed all of these functions.
  - Failure to review adjustments recorded in the computer system for validity and accuracy.
  - Failure to compare receipts issued to the daily deposits to ensure all monies collected were deposited.
  - Failure to establish and implement a records retention policy ensuring Village records were maintained in accordance with such policy. For example, 36 income tax receipts could not be located.
2. We sorted the 3,157 receipts<sup>1</sup> identified in Procedure No. 1 by taxpayer and eliminated 1,564 receipts issued to individual taxpayers from our payroll withholdings population. In addition, we identified 880 receipts issued for employers' payroll withholding payments in which the employers remitted all required quarterly, monthly and/or biweekly payments and eliminated them from our population. For those employers for which all required payments did not appear to have been remitted, we attempted to trace the payments to the employers' annual reconciliation of taxes paid. We were unable to locate annual reconciliations on file for 220 receipts. We were able to locate the annual reconciliation for the remaining 493 receipts and identified 27 instances in which payments reflected on the annual reconciliation were not receipted by the Income Tax Administrator nor deposited into the Village's bank account. Instead, these 27 payments, totaling \$5,045, were deposited into the Summer Celebration bank account by Ms. Cantrell. No other exceptions were noted for the remaining receipts.

We recommend the Village ensure all required annual employer income tax reconciliations are returned and the reconciliation agrees to the payments posted in the computer system.

3. During March 2001 through April 16, 2004, 36 income tax receipts, totaling \$3,756, were voided by Ms. Cantrell. We noted the following exceptions:
- For one voided receipt, Ms. Cantrell voided the yellow receipt, did not issue a subsequent receipt, and deposited the \$263 payment into the Summer Celebration savings account instead of the Village's bank account.
  - For six voided receipts, Ms. Cantrell did not issue a subsequent receipt, record a payment on the taxpayer's computerized account, or deposit the payments, totaling \$1,658, into the Village's bank account. On June 24, 2004, Ms. Cantrell admitted to issuing the taxpayer a receipt, voiding the yellow copy of the receipt, and converting the cash received for her personal use. We will issue a finding for recovery against Susan Cantrell for public monies collected but unaccounted for in the amount of \$1,658.
  - The Village did not perform a review confirming the validity of the voided receipts. We recommend all voided receipts be reviewed by someone other than the employee voiding the receipts to ensure receipts were voided for only valid reasons.

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<sup>1</sup> The 3,157 receipts do not include voided receipts (26) or receipts that could not be located (36) issued between November 1, 2001 and April 16, 2004.

## Supplement to the Special Audit Report

4. In February 2001, John Beedy, the current Mayor, and Ms. Cantrell, who was the Income Tax Administrator at that time, opened a Village of Mechanicsburg Summer Celebration savings account (Summer Celebration) to account for donations received and withdrawals to pay for the annual fireworks display. When the account was opened, the Village provided \$1,000 towards the fireworks display held in July 2001. The account required the signature of Mr. Beedy and Ms. Cantrell to withdraw any funds. Mr. Beedy indicated on April 28, 2004, only two withdrawals should occur each year for payments to the fireworks company, Pyrotecnico.

Based on a review of advertisements of the annual fireworks display, how the account was established, how donations were solicited, that Summer Celebration was not established as a separate legal entity, and the village representatives involved with the savings account, the AOS concluded the Summer Celebration bank account should be included as part of the Village's financial activity. We will recommend the Village establish a special revenue fund to account for donations and related payments for the annual fireworks display and to close the existing savings account thereby limiting the opportunity for unauthorized withdrawals.

We reviewed the activity of the Summer Celebration bank account and identified \$38,352 in unauthorized withdrawals by Ms. Cantrell. Of this amount, \$31,982 represented income tax receipts deposited into the Summer Celebration account instead of the Village's bank account. We will issue a finding for recovery against Susan Cantrell in the amount of \$38,352 for public monies illegally expended. Of the \$38,352, we identified 40 instances in which Ms. Cantrell deposited \$31,590 in cash or money orders into her personal account.

While reviewing activity in Ms. Cantrell's personal account, we identified 20 forged village checks, totaling \$15,228, payable to various village vendors which were deposited into her account. We will issue a finding for recovery against Susan Cantrell in the amount of \$15,228 for public monies illegally expended. Of the \$15,228, a \$325 check was issued from Local Law Enforcement Block grant funds which were to be used to reimburse the General Fund for overtime compensation paid to traffic officers. The unsupported \$325 payment was not a permissible use of federal grant funds and we will issue a federal questioned cost of \$325.

Ms. Cantrell's account also reflected a deposit of \$442 for a check written to "Income Tax Service" by her husband. On June 24, 2004, Ms. Cantrell stated this was her husband's income taxes due to the Village. The computer system reflected employer withholdings of \$442; however, Mr. Cantrell's W-2 did not reflect such withholdings. We recommend the Village review the Cantrell's tax account and 2003 tax return, identify the amount due to the Village, and contact the Cantrell's regarding any payment due.

