



OHIO AUDITOR OF STATE
KEITH FABER



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Village of Kettlersville
Shelby County
P.O. Box 144
Kettlersville, Ohio 45336

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 Kettlersville, Shelby County, (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 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, 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 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 § 5705.10(I)** states that money paid into any fund shall be used only for the purposes for which such fund is established.

The existence of a deficit balance in any fund indicates that money from another fund or funds have been used to pay the obligation of the fund or funds carrying the deficit balance.

The Village had deficit fund cash balances at December 31, 2020 in the general fund and state highway fund in the amounts of \$1,782 and \$6,383, respectively.

The Village should develop and implement procedures to monitor fund cash balances throughout the fiscal year. When expenditures are anticipated to temporarily exceed available resources, the Village should consider an advance from another fund. The Village should refer to Auditor of State Audit Bulletin 97-003 for guidance on the accounting treatment and approval of advances. If negative financial conditions continue, especially in the general fund, the Village should consider spending modifications so that the general fund can consistently operate with a positive fund balance. Additionally, the Village should seek guidance from the Auditor of State's Local Governmental Services to improve its financial condition.

2. **Ohio Rev. Code § 117.38** states, in part, that each public office, other than a state agency, shall file a financial report for each fiscal year. The report shall be filed with the Auditor of State within sixty days after the close of the fiscal year.

The Village re-filed its 2019 annual financial report with the Auditor of State on February 20, 2021 due to an improper original filing. This was nearly one year after the required due date.

The Village should implement policies and procedures to verify its annual financial report is filed on or before sixty days after the close of the fiscal year and that the filed report is complete (including notes to the financial statements) and accurate.

Current Year Observations (Continued)

3. **Ohio Rev. Code § 149.43(B)(2)** states, in part, 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 records retention schedule during the engagement period and therefore could not make it readily available to the public.

Failure to adopt a records retention schedule/policy could lead to Village records being destroyed prior to what is allowable by law or against the Council's wishes. This could also result in the public not being aware of the records that the Village is required to maintain.

The Village should adopt a formal records retention schedule/policy and make it available to the public.

4. **Ohio Rev. Code § 149.43(E)(2)** states, in part, that the public office shall create a poster that describes its public records policy and shall post the poster in a conspicuous place in the public office and in all locations where the public office has branch offices. The public office may post its public records policy on the internet web site of the public office if the public office maintains an internet web site.

The Village did not have a public records poster displayed in the Village building.

Failure to display a public records poster in the Village building could lead to the public not being aware of the Village's public records policy.

The Village should create a poster describing the Village's public records policy and should display the poster in the Village building.

5. **Ohio Rev. Code § 149.43(E)(1)** states, in part, to ensure that all employees of public offices are appropriately educated about a public office's obligations under division (B) of this section, all elected officials or their appropriate designees shall attend public records training approved by the attorney general as provided in section 109.43 of the Revised Code.

The Village's elected officials (or a Village designee) did not attend public records training for each term of office.

Failure by Village officials (or official designee) to attend public records training could lead to problems related to public records requests.

The Village should ensure that the elected officials (or official designee) has attended public records training for each term of office.

6. **Ohio Rev. Code § 733.81(D)(2)** states that 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. **Ohio Rev. Code § 733.81(D)(3)** states that the auditor of state shall adopt rules specifying the initial education programs and continuing education courses that are required for a fiscal officer who has been appointed to fill a vacancy. The requirements shall be proportionally equivalent, based on the time remaining in the vacated office, to the requirements for a newly elected fiscal officer. **Ohio Rev. Code § 733.81(D)(4)** states that at least two hours of ethics instruction shall be included in the continuing education hours required by divisions (D)(1) and (2) of this section.

Based on information available, the Village's fiscal officer did not meet the total training hours requirement or the ethics training requirement for the appointed term.

Current Year Observations (Continued)

Failure to meet continuing education training requirements could lead to a lack of fiscal officer knowledge of key aspects of the fiscal officer position.

The Village should implement procedures to ensure that all continuing education training requirements are met by the fiscal officer.



Keith Faber
Auditor of State
Columbus, Ohio

May 20, 2021

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF KETTLERSVILLE

SHELBY 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 6/3/2021

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This report is a matter of public record and is available online at
www.ohioauditor.gov