



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Village of Crown City
Gallia County
PO Box 316
Crown City, Ohio 45623

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Village of Crown City, Gallia 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 § 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 § 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 § 733.81** states a newly elected or appointed fiscal officer shall complete at least six hours of initial education programs before commencing, or during the first year of office. An additional eighteen hours of continuing education must be completed within the fiscal officer's first term. Twelve hours of training shall be completed for each subsequent term.

There were three different Fiscal Officers with a term ending March, 31 2024, one beginning April 1, 2020 and two subsequently appointed to complete the term. The first Fiscal Officer was in office from April 2020 through September 2021, the next was from October 2021 to February 2023 and the current fiscal officer began in March 2023. None of the Fiscal Officers completed the continuing education for the first year in office, any subsequent year, or any prorated amount based on term remaining. Reviewing the Auditor of State (AOS) online database shows that none of the Fiscal Officers registered or self-reported any continuing education hours.

The Fiscal Officer should complete the required education and register through the AOS on-line database and begin self-reporting continuing education hours. The Fiscal Officer can access the Fiscal Integrity Act portal at <http://www.ohioauditor.gov/fiscalintegrity/default.html>.

Current Year Observations (Continued)

- 2. Ohio Rev. Code § 109.43(B) & 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.

All of the Village's elected officials with terms ending in 2022 and 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. This could result in improper education of public offices regarding the offices' duties related to public records requests as well as improper withholding of information from stakeholders.

The elected officials, or their designee(s), should, during their term of office, attend public records training and maintain proof of completion of the training.

- 3. Ohio Rev. Code § 149.43(E)(2)** requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook.

The Village did not create a poster that described its public records policy nor have the policy posted at any of the Village's buildings.

The Village should create a poster that describes its public records policy and post it in all of the Village's buildings.

- 4. Ohio Rev. Code § 9.38** provides in part, all public monies received shall be deposited with the treasurer of the public office or designated depository on the business day next following the day of receipt, if the total amount of such monies received exceeds \$1,000. If the total amount of public moneys so received does not exceed \$1,000, the person shall deposit the moneys on the business day next following the day of receipt, unless the public office adopts a policy permitting a different time period, not to exceed three business days next following the day of receipt, for making such deposits, and the person is able to safeguard the moneys until such time as the moneys are deposited. The policy shall include provisions and procedures to safeguard the public monies until they are deposited.

Additionally, reconciliations should be performed by the Utility Clerk for the utility department receipts posted to the Excel spreadsheets to the receipt amounts posted in the UAN system on a monthly basis.

Current Year Observations (Continued)

4. Ohio Rev. Code § 9.38 (Continued)

A monthly reconciliation was not performed between the utility spreadsheet and UAN System. We noted the utility spreadsheet receipt totals exceeded the amounts posted in the UAN System for December 2023 in the amount of \$2,985. Utility collections are posted to the per the utility spreadsheet when collected but not posted to UAN until deposited. There were only deposits made on 2 days in December 2023. Since deposits were not timely, the December UAN receipts and bank deposits included November utility collections in the amount of \$1,012 and the December collections in the amount of \$3,996 were not deposited or posted to UAN until January 2024. Lack of timely deposit could lead to errors or theft going undetected for an extended period of time and did result in receipts not being reflected in the proper period in UAN and in the financial statements. Monthly reconciliations between the utility spreadsheets and UAN would identify the amounts collected in one month and deposited in the next to ensure all utility collections are accounted for.

The Utility Clerk should deposit utility collections daily or within the Village's approved deposit policy, but no more than three business days next following the day or receipt. The Utility Clerk should then perform reconciliations monthly to ensure the receipt amounts reflected in the utility spreadsheets agree to the amounts posted in the UAN System. Any noted variances should be investigated at that time and documentation maintained to support the identified variance.

5. Financial Reporting

The Village had multiple monies receipts that were incorrectly posted in 2022 and 2023.