During Ms. Cantrell's first tenure as clerk, an employee separated from the Village utilities department. Rather than replacing the employee, the Village split the duties among three employees of which Ms. Cantrell was one. By council action, the Village increased the wages of the three to compensate them for the additional duties. Subsequently, the Village amended its decision so that the additional duties and additional compensation were to be split between two employees of which Ms. Cantrell was not one. Ms. Cantrell's compensation was not readjusted for this action. We noted Ms. Cantrell was compensated \$15,847 in excess of her Council-authorized salary during January 1, 1996 through March 31, 2000 and April 1-16, 2004<sup>2</sup>. We will issue a finding for recovery against Susan Cantrell in the amount of \$15,847 for public monies illegally expended.

Since there was a gap in Ms. Cantrell's service as clerk, we compared Ms. Cantrell's weekly compensation to the compensation paid to Mary Culp who served as clerk April 1, 2000 through March 31, 2004. Upon taking over the position of clerk from Ms. Cantrell, Ms. Culp compensated herself at the level of Ms. Cantrell rather than based on the actions of council which set the compensation. We determined Ms. Culp was overcompensated \$18,058 and accordingly will issue a finding for recovery against Mary Culp for public monies illegally expended.

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<sup>2</sup> Ms. Cantrell resigned as Village Clerk and Income Tax Administrator on April 16, 2004.

# Supplement to the Special Audit Report

## Findings for Recovery

### Income Tax Receipts

Susan Cantrell, Income Tax Administrator, was responsible for receipting, depositing and recording payments to taxpayer accounts. As Income Tax Administrator, Susan Cantrell prepared a triplicate receipt for each income-tax related payment received when present<sup>3</sup>. The white copy of the receipt was given to the taxpayer making a payment in person. Otherwise all 3 copies were maintained by the Village. Ms. Cantrell also prepared and deposited income tax collections unless she was on vacation or an extended leave.

During an April 16, 2004 interview, Ms. Cantrell admitted to issuing receipts for cash payments and taking the money instead of depositing it into the Village's bank account; destroying receipts issued for cash payments; recording the payment amount on the tax return; only voiding receipts when a mistake occurred and issuing a subsequent replacement receipt; and admitted to withdrawing monies from the Summer Celebration account for her personal use.

We identified 66 income tax receipts issued for cash totaling \$10,153 in which the taxpayer's account did not reflect the related payment. We also identified two instances, totaling \$365, in which the tax return reflected a handwritten payment and the receipt book did not reflect a receipt issued to the taxpayer. In addition, we identified six receipts, totaling \$1,658, issued during March 1, 2001 through April 16, 2004 in which the taxpayer's copy of the receipt was missing, no replacement receipt was issued, the taxpayer's account either did not reflect a payment or did not exist, and the \$1,658 was not deposited into the Village's bank account. On June 24, 2004, Ms. Cantrell admitted to issuing the taxpayer a receipt, voiding the yellow copy and converting the money collected for her personal use.

In accordance with the foregoing facts pursuant to Ohio Rev. Code Section 117.28, a finding for recovery is hereby issued against Susan Cantrell in the amount of \$12,176 and her bonding companies, Ohio Government Risk Management Plan and the Hartford Fire Insurance Company, jointly and severally, in the amount of \$8,566 and \$3,610, respectively, for public monies collected but unaccounted for, in favor of the General Fund for \$12,176.

### Unauthorized Withdrawals

On April 28, 2004, Mayor John Beedy, who solicited donations and entered into the contracts for annual fireworks, stated only two withdrawals for the annual fireworks display should occur. Ms. Cantrell withdrew \$38,352 from the Summer Celebration account without authorization to do so. In addition, Ms. Cantrell deposited 20 village checks totaling \$15,228 payable to various village vendors into her personal bank account.

In accordance with the foregoing facts pursuant to Ohio Rev. Code Section 117.28, a finding for recovery is hereby issued against Susan Cantrell in the amount of \$53,580 and her bonding companies, Ohio Government Risk Management Plan and the Hartford Fire Insurance Company, jointly and severally, in the amount of for \$41,379 and \$12,201, respectively, for public monies illegally expended, in favor of the following funds:

<u>Fund</u>	<u>Amount</u>
General	\$35,841
Street	1,753
State Highway	909
Capital Improvement	2,049
Fireworks	6,370
Water	3,329
Sewer	<u>3,329</u>
	<u>\$53,580</u>

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<sup>3</sup> In her absence, the other clerks and/or village administrator issued receipts and left the money received for Ms. Cantrell to deposit and process.

