



**VILLAGE OF WEST LEIPSIC
PUTNAM COUNTY**

BASIC AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2021-2020

OHIO AUDITOR OF STATE KEITH FABER



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BASIC AUDIT REPORT

Village of West Leipsic
Putnam County
114 Main Street
Leipsic, Ohio 45856-1050

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 West Leipsic, Putnam County, Ohio (the Village) for the years ended December 31, 2021 and 2020.

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, 2021 and 2020.

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. We noted the Fiscal Officer has not attended annual continuing education programs provided by the Auditor of State to fulfill the requirements of the Fiscal Integrity Act as outlined in Ohio Rev. Code § 733.81. This could result in improper education of the Fiscal Officer regarding the office's duties. The Fiscal Officer should attend the required amount of training to fulfill these requirements and maintain proof of completion of the training.
2. We noted the Village did not file their 2021 and 2020 Annual Financial Reports timely. Ohio Rev. Code § 117.38 provides that each public office, other than a state agency, shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the auditor of state within sixty days after the close of the fiscal year. At the time the report is filed with the auditor of state, the chief fiscal officer shall publish notice in a newspaper published in the taxing district. The notice shall state the financial report has been completed by the public office and is available for public inspection at the office of the chief fiscal officer.

The Village did not file the 2021 and 2020 annual reports until March 30, 2022 and March 10, 2021, respectively. Failure to file by the required date could result in penalties of \$25 per day up to maximum of \$750. The Village should take the necessary steps to ensure the financial report is prepared completely in accordance with Auditor of State Bulletin 2015-007 and filed within the sixty day time frame.

3. We noted four council members and the Fiscal Officer did not attend or have an appropriate designee attend the required Public Records training. Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1) require that officials elected to statewide or local office, or their appropriate designees, receive three hours of Public Records training for each term of office. The training received must be certified by the Ohio Attorney General. Proof that training has been completed can include documentation that either the Attorney General's office or another entity certified by the Attorney General provided the training the elected official received. Attendees who successfully complete the training will receive a certificate to serve as proof of training. Failure to attend the required Public Records training could result in elected officials not being properly informed of public records requirements. The elected officials and the Fiscal Officer shall receive training on public records laws during each term of office and retain the certificate from the Attorney General as proof of training.
4. We noted in 2021 and 2020, sewer collections were incorrectly classified as special assessments instead of charges for services in the Enterprise Fund in the amounts of \$89,325 and \$87,296, respectively. To help ensure the Village's financial statements are complete and accurate, the Village should adopt policies and procedures, including a final review of the statements by the Fiscal Officer and Council to help identify and correct errors and omissions. In addition, the Fiscal Officer should post all transactions in accordance with the guidance established by the Uniform Accounting Network manual.
5. We noted in 2021 that the Enterprise Debt Service Fund had a balance of \$9,000 which is not sufficient to cover the debt service payment amount in the ensuing fiscal year of \$14,832. Village Ordinance #497 Authorizing the Sewer Mortgage Revenue Bonds Series 2004, Section 10 indicates that a balance equal to the amount required to be paid during the ensuing fiscal year with the respect to all outstanding bonds (the Bond Reserve Requirement), shall be accumulated in the Bond Reserve Fund. Whenever disbursements are made from this fund, monthly payments in the amount of \$124 shall be made until the Bond Reserve Requirement is again accumulated in that fund. During 2021, the Fiscal Officer did not make the \$124 monthly payment to the Enterprise Debt Service Fund. Failing to maintain the required balance in the Enterprise Debt Service Fund could result in an inability to pay the debt, and violates the bond agreement. The Village should begin making the \$124 payments and continue to do so until the Enterprise Debt Service Fund balance is at the required level.

Current Status of Matters Reported in our Prior Engagement

Items 2 through 5 noted above were also reported in our prior engagement for the years ended December 31, 2019 and 2018.



Keith Faber
Auditor of State
Columbus, Ohio

August 22, 2022

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF WEST LEIPSIC

PUTNAM 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 9/6/2022

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