



OHIO AUDITOR OF STATE
KEITH FABER



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88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Belmont
Belmont County
P.O. Box 68
Belmont, Ohio 43718

We have performed the procedures enumerated below on the Village of Belmont's (the Village) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2022 and 2021 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, 2022 and 2021 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, 2022 and 2021, 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, 2022 and December 31, 2021 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2021 beginning fund balances for each opinion unit recorded in the Cash Summary by Fund Report to the December 31, 2020 balances in the prior year audited statements. We found the Special Revenue Fund January 1, 2021 beginning fund balance recorded in the Cash Summary by Fund Report was \$16 more than the balance reported in the prior year audited statements due to two voided checks. We also agreed the January 1, 2022 beginning fund balances for each fund recorded in the Fund Status Report to the December 31, 2021 balances in the Fund Status Report. We found no exceptions.

Cash and Investments (Continued)

3. We agreed the 2022 and 2021 bank reconciliation adjusted UAN Balances and Adjusted Bank Balances as of December 31, 2022 and 2021 to the total fund cash balances reported in the Fund Status Report and the financial statements filed by the Village in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2022 bank account balanced with the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2022 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2022 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. 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. We found no exceptions.
6. We traced interbank account transfers occurring in December of 2022 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.
7. We inspected investments held at December 31, 2022 and December 31, 2021 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We found 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 Cross Reference Report for 2022 and a total of five from 2021:
 - a. We compared the amount from the above named reports to the amount recorded in the Receipt Register Report. The amounts agreed.
 - b. We inspected the Receipt Register 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 no exceptions.
 - c. We inspected the Receipt Register 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 Receipt Register Report to determine whether it included two real estate tax receipts for 2022 and 2021. The Receipt Register Report included the proper number of tax receipts for each year. We found no exceptions.
3. We confirmed the total amount paid on behalf of the Village from the Ohio Public Works Commission (OPWC) during 2021 with OPWC.
 - a. We inspected the Receipt Register Report to determine whether these receipts were allocated to the proper funds.
 - b. We inspected the Receipt Register Report to determine whether the receipts were recorded in the proper year.

We found the Village did not post on-behalf payments totaling \$147,314 during 2021. These on-behalf payments should have been posted as Intergovernmental Revenue and Capital Outlay in the Miscellaneous Special Revenue Fund.

Emergency Medical Service Receipts

1. We confirmed the amounts paid from the Ohio Billings, the service organization that performs the emergency medical/fire billings, to the District during 2022 and 2021 with Ohio Billings. We found the Village's Receipts Ledger recorded \$1,935 and \$119 more in revenue than what was recorded on the Ohio Billings report in 2022 and 2021, respectively. This was due to variances in direct deposits and for payments made directly to the Village and not from Ohio Billings. The Village should perform a reconciliation of the Village's receipts ledger to the bank statements and to the reports from Ohio Billings to ensure all receipts are recorded properly.
 - a. We inspected the Receipt Register Report to determine whether these receipts were allocated to the proper fund. We found two receipts in 2022 totaling \$1,120 and one receipt in 2021 in the amount of \$300 for EMS billings recorded in the Fire Levy Fund that should have been recorded in the Emergency Medical Squad Fund. We found one receipt in 2021 in the amount of \$50 for EMS billings recorded in the General Fund that should have been recorded in the Emergency Medical Squad Fund. We found one receipt in the amount of \$50 and two receipts totaling \$293 in 2022 and 2021, respectively, for gym rentals recorded in the Emergency Medical Squad Fund that should have been recorded in the General Fund. The Village corrected the General, Fire Levy and Emergency Medical Squad funds for these items.
 - b. We inspected the Receipt Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2022 and 10 other receipts from the year ended 2021 and:

- a. Agreed the receipt amount recorded in the Receipt Register Report to supporting documentation. We found four receipts that did not have supporting documentation.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Receipt Register Report to determine the receipt was posted to the proper funds and was recorded in the proper year. We found no exceptions.

Water and Sewer Fund

1. We selected 10 Water and Sewer Fund collection cash receipts from the year ended December 31, 2022 and 10 Water and Sewer Fund collection cash receipts from the year ended 2021 recorded in the Receipt Register Report and determined whether the:
 - a. Receipt amount per the Receipt Register Report agreed to the amount recorded to the credit of the customer's account in the Billing Edit Report. The amounts agreed.
 - b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the Billing Edit Report for the billing period. We found no exceptions.
 - ii. Complied with rates in force during the engagement 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 no exceptions.
2. We found the Village did not have an accounts receivable report. Without accounts receivable information available for audit, we could not report the amount of delinquent accounts and the amount of delinquent accounts greater than 90 days past due. The Village should maintain an accounts receivable report which includes delinquent accounts of 30, 60 and 90 days past due for monitoring and auditing purposes.

Water and Sewer Fund (Continued)

3. We observed the Belmont Transaction List.
 - a. This report listed a total of \$5,607 and \$1,559 non-cash receipts adjustments for the years ended December 31, 2022 and 2021, respectively.
 - b. We selected five non-cash adjustments from 2022 and five non-cash adjustments from 2021 and observed that the President of the Water Board approved each adjustment.

Debt

1. From the prior audit documentation, we observed the following bonds and loan were outstanding as of December 31, 2020.
 - a. These amounts agreed to the Village's January 1, 2021 balances on the summary we used in procedure 3.
 - b. We inspected the debt agreements for all outstanding debt, and we confirmed the Village was in compliance with the debt covenants listed below.

