



Dave Yost • Auditor of State





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Village of Nashville  
Holmes County  
P.O. Box 417  
Nashville, Ohio 44661

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 Nashville, Holmes County, Ohio, (the Village) for the years ended December 31, 2013 and 2012.

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, 2013 or 2012.

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.

## Current Year Observations

1. The Village has an outside bank account containing undistributed Mayor's Court receipts in the amount of \$4,323. However, this money has not been recorded as an Agency Fund on the Village's accounting system and is not included in the Village's cash reconciliation. Furthermore, a portion of this revenue is payable to the Ohio Treasurer of State and has not been distributed as required by Ohio Rev. Code sections 2743.70(A)(1) and 2949.091(A)(1).

The Village should add this activity as an Agency Fund to the Village's accounting system to properly record the Mayor's Court activity. Furthermore, the Village should remit the proper portion of Mayor's Court receipts to the Ohio Treasurer of State as required by Ohio Rev. Code sections 2743.70(A)(1) and 2949.091(A)(1). Our prior audit also reported this deficiency.

2. The Village assessed a charge for providing water service to the constituents of the Village. However, for 2012 the Water Officer did not utilize a utility billing system which would provide utility billing, utility receipt, delinquent billings, or noncash adjustment reports. This is noncompliant with Ohio Admin. Code § 117-2-02(D)(4)(b). Furthermore, the Village has not implemented policies or procedures which govern the day to day activity of the water utility service.

The Village should implement a utility system with the ability to provide billing reports, receipt reports, delinquent reports, noncash adjustment reports, and a customer master listing. Furthermore, the Village should implement policies and procedures which govern the day to day operation of the water utility service. Our prior audit also reported this deficiency.

### **Current Year Observations (Continued)**

3. During 2012, the Village did not properly submit the 2012 Federal Tax and Medicare withholding to the Internal Revenue Service due to an incorrect federal identification number being used during the submission process. The required withholding submission was still outstanding at December 31, 2013. The Village is working with the Internal Revenue Service to properly submit this withholding payment.

The Village should continue to work with the Internal Revenue Service to submit the Federal Tax and Withholding Payment and ensure all future submissions include the correct federal identification number.

### **Current Status of Matters We Reported in Our Prior Engagement**

1. In our prior audit we reported material noncompliance with Ohio Rev. Code § 2921.42(A)(1), Ohio Rev. Code § 102.3(D) and (E), and Ohio Ethics Commission Advisory Op. No. 2010-03 regarding an employee being related to a Council member. This situation has been resolved as the person is no longer an employee and the Council member is no longer on Council. In addition, we scanned the Village's expenditures noting no related party transactions;
2. Material noncompliance was reported for Ohio Rev. Code § 5705.41(B) regarding appropriations being adopted and expenditures exceeding appropriations. We reviewed the minutes noting appropriations were approved. Furthermore, we compared appropriations to disbursements for the General Fund in 2013 noting no exceptions;
3. Material noncompliance and material weakness was reported for Ohio Rev. Code § 149.351 regarding missing supporting documentation. During our review, it appeared the Village maintained sufficient documentation for all receipts and expenditure packets;
4. Material noncompliance was reported as noted above under current year observations number 2;
5. Material noncompliance was reported for Ohio Rev. Code § 5705.38 regarding adoption of the permanent appropriation resolution by April 1. We reviewed the 2013 and 2012 minutes noting appropriations were approved. Furthermore, we compared appropriations to disbursements for the General Fund in 2013 noting no exceptions;
6. Material noncompliance was reported for Ohio Rev. Code § 5705.41(D) regarding certification of expenditures. We reviewed the 2013 and 2012 expenditure packets noting it appears the Fiscal Officer is now correctly utilizing purchase orders;
7. Material noncompliance and material weakness was reported as noted above under current year observations number 1;
8. Material noncompliance was reported as noted above under current year observations number 1;
9. Material noncompliance was reported for Ohio Rev. Code § 1905.01(F) regarding maintaining the appropriate documentation for cases appearing in Mayor's Court. The Village closed the Mayor's Court in 2012. However, the Village had undisbursed Mayor's Court proceeds during 2013 and 2012 as noted above under current year observations number 1;
10. Material noncompliance and material weakness was reported as noted above under current year observations number 1;

**Current Status of Matters We Reported in Our Prior Engagement (Continued)**

11. Material weakness reported for appropriations and estimated resources not agreeing between the approved amounts and what was entered into the Village's accounting system. We reviewed the 2013 and 2012 UAN Revenue and Appropriation Status Reports noting the estimated receipts and appropriations were properly updated into the system.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

August 12, 2014

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**VILLAGE OF NASHVILLE**

**HOLMES 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  
SEPTEMBER 16, 2014**