



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



65 East State Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

## BASIC AUDIT REPORT

Village of Adamsville  
Muskingum County  
P.O. Box 428  
Adamsville, Ohio 43802

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 Adamsville, Muskingum County, Ohio (the Village) for the years ended December 31, 2022 and 2021.

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, 2022 and 2021.

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 Observations

1. **Ohio Rev. Code § 117.38** requires entities filing on a cash-basis to file annual reports with the Auditor of State within 60 days of the fiscal year-end. We noted the Village did not file its 2022 financial report until October 23, 2023, after the due date of March 1, 2023. The Village Fiscal Officer should file the Village's financial report in the Hinkle system within 60 days of year-end as required. We also reported this matter in our prior basic audit report.
2. **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. The Village did not adopt a reasonable method whereby any person could determine the time and place of all meetings of Council during the audit period. The Village should notify the public on when and where meetings are to be held. We also reported this matter in our prior basic audit report.
3. **Ohio Rev. Code § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. Generally, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours.

### Current Year Observations (Continued)

#### 3. Ohio Rev. Code § 149.43(E)(2) (Continued)

Ohio Rev. Code § 149.43(E)(2) further requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook.

Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1) require all state and local elected officials, or their designees, to attend three hours of training on Ohio's Public Records Laws during each term of office.

Ohio Rev. Code § 149.43(B)(2) states that a public office shall have available a copy of its current records retention schedule at a location readily available to the public.

The Village did not have a public records policy or records retention schedule. Additionally, there was no evidence that any elected officials, or designees, had attended a public records training in each term of office.

The Village should develop a public records policy and records retention schedule. The public records policy should be displayed in all public offices, included in a manual or handbook if the Village has one, and provided to the records custodian and have that employee acknowledge receipt of the public records policy. Additionally, all elected officials, or their designees, should attend three hours of public records training each term of office. We also reported this matter in our prior basic audit report.

#### 4. Ohio Rev. Code § 733.81 states that a newly elected or appointed fiscal officer shall complete at least six hours of initial education programs before commencing, or during the first year of, office with at least a total of eighteen continuing education hours during the fiscal officer's first term of office. A fiscal officer who is elected to a subsequent term of office shall complete twelve hours of continuing education courses in each subsequent term of office. Additionally, at least two hours of ethics training shall be included in the continuing education hours. No evidence could be provided that fiscal officers in office during the audit period had completed the required training. We also reported this matter in our prior basic audit report.

#### 5. Ohio Rev. Code § 5705.36(A)(1) provides, in part, on or about the first day of each fiscal year, the fiscal officer of each subdivision and other taxing unit shall certify to the county auditor the total amount from all sources available for expenditures from each fund set up in the tax budget or, if adoption of a tax budget was waived under section 5705.281 of the Revised Code, from each fund created by or on behalf of the taxing authority.

The budget commission, taking into consideration the balances and revenues to be derived from taxation and other sources, shall revise its estimate of the amounts that will be credited to each fund from such sources, and shall certify to the taxing authority of each subdivision an amended official certificate of estimated resources.

The Fiscal Officer did not certify to the County Auditor the total amount from all sources available for expenditures from each fund or obtain a certificate of estimated resources from the Budget Commission in 2022 and 2021. This was not detected by the Village due to deficiencies in the budgetary compliance and monitoring control policies and procedures. Failure to obtain the required amended certificate of estimated resources can lead to improper budgeting and limits the effectiveness of management monitoring.

**Current Year Observations (Continued)**

5. **Ohio Rev. Code § 5705.36(A)(1) (Continued)**

The Fiscal Officer, on or about the first day of each fiscal year, shall certify to the county auditor the total amount from all sources available for expenditures from each fund and obtain the approved amended certificate of estimated resources.

6. **Ohio Rev. Code § 5705.41(B)** prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code. Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Village's General Fund had expenditures in excess of appropriations of \$15,935, as of December 31, 2022. The Village should closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations.

7. **Ohio Rev. Code § 5747.07** requires an employing government to remit taxes which it withheld pursuant to Ohio Rev. Code § 5705.06 (including the state payroll tax) to the appropriate authority. It also requires the employing government to report compensation paid and taxes withheld to the tax commissioner and to each of its own employees by January 31 of each year. The Fiscal Officer withheld state payroll taxes for 2022; however, there is no evidence they paid the taxes in 2022 in accordance with the applicable schedule prescribed by Ohio Rev. Code § 5747.07 or submitted the annual reports to the tax commissioner and relevant employee by January 31, 2023. Failure to file, pay, and report the withholdings could result in liabilities, penalties, and interest levied against the Village.

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

This matter will be referred to the Ohio Department of Taxation.

8. **26 U.S.C. § 3102** states that Medicare taxes should be deducted from employees' compensation for all employees hired after March 31, 1986. Furthermore, employers are liable for reporting and remitting these taxes.

**26 U.S.C. § 3402(a)(1)** states in general, except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary.

**26 U.S.C. § 3403** states that the employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter, and shall not be liable to any person for the amount of any such payment.

The Village did not remit federal income and Medicare taxes for all employee during the audit period. The Village should remit payments for federal income tax and Medicare tax withholdings to the Internal Revenue Service in a timely manner.

This matter will be referred to the Internal Revenue Service.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

May 15, 2024

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF ADAMSVILLE**

**MUSKINGUM 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 5/28/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)