Issue	Principal outstanding as of December 31, 2020:	Debt Covenant
OPWC Loan	\$89,298	None.
Sanitary Sewer System Revenue Refunding Bonds	567,408	Maintain accounting records for sewer, maintain insurance on sewer, obtain no other bonds for sewer until satisfied, no dissolution or merging with other municipalities
Water Tank Rehabilitation Project Bonds	40,483	Restricted as to use.

2. We inquired of management and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2022 or 2021 or debt payment activity during 2022 or 2021. All debt agreed to the summary we used in procedure 3 except we found OPWC loan proceeds in the amount of \$169,480 that were not posted to the Village's ledgers in 2021. The loan proceeds should have been posted to Loan Proceeds and Capital Outlay.
3. We obtained a summary of bonds and loan debt activity for 2022 and 2021 and agreed principal and interest payments from the related debt amortization schedules or bank loan invoices to Sewer Debt Sinking, OPWC Debt, Water Debt Service, OPWC Street Paving Debt and Fire Levy Funds' payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Village made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds received for 2022 from the debt documents to amounts recorded in the Fire Levy fund per the Receipt Register Report. The amounts agreed. As noted in Step 2 the Village did not post OPWC loan proceeds during 2021 to the ledgers.
5. For new debt issued during 2022 and 2021, we inspected the debt legislation, which stated the Village must use the proceeds to purchase a fire truck and for various street improvements. We inspected the Payment Register Detail Report and observed the Village purchased a fire truck in March 2022. We found no exceptions. We found during 2021 there were 6 on-behalf disbursements to contractors via OPWC for the various street improvements.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2022 and one payroll check for five employees from 2021 from the Wage Detail 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). 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.

2. We selected three new employees and Council Members from 2022 and three new employees and Council Members from 2021 and:
 - a. We inspected the employees'/Council Members' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
 - b. We agreed the items in a above to the Employee General Information Report. We found no exceptions.

3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2022 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 2022. 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, 2023	January 1, 2023	\$2,945	\$2,945
State income taxes	January 15, 2023	January 1, 2023	\$510	\$510
OPERS retirement	January 30, 2023	January 1, 2023	\$5,419	\$5,419

We found no exceptions.

Non-Payroll Cash Disbursements

- We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2022 and 10 from the year ended 2021 and determined whether:
- a. The disbursements were for a proper public purpose. We found no exceptions.
 - 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 Payment Register Detail 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.

Non-Payroll Cash Disbursements (Continued)

- 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 three instances where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code § 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Mayor's Court Transactions and Cash Balances

1. We recalculated the December 31, 2022 and December 31, 2021 bank reconciliations. We found no exceptions.
2. We compared the reconciled cash totals as of December 31, 2022 and December 31, 2021 to the Mayor's Court Fund balance reported in the Fund Status Reports. We found the reconciled balance was \$120 more for both December 31, 2022 and December 31, 2021, than the balance reported in the Fund Status Report. This was due to \$120 deposited into the Mayor's court bank account to cover overdrafts and fees but it has not been recorded on the Village Ledgers.
3. We found there were no unpaid distributions as of December 31, 2022 and December 31, 2021; however, the Village maintained a balance of \$120 in the Mayor's court bank account for both years to cover overdrafts and fees.
4. We confirmed the December 31, 2022 bank account balance with the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2022 bank reconciliation without exception.
5. We selected five cases from the court cash book and agreed the payee and amount posted to the:
 - a. Duplicate receipt book.
 - b. Docket, including comparing the total fine paid to the judgment issued by the judge (i.e. mayor)
 - c. Case file.The amounts recorded in the cash book, receipts book, docket and case file agreed.
6. From the cash book, we selected one month from the year ended December 31, 2022 and one month from the year ended 2021 and determined whether:
 - a. The monthly sum of fines and costs collected for those months agreed to the amounts reported as remitted to the Village, State, or other applicable government in the following month. We found no exceptions.
 - b. The totals remitted for these two months per the cash book agreed to the returned canceled checks. 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 cash book.

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, 2022 and 2021 for the General, American Rescue Plan Act and OPWC Debt Funds as recorded in the Appropriation Status Report. Expenditures did not exceed appropriations.

Compliance – Budgetary (Continued)

2. We inspected the 5 largest interfund transfers from 2022 and the 5 largest from 2021 Revenue Status Reports and Appropriation Status Reports 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.
3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2022 and 2021 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 determined 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). 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 observed 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 inspected individual proof of attendance and determined whether each elected official in accordance with Ohio Rev. Code § 149.43(E)(1) (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office as required by Ohio Rev. Code § 109.43(B). We found no exceptions.
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:
- a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. 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:
- a. Executive sessions were only held at regular or special meetings.
 - b. 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).
 - c. Formal governing board actions were adopted in open meetings.

We found no exceptions.

Contract Compliance

1. We inspected the Minutes and identified the Village had expenditures subject to competitive bidding. We found no exceptions.
2. We selected one contract over \$50,000 for 2022 and one for 2021 and
 - a. We inspected the contract and other bids for the contracted expenditure and determined:
 - i. The Village accepted the lowest bid and met the requirements of Ohio Rev. Code § 735.05.
 - ii. No bid splitting occurred
 - iii. No deliberate attempts to evade bid limitations occurred, such as successive contracts just under the bid amount, occurred.
 - iv. No apparent interest in the contract by a public official occurred.We found no exceptions.
 - b. We inspected the advertisements of the proposals for bids in the newspaper and determined they were made as required by Ohio Rev. Code §§ 731.14 and 7.16. We found no exceptions.

Other Compliance

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, 2022 and 2021 in the Hinkle system. We found no exceptions.

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 19, 2023

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF BELMONT

BELMONT 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 1/9/2024

88 East Broad 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