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KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Wilmot
Stark County
PO Box 192
Wilmot, Ohio 44689

We have performed the procedures enumerated below, which were agreed to by the Village Council, Mayor and the management of the Village of Wilmot (the Village), on the receipts, disbursements and balances recorded in the Villages cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Village. The Village is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village. 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.

Cash and Investments

1. We recalculated the December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2018 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2017 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2018 balances in the Cash Summary by Fund Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the Cash Summary by Fund Report and the financial statements filed by the Village in the Hinkle System. The amounts agreed.
4. We observed the December 31, 2019 bank account balance on the Ohio Pooled Collateral System's website. We confirmed the December 31, 2019 investment balance with the Village's investment institution. We also agreed the confirmed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2019 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 Payment Register Detail Report, to determine the debits were dated prior to December 31. There were no exceptions.

6. We inspected investments held at December 31, 2019 and December 31, 2018 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 and Intergovernmental

1. We selected a total of five receipts from the Statement of Semiannual Apportionment of Taxes, State Distribution Transaction Listing (DTL), and the Stark County Settlement Reports for 2019 and a total of five from 2018:
 - a. We compared the amount from the above named reports to the amount recorded in the Receipt Detail Report. The amounts agreed with the exception of one Statement of Semiannual Apportionment of Taxes selected for 2018, which was recorded at net amount rather than the gross amount.
 - b. We inspected the Receipt Detail Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Receipt Detail Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Receipt Detail Report to determine whether it included two real estate tax receipts for 2019 and 2018. The Receipt Detail Report included the proper number of tax receipts for each year.

Income Tax Receipts

1. We compared the allocation of income tax receipts for the years ended December 31, 2019 and 2018 to the Village's funds according to the allocation requirements of Ordinance No. 7-2017. The allocation did not agree with the percentages the Ordinance requires. The Ordinance requires four percent of net available income tax receipts received annually shall be used for waterworks improvements; seven percent of net available income tax receipts received annually shall be used for street improvement; ten percent of net available income tax receipts received annually shall be appropriated and set aside in the Master Capital Improvement Fund # 402; seventy-nine percent of net available income tax receipts received annually shall be used for operation expenses of the Village and/or specified capital improvements as determined by Council. However, all income tax receipts were allocated to the General Fund and not used for the required purpose, with the exception of street and road improvements during 2019. On October 29, 2020, the Village passed retroactive Ordinance No. 21-2020 documenting Ordinance No. 7-2017 was adopted with the intent of the Council of the Village of Wilmot to have all funds collected to be deposited in the General Fund.
2. We selected five income tax returns filed during 2019 and five from 2018.
 - a. We compared the payment amount recorded on the tax return to the amount recorded on the Cash Journal Receipt. The amounts agreed.
 - b. We compared the cash register tape total from procedure a. to the amount recorded as income tax receipts in the Receipt Detail Report for that date. The amounts agreed.
3. We compared the date of the receipts to the date the receipts was posted in the Receipt Detail Report to determine whether the receipts were recorded in the year received. We found no exceptions.

Over-The-Counter Cash Receipts

We selected 10 over-the-counter cash receipts from the year ended December 31, 2018 in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Receipt Detail Report. The amounts agreed.
- b. Inspected the Receipt Detail Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Water Fund

1. We selected 10 Water Fund collection cash receipts from the year ended December 31, 2019 and 10 Water Fund collection cash receipts from the year ended 2018 recorded in the Cash Receipts Manual Ledger and determined whether the:
 - a. The Village does not utilize accounting software capable of producing an Accounts Receivable Report; therefore, we were not able to agree the receipt amount per the Cash Receipts Manual Ledger to the credit of the customer's account in the Accounts Receivable Report.
 - b. Amount charged for the related billing period:
 - i. The Village does not utilize accounting software capable of producing an Accounts Receivable Report; therefore, we were not able to determine the amount charged for the related billing period agreed with the debit to accounts receivable in the Accounts Receivable Report for the billing period.
 - ii. Complied with rates in force during the audit period multiplied by the consumption amount recorded for the billing period. We found no exceptions.
 - c. Receipt was posted to the proper fund, and was recorded in the year received. We found no exceptions.
2. The Village does not utilize accounting software capable of producing an Accounts Receivable Report for Water Fund collections, rather, they use a manual accounting system.
 - a. We were not able to determine the accounts receivable balance as of December 31, 2019 or 2018.
 - b. We were not able to determine the amounts recorded as more than 90 days delinquent.
3. The Village does not utilize accounting software capable of producing a non-cash Accounts Receivable Adjustments Report, rather they use a manual accounting system.
 - a. We were not able to determine the total balance of non-cash receipt adjustments for the years ended December 31, 2019 or 2018.
 - b. We selected five non-cash adjustments from 2019 and five non-cash adjustments from 2018, and observed that the President of the Board of Public Affairs approved each adjustment.

