



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Saint Martin
Brown County
20609 Kelley Road
Lynchburg, Ohio 45142

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of Village of Saint Martin, Brown County, Ohio (the Village), have agreed, solely to assist the Council and Mayor in the surrender of the corporate powers of the Village of St. Martin and evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2012 and 2011. The dissolution of the Village is the responsibility of the Village Fiscal Officer. Management is responsible for recording transactions. 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*. 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.

Confirmation of Closure of Operations:

1. We confirmed with the Brown County Board of Elections that the Village residents voted in favor of the Village to surrender its corporate powers and cease to exist in accordance with Ohio Revised Code Section 703.20. The Village residents voted on November 8, 2011, to surrender its corporate powers.

Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning fund balances recorded in the Monthly Cashbook Fund Report to the December 31, 2010 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 fund cash balances reported in the Monthly Cashbook Fund Reports. We found no exceptions.
4. We confirmed the December 31, 2012 bank account balances with the Village's financial institution. We found no exceptions.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 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 noted no exceptions.
6. We tested investments held at December 31, 2012 and December 31, 2011 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 selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2012 and one from 2011:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Monthly Cashbook Report. The amounts were recorded net of applicable deductions.
 - b. We determined whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Monthly Cashbook Detail Report to determine whether it included two real estate tax receipts for 2012 and 2011. We noted the Monthly Cashbook Detail Report included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2012 and five from 2011. We also selected five receipts from the County Auditor's DTLs from 2012 and five from 2011.
 - a. We compared the amount from the above reports to the amount recorded in the Monthly Cashbook Detail Report. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Over-The-Counter Cash Receipts

We haphazardly selected 10 over-the-counter cash sewer receipts from the year ended December 31, 2012 and 10 over-the-counter cash sewer receipts from the year ended 2011 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Monthly Cashbook Detail Report. The amounts agreed.

- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund(s), and was recorded in the proper year. We found no exceptions.

Water Fund

- 1. We confirmed the amounts paid from the Highland County Water Company, the service organization that performed the water billing and collections for the Village during 2011 and 2012. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

- 1. From the prior audit documentation, we noted the following loans outstanding as of December 31, 2010. This amount agreed to the Villages January 1, 2011 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2010:
OWDA Loan	\$11,298

- 2. We inquired of management, and scanned the Monthly Cashbook Detail Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances. All debt payment activity noted agreed to the summary we used in step 3.
- 3. We obtained a summary of note debt activity for 2012 and 2011 and agreed principal and interest payments from the related debt amortization schedule to debt service fund payments reported in the Monthly Cashbook 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 Village's once employee from 2012 and one payroll check for Village's one employees from 2011 from the Pay Period Employee Payroll Voucher Reports and:
 - a. We compared the hours and pay rate, or salary recorded in the Monthly Cashbook Report to supporting documentation (legislatively-approved rate or salary). Amounts agreed.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the Pay Period Employee Payroll Voucher Report. We found no exceptions.
 - c. We determined whether the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as required by statute. We also determined whether the payment was posted to the proper year. We found no exceptions.

2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2012 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2012. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
State income taxes	January 15, 2013	February 12, 2013	\$15	\$15
OPERS retirement	January 30, 2013	January 30, 2013	\$252	\$252

As noted above, the State withholding was not paid timely. We noted that the Village did not withhold monies for Federal Income Taxes or Medicare from employee's paychecks in 2011 and 2012 at the correct rates as required by 26 U.S.C., Section 3403. The Auditor of State will notify the IRS of this matter.

Non-Payroll Cash Disbursements

1. From the Monthly Cashbook Detail Reports, we re-footed checks recorded as General Fund disbursements, and checks recorded as Sewer Fund disbursements for 2012. We found no exceptions.
2. We haphazardly selected ten disbursements from the Monthly Cashbook Detail Report for the year ended December 31, 2012 and ten from the year ended 2011 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. 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 Payment Register Detail Report and to the names and amounts on the supporting invoices. We found 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.
3. We inquired of the fiscal officer of the nature of any outstanding, unpaid, obligations. No outstanding obligations exist.
4. We agreed payment of Village book balance cash amounts to Perry Township, Brown County, and Fayetteville Perry Township Regional Sewer District as the final closure of the Village's account activity. We found no exceptions.

Capital Assets:

1. We determined that the Village has notified the Township, the Highland County Water Department, and the Fayetteville Perry Township Regional Sewer District of the location, description, and address of any land, infrastructure or equipment to be transferred the related entity. The Village notified these entities on December 28, 2012.

We were not engaged to, and did not conduct an examination, 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 intended solely for the information and use of management, those charged with governance, and others within the Village, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

May 1, 2013

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VILLAGE OF SAINT MARTIN

BROWN 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
JUNE 4, 2013