

**VILLAGE OF VALLEYVIEW  
FRANKLIN COUNTY**

**AGREED UPON PROCEDURES**

**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

**Wilson, Phillips & Agin, CPA's, Inc.  
1100 Brandywine Blvd., Building G  
Zanesville, Ohio 43701**



# OHIO AUDITOR OF STATE KEITH FABER



Village Council  
Village of Valleyview  
432 North Richardson Ave  
Columbus, Ohio 43026

We have reviewed the *Independent Accounts' Report on Applying Agreed-Upon Procedures* of the Village of Valleyview, Franklin County, prepared by Wilson, Phillips & Agin, CPA's, Inc., for the period January 1, 2016 through December 31, 2017. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Valleyview is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

February 12, 2019

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**WILSON, PHILLIPS, & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD., BUILDING G  
ZANESVILLE, OHIO 43701**

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Village of Valleyview  
432 North Richardson Ave  
Columbus, Ohio 43026

We have performed the procedures enumerated below, which were agreed to by the Village Council, Mayor and the management of Village of Valleyview, Franklin County, Ohio (the Village) and the Auditor of State on the receipts, disbursements and balances recorded in the Village's cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to those transaction 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, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village. The sufficiency of the procedures is solely the responsibility of the parties specified in this 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.

This report only describes exceptions exceeding \$10.

**Cash and Investments**

1. We recalculated the December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2016 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2015 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2017 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2016 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the totals per the bank reconciliation to the total of December 31, 2017 and 2016 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2017 bank account balances with the Village's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2017 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) haphazardly from the December 31, 2017 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, to determine the debits were dated prior to December 31. We found no exceptions.
6. We inspected investments held at December 31, 2017 and December 31, 2016 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

**Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We haphazardly selected a property tax receipt from one Statement of Semiannual Apportionment of Taxes (the Statement) for 2017 and one from 2016.
  - a. We traced the gross receipts from the Statement to the amount recorded in the Receipt Register Report. The amounts agreed.
  - b. We inspected the Receipt Register Report to confirm whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We inspected the Receipt Register Report to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
  
2. We inspected the Receipt Register Report to determine whether it included two real estate tax receipts for 2017 and 2016. The Receipts Register Report included the proper number of tax receipts for each year.
  
3. We haphazardly selected five receipts from the State Distribution Transaction Lists (DTL) from 2017 and five from 2016. We also haphazardly selected five receipts from the County Auditor's Cross Reference Report from 2017 and five from 2016.
  - a. We compared the amount from the above reports to the amount recorded in the Receipt Register Report. The amounts agreed.
  - b. We inspected the Receipt Register Report to determine whether that these receipts were allocated to the proper fund(s). We found no exceptions
  - c. We inspected the Receipt Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

**Income Tax Receipts**

1. We obtained the December 31, 2017 and 2016 Monthly Distribution Reports submitted by the Regional Income Tax Agency (RITA), the agency responsible for collecting income taxes on behalf of the Village. We agreed the total gross income taxes per year to the Village's Receipt Register Report. The amounts agreed.

**Debt**

1. From the prior agreed-upon procedures documentation, we observed the following loans were outstanding as of December 31, 2015. These amounts agreed to the Villages January 1, 2016 balances on the summary we used in procedure 3.

	December 31
	2015
Ohio Public Works Commission	\$ 9,829

2. We inquired of management and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2017 or 2016 or debt payment activity during 2017 or 2016. All debt agreed to the summary we used in procedure 3.
  
3. We obtained a summary of debt activity for 2017 and 2016 and agreed principal and interest payments from the related debt amortization schedules to debt service 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.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2017 and one payroll check for five employees from 2016 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 were reasonable based on the employee's duties as documented in the minute record, timesheets or as required by statute. We also confirmed the payment was posted to the proper year. We found no exceptions.
  
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2017 to confirm remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share, where applicable during the final withholding period during 2017. We noted the following:

<b>Withholding (plus employer share Where applicable)</b>	<b>Due Date</b>	<b>Date Paid</b>	<b>Amount W/H</b>	<b>Amount</b>
Federal Income Taxes	January 31, 2018	December 21, 2017	\$ 261.25	\$ 261.25
State Income Taxes	January 31, 2018	December 21, 2017	34.03	34.03
RITA	January 31, 2018	December 21, 2017	29.06	29.06
OPERS Retirement	January 31, 2018	December 21, 2017	1,692.04	1,692.04

**Non-payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Payment Register Detail Activity Report for the year ended December 31, 2017 and ten from the year ended December 31, 2016 and determined whether:
  - a. The disbursements were for a public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check image 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 noted 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.
  - d. The fiscal officer certified disbursements requiring certification or issued a Then and Now Certificate, as required by Ohio Rev. Code Section 5705.41(D). We found one 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 Section 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.