In 2022 the following errors were noted:

- ARPA funds were incorrectly posted to the Street Fund in the amount of \$78 and State Highway Fund in the amount of \$6 rather than the Coronavirus Relief ARPA Fund in the amount of \$84;
- Gas Tax receipts of \$2,971 were incorrectly posted to the State Highway Fund rather than the Street Fund;
- Homestead and Rollback receipts were incorrectly posted to Street Fund in the amount of \$946 and State Highway fund in the amount of \$77 rather than the General Fund in the amount of \$270 and Fire Fund in the amount of \$753;
- Real Estate and Manufactured Home receipts were incorrectly posted to the Sewer Fund in the amount of \$283 rather than the General Fund in the amount of \$74 and Fire Fund in the amount of \$209;
- Real Estate and Manufactured Home receipts of \$1,353 were incorrectly posted to the General Fund rather than the Fire Fund;
- Gas Tax receipts were incorrectly posted to the General Fund in the amount of \$188 rather than the Street Fund in the amount of \$174 and State Highway Fund in the amount of \$14;
- Local Government receipts were incorrectly posted to the Street Fund in the amount of \$1,475 and State Highway Fund in the amount of \$111 rather than the General Fund in the amount of \$1,584.

In 2023 the following errors were noted:

- Gas Tax receipts of \$2,150 were incorrectly posted to the State Highway Fund rather than the Street Fund;

Current Year Observations (Continued)

5. Financial Reporting (Continued)

- Homestead and Rollback receipts were incorrectly posted to Street Fund in the amount of \$830 and State Highway Fund in the amount of \$67 rather than the General Fund in the amount of \$236 and Fire Fund in the amount of \$661;
- Gas Tax receipts were incorrectly posted to the General Fund in the amount of \$846 rather than the Street Fund in the amount of \$782 and State Highway Fund in the amount of \$64;
- Local Government receipts were incorrectly posted to the Street Fund in the amount of \$4,003 and State Highway Fund in the amount of \$329 rather than the General Fund in the amount of \$4,332;
- Real Estate Manufactured Home receipts of \$1,350 were incorrectly posted to the General Fund rather than the Fire Fund;
- Manufactured Home receipts were incorrectly posted to Street Fund in the amount of \$51 and State Highway Fund in the amount of \$17 rather than the General Fund in the amount of \$18 and Fire Fund in the amount of \$50.

The combined total of errors for both years required adjustment for the following funds: General Fund increase of \$2,780, Street Fund decrease of (\$1,306), State Highway Fund decrease of (\$5,651), Fire Fund increase of \$4,376, Coronavirus Fund increase of \$84, and Sewer Fund decrease of (\$283). The Fiscal Officer corrected the above adjustments on June 12, 2024.

The Fiscal Officer should review the Village Handbook for guidance on proper posting.

Current Status of Matters Reported in our Prior Engagement

1. **Ohio Rev. Code § 109.43(B) & 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. This has been reissued as Current Year Observation #2 above.
2. **Ohio Rev. Code § 149.43(B)(2)** provides, in part, a public office shall have available a copy of its current records retention schedule at a location readily available to the public. **Ohio Rev. Code § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. **Ohio Rev. Code § 149.43 (E)(2)** further requires all public offices take certain actions with regard to their public records policy. This has been partially reissued as Current Year Observation #3 above.
3. **Ohio Rev. Code § 733.81** states a newly elected or appointed fiscal officer shall complete at least six hours of initial education programs before commencing, or during the first year of office. An additional eighteen hours of continuing education must be completed within the fiscal officer's first term. Twelve hours of training shall be completed for each subsequent term. This has been reissued as Current Year Observation #1 above.
4. Reconciliations should be performed by the Utility Clerk for the utility department receipts posted to the Excel spreadsheets to the receipt amounts posted in the UAN system on a monthly basis. This has been reissued as part of Current Year Observation #4 above.

Current Status of Matters Reported in our Prior Engagement (Continued)

5. Posting errors were noted during the prior basic audit. The Village's UAN accounting system was adjusted for these errors. This has been reissued as Current Year Observation #5 above.



Keith Faber
Auditor of State
Columbus, Ohio

July 2, 2024

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF CROWN CITY

GALLIA 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
www.ohioauditor.gov