



OHIO AUDITOR OF STATE
KEITH FABER



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Village of Fairview
Guernsey County
290 Fair Avenue
Quaker City, OH 43773

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 Fairview, Guernsey County, Ohio (the Village), for the years ended December 31, 2020 and 2019.

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, 2020 and 2019.

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. We noted that the Village has not remitted payment for 2020 and 2019 employer and employee share of payroll tax withholdings for 2020 or 2019 as required by 26 U.S.C. § 3403 and Ohio Rev. Code § 5747.07. Failure to file, pay, and/or report the withholdings could result in liabilities, penalties, and interest levied against the Village.

The Village failed to remit 2020 federal employer and employee share of federal tax withholdings in the amount of \$187.42 and state tax withholdings in the amount of \$4.50. In addition, The Village failed to remit 2019 federal employer and employee share of federal tax withholdings in the amount of \$351.90 and state tax withholdings in the amount of \$8.35.

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

2. Per review of the Auditor of State Fiscal Integrity Act Portal, no evidence was noted that the Fiscal Officer obtained the training required by Ohio Rev Code § 733.81.

The Village Fiscal Officer should attend the required trainings as soon as possible.

3. The Village has not adopted a Public Records Policy in accordance with Ohio Rev. Code § 149.43(E)(2).

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

Current Year Observations (Continued)

4. The Village does not have an approved records retention schedule, therefore the schedule is not readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).

The Village should adopt a records retention schedule as required by Ohio Rev. Code § 149.43(B)(2).

5. Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1) require that 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. Proof of completion of training must include documentation either from the Attorney General's Office or from another entity certified by the Attorney General to provide the training to the elected official or his/her designee. Attendees who successfully complete the training will receive a certificate to service as proof of training.

No elected official or designee provided a certificate or proof of attendance of the Ohio Public Records Laws training.

The elected officials, or their designee should during their term of office attend public records training and maintain proof of completion of the training.

6. Ohio Rev. Code § 121.22(F) requires every public body to, by rule, establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. A public body shall not hold a special meeting unless it gives at least twenty-four hours advance notice to the news media that have requested notification, except in the event of any emergency requiring immediate official action. In the event of an emergency, the member or members calling the meeting shall immediately notify the news media that have requested notification.

The Village did not adopt a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings, and time, place, and purpose of all special meetings held during the engagement period. Therefore, we were unable to determine if the Village notified the general public and news media of when and where meetings during the engagement period are to be held as required by Ohio Rev. Code §121.22(F).

The Village should post public notices for the public meetings held during the engagement period.

Current Status of Matters Reported in our Prior Engagement

In addition to the matters reported above, the IPA's prior audit for the years ended December 31, 2018 and 2017 included the following.

7. Ohio Rev. Code § 5705.38(A) requires that permanent appropriations be filed with the County Auditor. The 2018 permanent appropriations were not filed with the County Auditor. The annual appropriations for 2019 and 2020 were never filed with the County Auditor.

The Fiscal Officer should ensure its annual appropriations resolution is passed in a timely manner. The annual appropriation resolution should be signed by the Village Council and maintained by the Fiscal Officer or attached to the minutes and filed with the County Auditor.

If the Village Council passes a temporary appropriation measure, the measurer should provide detail such as fund, function, and object and amount and signed copies should be maintained by the Fiscal Officer and presented for audit. Also, the Fiscal Officer should deny request for payments when appropriations are not available.

Current Status of Matters Reported in our Prior Engagement (Continued)

8. The monthly bank reconciliations for 2017-2018 audit include "Other Adjusting Factors" in the amount of \$1,401 after posting \$8,776 from the 2015-2016 audit. The lack of appropriated oversight and review led to errors in the monthly bank reconciliation that went undetected. The Village made adjustments to the remove the "The Other Adjusting Factors" for 2019 and 2020.
9. Ohio Rev. Code § 5705.41(D) prohibits a subdivision or taxing authority from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

During 2018, the Village did not certify the availability of funds prior to the purchase commitment for 81% of expenditures tested. For these items the Village also did not prepare blanket certificates, super blanket certificates or then and now certificates in accordance with the Ohio Rev. Code. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances. We noted that the Village utilized purchase orders during the current period under audit.

10. All public offices shall maintain an accounting system and accounting records sufficient to enable that public office to identify. Assemble, analyze, classify, record and report its transaction, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements

As a result of audit procedures, errors were noted that required reclassification to the 2017 and 2018 financial statements. Evidence was presented by the Fiscal Officer that reclassifications were posted to the Villages accounting system.

11. Ohio Revised Code § 117.38 requires Villages to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. For the information to be considered complete, financial statements must include footnotes. It was noted that the 2018 footnotes did not include certain information and there were dome noted variances. Per our review of the financial information in the HINKLE System, we noted the village made a timely and complete filing for 2020 and 2019.



Keith Faber
Auditor of State
Columbus, Ohio

May 18, 2022

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF FAIRVIEW

GUERNSEY 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 6/14/2022

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This report is a matter of public record and is available online at
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