



OHIO AUDITOR OF STATE
KEITH FABER





65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Albany
Athens County
PO Box 153
Albany, Ohio 45710

We have performed the procedures enumerated below on the Village of Albany, Athens County, Ohio (the Village) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 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, 2023 and 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village.

The Village Council, Mayor and the management of the Village have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing 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, 2023 and 2022, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash and Investments

1. We recalculated the December 31, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2022 beginning fund balances for each fund recorded in the Cash Summary by Fund Report to the December 31, 2021 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2023 beginning fund balances for each fund recorded in the Cash Summary by Fund Report to the December 31, 2022 balances in the Cash Summary by Fund Report. We found the Fiscal Officer posted increases to the Athens Foundation Grant Fund of \$16,000 and Sewer Debt

Cash and Investments Continued)

Service Reserve Fund of \$94,000 which caused the January 1, 2023 balances to exceed the December 31, 2022 fund balances. We inquired of management and the Fiscal Officer indicated the adjustments were not supported and were corrected on December 31, 2023 by payment 247-2023. However, this entry was only posted to the Sewer Debt Service Fund and included portions to correct receipt 214-2023 dated November 30, 2023 in addition to the adjustments to beginning balance. As such, the following adjustment was required. We brought this to the attention of the Fiscal Officer who posted the adjustment December 12, 2024.

Fund	Adjustment Needed
Athens Foundation Grant Fund (2901)	(\$16,000)
Sewer Debt Service Reserve Fund (5741)	(94,000)
Sewer Debt Service Fund (5721)	127,889
Water Operating Fund (5101)	(6,411)
Waterline Debt Service Fund (5722)	(1,711)
Water Deposits Fund (5781)	(1,000)
Sewer Operating Fund (5701)	(550)
Sewer Improvement Fund (5201)	(8,317)
General Fund (1000)	(615)
Mayor's Court Fund (9901)	666
	<u>(\$49)</u>

We also found that the General Fund in the Cash Summary by Fund report at January 1, 2023 exceeded the December 31, 2023 balance by \$205 due to voided checks.

3. We agreed the 2023 and 2022 bank reconciliation adjusted UAN Balances and Adjusted Bank Balances as of December 31, 2023 and 2022 to the total fund cash balances reported in the Fund Status Report and the financial statements filed by the Village in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2023 bank account balances with the Village's financial institutions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2023 bank reconciliation. We found the reconciliation amount exceeded the amount confirmed by \$49 due to \$51 unrecorded interest and the Mayor's Court varying by \$100. We brought this to the attention of the Fiscal Officer who posted the adjustment December 12, 2024.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2023 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 and determined the debits were dated prior to December 31. We found no exceptions.
6. We inspected investments held at December 31, 2023 and December 31, 2022 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We found no exceptions.

Property Taxes and Intergovernmental Cash Receipts

1. We selected a total of 5 receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Listing (DTL), and the Athens County Auditor DLTs for 2023 and a total of 5 from 2022:
 - a. We compared the amount from the above-named reports to the amount recorded in the Receipt Detail Report. The amounts agreed.
 - b. We inspected the Receipt Detail Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code §§ 5705.05 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 Register Report to determine whether it included 2 real estate tax receipts for 2023 and 2022. The Receipt Register Report included the proper number of tax receipts for each year. We found no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2023 and 10 other receipts from the year ended 2022 and:

- a. Agreed the receipt amount recorded in the Receipt Register Report to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Receipt Register Report to determine the receipt was posted to the proper funds and was recorded in the proper year. We found no exceptions.

Water Operating Fund, Sewer Operating Fund, Sewer improvement Fund, Sewer Debt Service Fund, Waterline Debt Service Fund, and Water Deposits Fund

1. We selected 10 Water Operating Fund, Sewer Operating Fund, Sewer improvement Fund, Sewer Debt Service Fund, Waterline Debt Service Fund, and Water Deposits Fund collection cash receipts from the year ended December 31, 2023 and 10 Water Operating Fund, Sewer Operating Fund, Sewer improvement Fund, Sewer Debt Service Fund, Waterline Debt Service Fund, and Water Deposits Fund collection cash receipts from the year ended 2022 recorded in the Daily Deposit Report and determined whether the:
 - a. Receipt amount per the Daily Deposit Report agreed to the amount recorded to the credit of the customer's account in the Customer Inquiry Report. The amounts agreed.
 - b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the Customer Inquiry Report for the billing period. We found no exceptions.
 - ii. Complied with rates in force during the engagement period multiplied by the consumption amount recorded for the billing period, plus any applicable late penalties, plus unpaid prior billings. We found three receipts calculated incorrectly resulting in undercharging customers \$22 in total.
 - c. Receipt was posted to the proper funds and was recorded in the year received. We found no exceptions.
2. We observed the Delinquent Report.
 - a. This report listed \$69,102 and \$56,371 of accounts receivable as of December 31, 2023 and 2022, respectively.