Debt

1. From the prior audit documentation, we observed the following loans were outstanding as of December 31, 2017. These amounts agreed to the Villages January 1, 2018 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2017:
OWDA Waterline Replacement Loan	\$62,348
OPWC Waterline Replacement Loan	\$27,714
Truck/Tractor Loan	\$23,109
Police Radio Loan	\$6,745

2. We inquired of management, and inspected the Revenue Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of loan debt activity for 2019 and 2018 and agreed principal and interest payments from the related debt amortization schedules to General and Water Operating Fund payments reported in the Payment Register Detail Report. We noted the Paving and Patching Loan principal and interest payments for December 2018 through August 2019 did not agree to the amortization schedules with variances ranged from \$49 to \$132. We also compared the date the debt service payments were due to the date the Village made the payments. For the Paving and Patching Loan, we noted the interest payments from December 2018 through April 2019 were not made, the May 2019 interest payment was seven days late and the September 2019 principal and interest payment was three days late. For the Truck/Tractor Loan, we noted the principal and interest payments was late for 11 out of 24 months, with late days ranging from one to eight days. For the OPWC Waterline Replacement Loan, we noted the January 2019 principal payment was six days late.
4. For new debt issued during 2018, we inspected the debt legislation, which stated the Village must use the proceeds to pave and patch roads. We inspected the Payment Register Detail Report and observed the Village paved and patched roads in August and December 2019.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 from the Wage and Overtime Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage and Overtime Detail Report to supporting documentation (timecard or legislatively approved rate or salary). We found no exceptions.
 - b. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' job description. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2019 to confirm 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 2019. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2020	January 29, 2020	\$797.58	\$797.58
State income taxes	January 31, 2020	January 29, 2020	\$131.84	\$131.84
Village of Wilmot income tax	January 31, 2020	January 29, 2020	\$219.36	\$219.36
OPERS retirement	January 31, 2020	January 29, 2020	\$716.14	\$716.14

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Payment Listing Report for the year ended December 31, 2019 and 10 from the year ended 2018 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 Listing 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.
 - d. The Clerk-Treasurer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018 for the General, Street Construction and State Highway Funds, as recorded in the Appropriation Status Report. We observed no funds for which expenditures exceeded appropriations.
2. We inspected the 2019 and 2018 Revenue Status Report and Appropriation Status Report for evidence of interfund transfers exceeding \$10 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner.
3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2019 and 2018 for negative cash fund balance. Ohio Rev. Code Section 5705.10(l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. There were no funds having negative cash fund balances.

Sunshine Law Compliance

1. We obtained and inspected the Village's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code § 149.43(E)(2) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We selected all public records requests from the engagement period and inspected each request to determine the Village was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). We found no exceptions.
3. We inquired with Village management and determined that the Village did not have any denied public records requests during the engagement period.
4. We inquired with Village management and determined that the Village did not have any public records requests with redactions during the engagement period.

5. We inquired whether the Village had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with Village management and determined that the Village did not have a policy manual during the engagement period therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
8. We inquired with Village management and determined that the Village's poster describing their Public Records Policy was displayed conspicuously in all branches of the Village as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
9. We inquired with Village management and determined that the Village did not have any applications for record disposal submitted to the Records Commission during the engagement period.
10. We inspected individual training certificates and determined whether each elected official in accordance with Ohio Rev. Code § 149.43(E)(1) (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office as required by Ohio Rev. Code § 109.43(B). We found no exceptions.
11. We inspected the public notices for the public meetings held during the engagement period and determined the Village notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
13. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires villages to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Village filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2019 and 2018 in the Hinkle system. There were no exceptions.

2. For all credit card accounts we obtained a list of all credit card transactions.
 - a. We selected 1 credit card transaction from each account for testing. For selected transactions we inspected documentation to determine that:
 - i. Each transaction was supported with original invoices and for a proper public purpose.
We found no exceptions.
 - b. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
 - i. No unpaid beginning balance was carried forward to the current billing cycle,
 - ii. Ending statement balance was paid in full, and
 - iii. Statement contained no interest or late fees.
We found no exceptions.

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*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the Village's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

November 10, 2020

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF WILMOT

STARK 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 12/15/2020

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