## Supplement to the Special Audit Report

### Clerk Overcompensation

Ohio Rev. Code Section 731.13 provides in part that “(t)he legislative authority shall, in the case of elective officers, fix their compensation for the ensuing term of officiate at a meeting held not later than five days prior to the last day fixed by law for filing as a candidate for such office.... The compensation so fixed shall not be increased or diminished during the term for which any officer is elected or appointed.”

Based on a comparison of the amounts paid to the Village Clerks and the authorized annual rates for January 1, 1996 through April 16, 2004, we identified the following overcompensation:

<b>Fiscal Year</b>	<b>Susan Cantrell</b>	<b>Mary Culp</b>
1996	\$1,239	
1997	4,493	
1998	4,493	
1999	4,493	
2000	957	3,369
2001		4,493
2002		4,493
2003		4,493
2004	<u>172</u>	<u>1,210</u>
	<u>\$15,847</u>	<u>\$18,058</u>

Based on the foregoing facts pursuant to Ohio Rev. Code Section 117.28, a finding for recovery is hereby issued against Susan Cantrell in the amount of \$15,847, Mary Culp in the amount of \$18,058 and their bonding companies, Ohio Government Risk Management Plan and the Hartford Fire Insurance Company, jointly and severally, in the amount of \$30,364 and \$3,541, respectively, for public monies illegally expended, in favor of the Water fund for \$16,952 and the Sewer fund for \$16,953.

### **Questioned Cost**

#### Law Enforcement Block Grant

The Village received a Law Enforcement Block grant for overtime compensation paid to police officers on traffic duty during calendar years 1998 and 1999. The Catalog of Federal Domestic Assistance guidelines for this grant provided “(c)osts will be determined in accordance with OMB Circular No. A-87 for State and local governments.”

The Office of Management and Budget Circular A-87, *Cost Principals for State, Local, and Indian Tribal Governments*, requires grantees and sub-grantees to maintain records which adequately identify the source and application of federal funds expended. Circular A-87 also provides guidelines for identifying costs for federal grants. Attachment A Section C (1) (j) of this Circular provides that for a cost to be allowable, the expenditure must be adequately documented. In addition, the expenses must be legal, proper, and consistent with the policies that govern the recipient’s own expenditures.

A May 28, 1999 check for \$325 was issued by Susan Cantrell from the grant’s bank account to herself and deposited into her personal account. On June 24, 2004, Ms. Cantrell stated she used the \$325 to pay her personal bills. A finding for recovery has been issued against Ms. Cantrell for \$325 for public monies illegally expended. The \$325 in grant monies was not documented in accordance with the grant guidelines nor was a permissible expense of the Village.

We will issue a federal questioned cost for the Law Enforcement Block grant in the amount of \$325.

## Supplement to the Special Audit Report

### Management Comments

#### Income Tax Receipts

The former income tax administrator was responsible for receipting, depositing, posting income tax payments, identifying refunds to be issued and posting adjustments with little or no oversight. In addition, no comparison of receipts issued to the deposits was completed resulting in tax collections of \$10,153 not being deposited. Also, receipts either were not completed in their entirety or were illegible.

In addition, no controls existed to ensure all mailed employer annual reconciliations were returned and that all payments reported on the annual reconciliation were posted to the computer system and deposited. As a result, Ms. Cantrell was able to deposit \$31,982 in employer withholding remittance payments into the Summer Celebration account of which we identified \$31,590 was later converted to money orders and/or cash which were deposited into her personal account.

We recommend the Village segregate the duties of receipting, depositing, and posting of income tax payments and require an employee independent of the Income Tax Department periodically review adjustments posted to the computer system to confirm the adjustments were valid. The Village should also work with the software vendor to require the tax receipt numbers to be recorded when a payment is entered into in the system, require annual reconciliations to be entered prior to processing collections for the next tax year, and to obtain a report of adjustments posted to the system to review for validity.

Furthermore, the Village should reconcile receipts issued to the deposits and the computerized Daily Transaction report to identify any discrepancies or receipt sequence gaps; reconcile the employers' withholdings annual reconciliation to payments posted to the computer system, and investigate any discrepancies identified. The Village may want to also consider the costs and benefits of outsourcing its income tax collections.

#### Voided Receipts

Of the 36 receipts voided by Village employees, no evidence of a review existed ensuring the void was based on a valid reason or Department action. As a result, 21 receipts were issued, subsequently voided and no replacement receipt was issued. Upon further review of the receipts and the affected taxpayer's accounts, we determined \$1,658 was collected by the Income Tax Department in which the white copy of the receipt was missing and the monies had not been deposited into the Village's account.

All voided receipts should be reviewed to determine the reasonableness of the void, whether documentation for the void exists, and determine whether the white copy is marked void in ink with the yellow and pink copies reflecting void in carboned ink.