**Mayors Court Transactions**

1. We recalculated the December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We compared the reconciled cash totals as of December 31, 2017 and December 31, 2016 to the Mayor's Court Agency Fund balance reported in the Fund Status Reports. The balances agreed.
3. We agreed totals per the bank reconciliations to the total of December 31, 2017 and 2016 listing of unpaid distributions as of each December 31. The amounts agreed.
4. We confirmed the December 31, 2017 bank account balance with the Mayor's Court financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2017 bank reconciliation without exception.

5. We haphazardly 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 judgement issued by the judge (i.e. mayor).
  - c. Case fileThe amounts recorded in the cash book, receipts book, docket and case file agreed.
6. From the cash book, we haphazardly selected one month from the year ended December 31, 2017 and one month from the year ended December 31, 2016 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 those 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. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Revised Code Section 5705.36 (A)(1), to the amounts recorded in the Revenue Status Report for the General Fund, Street Construction Fund, and the Police Fund for the years ended December 31, 2017 and 2016. The amounts on the Certificate agreed to the amount recorded in the accounting system, except for the General Fund and Police Fund for both years. The Revenue Status Report recorded budgeted (i.e. certified) resources for the General Fund and Police Fund of \$185,220 and \$63,120 for 2016, respectively. However, the final *Amended Official Certificate of Estimated Resources* reflected \$179,900 and \$56,945 for 2016, respectively. The Revenue Status Report recorded budgeted (i.e. certified) resources for the General Fund and Police Fund of \$203,507 and \$53,000 for 2017, respectively. However, the final *Amended Official Certificate of Estimated Resources* reflected \$192,453 and \$54,780 for 2017, respectively. The Fiscal Officer should periodically compare amounts recorded in the Revenue Status Report to amounts recorded on the Amended Official Certificate of Estimated Resources to assure they agree. If the amounts do not agree, the Council may be using inaccurate information for budgeting and to monitor spending.
2. We inspected the appropriation measures adopted for 2017 and 2016 to determine whether, for the General Fund, Street Construction Fund and the Police Fund, the Council appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Revised Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Revised Code Section 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2017 and 2016 for the following funds: General Fund, Street Construction Fund and the Police Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status report.
4. Ohio Revised Code Section 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General Fund, Street Construction Fund and the Police Fund for the years ended December 31, 2017 and 2016. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Revised Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2017 and 2016 for the General Fund, Street Construction Fund and the Police Fund, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.



6. Ohio Revised Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Receipt Register Report for evidence of new restricted receipts requiring a new fund during December 31, 2017 and 2016. We also inquired of management regarding whether the Village received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Revised Code Section 5705.09 would require the Village to establish a new fund.
7. For funds existing in prior years, inspect the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all the required funds were established. All the required funds were established and no funds for which the statutorily approved purpose was no longer valid included on the accounting records.
8. We inspected the 2017 and 2016 Revenue Status reports and Appropriation Status Reports for evidence of interfund transfers exceeding \$10,000 which Ohio Revised Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
9. We inquired of management and scanned the Appropriation Status Reports to determine whether the Village elected to establish reserve accounts permitted by Ohio Revised Code Section 5705.13. We noted the Village did not establish these reserves.
10. We inspected the Cash Summary by Fund Report for the years ended December 31, 2017 and 2016 for negative cash fund balance. Ohio Revised Code Section 5705.10(I) 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. We noted no funds having a negative cash fund balance.

#### **Compliance – Contracts and Expenditures**

We inquired of management and inspected the Payment Register Detail report for the years ended December 31, 2017 and 2016 to determine if the Village proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project exceeding \$30,000) or to construct or reconstruct Village roads (cost of project \$30,000/per mile) for which Ohio Rev. Code Sections 117.16(A) and 723.52 requires the Village engineer, or officer having a different title but the duties and functions of an engineer, to complete a force account project assessment form (i.e., cost estimates). We identified no projects requiring completion of the force account assessment form.

#### **Other Compliance**

1. Ohio Revised Code Section 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, in addition to filing extensions granted for extenuating circumstances, allow for refile complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the Village's deadline where the initial filing was filed on time but incomplete. 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 years ended December 31, 2017 and 2016 in the Hinkle system. We noted the original filing was filed timely but did not include footnotes. The Village refiled in the Hinkle system with footnotes.
2. We inquired of the fiscal officer and/or inspected the Fiscal Integrity Act Portal to determine whether the fiscal officer obtained the training required by Ohio Revised Code Section 507.12 and 733.81. The fiscal officer has not yet obtained all the required training for their term.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide 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, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
January 30, 2019

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF VALLEYVIEW**

**FRANKLIN 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  
FEBRUARY 26, 2019**