



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Village of Bailey Lakes
Ashland County
Ashland, Ohio 44805

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 Bailey Lakes, Ashland County, (the Village) for the years ended December 31, 2023 and 2022.

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, 2023 and 2022.

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 and accounting issues to report.

Current Year Observations

1. We noted the Village filed its 2022 financial statements late. Ohio Rev. Code §117.38 states, in part, each public office, other than a state agency, shall file a financial report for each fiscal year. The auditor of state may prescribe forms by rule or may issue guidelines, or both, for such reports. If the auditor of state has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. 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, except that public offices reporting pursuant to generally accepted accounting principles shall file their reports within one hundred fifty days after the close of the fiscal year.

The Village had sixty days after the close of the fiscal year to file its Hinkle Report with the Auditor of State, which was March 1, 2023. The Village filed its report on June 10, 2023.

- 2. Ohio Rev. Code § 5747.07** requires an employing government to remit taxes which it withheld pursuant to Ohio Rev. Code § 5705.06 (including the state payroll tax) to the appropriate authority. It also requires the employing government to report compensation paid and taxes withheld to the tax commissioner and to each of its own employees by January 31 of each year.

The Village failed to remit the fourth quarter Federal Income, Medicare and State Income Taxes for one employee by the required due date of January 31, 2024. Total taxes were \$21 for this employee and was included with the first quarter of 2024 taxes payment.

- 3. Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1)** require all state and local elected officials, or their designees, to attend 3 hours of training on Ohio's Public Records Laws during each term of office. The training received must be certified by the Ohio Attorney General. Proof of completion of training must include documentation either from the Attorney General's Office or from another entity certified by the Attorney General to provide the training to the elected official or his/her designee. Attendees who successfully complete the training will receive a certificate to serve as proof of training.

Two out of the six (33%) of the Village's elected officials with terms ending in 2023, did not, during their term of office, attend a required Certified Public Records Training or have an appropriate designee attend a training, due to deficiencies in internal controls over public record laws training procedures and monitoring.

- 4. Ohio Rev. Code § 149.43(E)(2)** requires that a public office that has established a manual or handbook of its general policies and procedures for all employees of the public office shall include the public records policy of the public office in the manual or handbook. The Village did not include their public records policy in their policy manual.
- 5. Ohio Revised Code § 149.43(B)(1)** requires that all public records responsive to the request shall be promptly prepared and made available for inspection to the requester. During testing, it was noted that the public records custodian did not fulfill a public records request that was requested on October 27, 2022. The Village should implement procedures regarding sunshine laws to make sure that all requests are filled.



Keith Faber
Auditor of State
Columbus, Ohio

July 2, 2024

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF BAILEY LAKES

ASHLAND 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 7/16/2024

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This report is a matter of public record and is available online at
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