#### Summer Celebration Account

A separate savings account was maintained for donations received to pay for the annual fireworks display, known as Summer Celebration. No evidence existed that the account activity was reviewed by the Village or those individuals in charge of the annual event. Lack of oversight permitted the former income tax administrator to deposit income tax payment checks totaling \$31,982 into the Summer Celebration account and to withdraw \$38,352 for her personal use.

Upon review of the account and related activity, we determined the account was not a separate legal entity and deemed it to be part of the Village. Therefore, we recommend the Village Council establish a special revenue fund to specifically account for the Summer Celebration donations, all receipts and payments be processed by the Village clerk and treasurer, and the existing bank account be closed limiting opportunity for unauthorized withdrawals and any remaining balance be reported in the newly established fund.

## Supplement to the Special Audit Report

### Records Retention Schedule

Ninety-one payroll distribution journals prepared in 1996 and 1997 and 36 income tax receipts were not available for review. Ohio Rev. Code Section 149.351 states in part that that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under sections 149.38 to 149.42 of the Revised Code. The Council President Pro-Tem and Assistant Clerk both indicated that they were not aware that a records retention schedule existed for the Village.

We recommend the Village create a records retention schedule in accordance with Ohio Rev. Code Sections 149.38 through 149.42 and retain all pertinent information in accordance with its newly-established records retention policy. Failure to maintain the appropriate records could result in problems when documents are needed to support actions taken by the Village.

## Supplement to the Special Audit Report

### Issue No. 2 – Review of Court Computerization Fee and Law Enforcement Trust Fund Revenues

We reviewed the posting of the Mayor's Court computerization fees and the Law Enforcement Trust fund revenues and determined whether the revenues were recorded in accordance with Ohio Revised Code provisions for calendar years ended December 31, 2002 and 2003.

#### Procedures

1. We reviewed the computerization fees collected by the Mayor's Court and determined whether the collections were recorded in accordance with Ohio Rev. Code Section 1901.261 (B) (1).
2. We reviewed the receipts posted to the Law Enforcement Trust fund and determined whether only permissible revenues per the Ohio Revised Code were recorded in this fund.

#### Results

1. Approved Village Council Ordinances #96-01 and #00-10 established a court computerization fee of \$3 and \$10, respectively. The fees were charged for each case heard in Mayor's Court for "the costs of maintaining the Mayor's Court computer and computer program." The Village did not establish a separate fund to account for this fee as required by Ohio Rev. Code Section 1901.261 (B) (1). A noncompliance citation will be issued for failure to establish a separate fund to account for computerization fees collected.

For the period January 1, 2000 through May 6, 2004<sup>4</sup>, the Village recorded \$11,264 in court computerization fees collected in the General Fund instead of a court computerization fund as required by the Ohio Revised Code. A finding for adjustment in the amount of \$11,264 will be issued against the General Fund in favor of the newly-established court computerization fund.

2. The May 7, 2004 fund balance reflected only permissible revenues received and funds expended during the period of January 1, 2002 through May 7, 2004. No unauthorized transfers occurred.

#### Finding for Adjustment

##### Mayor's Court Computerization Fees

Ohio Rev. Code 1901.261 (B) (1) states in part "(a) municipal court may ... include in its schedule of fees and costs under Section 1901.26 of the Revised Code of an additional fee not to exceed ten dollars... The Treasurer shall place the funds from the fees in a separate fund to be disbursed upon an order of the municipal court."

Approved Village Council Ordinances #96-01 and #00-10 established a court computerization fee of \$3 and \$10, respectively. Fee collections totaling \$11,264 were recorded in the General Fund instead of the court computerization fund as provided by this section.

We hereby issue a finding for adjustment against the General Fund in the amount of \$11,264 in favor of the newly-established court computerization fund.

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<sup>4</sup> The period was expanded to include previously-collected fees recorded in the General Fund as identified by Madonna Potter, Mayor's Court Clerk.

## Supplement to the Special Audit Report

### Noncompliance Citation

#### Mayor's Court Computerization Fees

Ohio Rev. Code 1901.261 (B) (1) stated in part "(a) municipal court may determine that, for the efficient operation of the court, additional funds are required to computerize the office of the clerk of the court, and upon that determination, may include in its schedule of fees and costs under Section 1901.26 of the Revised Code of an additional fee not to exceed ten dollars on the filing of each cause of action or appeal.... The Treasurer shall place the funds from the fees in a separate fund to be disbursed upon an order of the municipal court."

On October 2, 2000, Council approved Ordinance #00-10 establishing this fee. However, no fund was established to account for these fees which were receipted into the General Fund.

We recommend the Village establish a Mayor's Court computerization fund in accordance with this section and Auditor of State Bulletin 97-019 to identify monies available for court computerization.



**Auditor of State  
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**VILLAGE OF MECHANICSBURG**

**CHAMPAIGN 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  
OCTOBER 12, 2004**