Water Operating Fund, Sewer Operating Fund, Sewer improvement Fund, Sewer Debt Service Fund, Waterline Debt Service Fund, and Water Deposits Fund (Continued)

- b. Of the total receivables reported in the preceding procedure, the Village did not have a report that showed the amounts recorded as more than 90 days delinquent.
3. We observed the Adjustment Analysis Report.
 - a. This report listed a total of \$6,871 and \$35,213 non-cash receipts adjustments for the years ended December 31, 2023 and 2022, respectively.
 - b. We selected 5 non-cash adjustments from 2023 and 5 non-cash adjustments from 2022 and observed that the Fiscal Officer and Council approved each adjustment.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following loans were outstanding as of December 31, 2021.
 - a. These amounts agreed to the Village's January 1, 2022 balances on the summary we used in procedure 3.
 - b. We inspected the debt agreements for all outstanding debt, and we confirmed the Village was in compliance with the debt covenants listed below with the exception of late payments identified in step 3 below.

Issue	Principal outstanding as of December 31, 2021:	Debt Covenant
Ohio Public Works Commission (OPWC): Sewer System	\$61,473	Timely payment
U.S. Department of Agriculture: Series 2005A 92-08	2,656,241	<ul style="list-style-type: none"> • Timely payment • Maintenance of Insurance Coverage
U.S. Department of Agriculture: Series 2005B 92-04	466,186	<ul style="list-style-type: none"> • Timely payment • Maintenance of Insurance Coverage
U.S. Department of Agriculture: Series 2005C 92-06	335,299	<ul style="list-style-type: none"> • Maintenance of Insurance Coverage
Ohio Public Works Commission (OPWC): Water Meters	204,433	Timely payment
Ohio Water Development Authority (OWDA) Waterline	1,353,405	Timely payment

2. We inquired of management and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2023 or 2022 or debt payment activity during 2023 or 2022. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt activity for 2023 and 2022 and compared principal and interest payments from the related debt amortization schedules to Sewer Debt Service Fund, Sewer Debt Service Reserve Fund, Water Operating Fund, and Waterline Debt Service Fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Village made the payments. We found \$170 and \$86 of principal payments were posted as interest in 2022 and 2023, respectively. Further, we noted payments for the U.S. Department of Agriculture Series A-C and OWDA Waterline debt resulted in late fees of \$286 which was paid on June 1, 2023.

Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2023 and 1 payroll check for 5 employees from 2022 from the Wage Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard and 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 allowable based on the employees' duties as documented in the employees' personnel files and minute record. We found no exceptions.
 - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We selected 3 new employees from 2023 and the only new employee from 2022 and:
 - a. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
 - b. We agreed the items in a above to the Employee General Information Report.
 We found no exceptions.
3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2023 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 2023. 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)	01/31/2024	01/12/2024	\$2,600	\$2,600
State income taxes	01/15/2024	01/12/2024	512	512
Alexander Local School District taxes	01/15/2024	01/12/2024	127	127
OPERS retirement	01/31/2024	02/07/2024	3,965	3,965

We found the OPERS retirement payment was not made by the required date. No late fee was assessed related to this exception.

Non-Payroll Cash Disbursements

We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2023 and 10 from the year ended 2022 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.
- d. The Fiscal Officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code § 5705.41(D). We found no exceptions.

Mayor's Court Transactions

1. The Mayor's Court bank account and fund balance information are included in the Cash and Investments Section above. However, we compared the totals per the bank reconciliations to the total of December 31, 2021 and 2020 listing of unpaid distributions as of each December 31. We found at December 31, 2022, the Mayor's Court fund balance included in the bank reconciliation was \$924 while the total unpaid distributions totaled \$603. At December 31, 2023, the Mayor's Court fund balance included in the bank reconciliation was \$303 while the total unpaid distributions totaled \$969. As such, an adjustment to fund balance of \$666 was required from the General Fund to the Mayor's Court Fund. This was brought to the Fiscal Officer's attention and the adjustment was posted December 12, 2024.
2. We selected 5 cases from the court cash book and agreed the payee and amount posted to the:
 - a. Duplicate receipt book.
 - b. Docket, including comparing the total fine paid to the judgment issued by the judge (i.e. mayor)
 - c. Case file.

The amounts recorded in the cash book, receipts book, docket and case file agreed.

3. From the cash book, we selected 1 month from the year ended December 31, 2023 and 1 month from the year ended 2022 and determined whether:
 - a. The monthly sum of fines and costs collected for those months agreed to the amounts reported as remitted to the Village, State, or other applicable government in the following month. We found no exceptions.
 - b. The totals remitted for these 2 months per the cash book agreed to the returned canceled checks. 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 cash book.

Compliance – Budgetary

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus certified commitments including outstanding encumbrances) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the year ended December 31, 2023 for the General Fund, Athens Foundation Grant Fund, and Police Levies Fund and for the year ended 2022 for the General Fund, Police Levies Fund, and VESI Reinvestment Fund as recorded in the Appropriation Status Report. Expenditures did not exceed appropriations.
2. We inspected the Cash Summary by Fund Report for the years ended December 31, 2023 and 2022 for negative cash fund balance. Ohio Rev. Code § 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 149.43(B)(7)(c) 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.

Sunshine Law Compliance (Continued)

2. We inquired with Village management and determined that the Village did not have any completed public records requests during the engagement period. The Village did not have any denied public records requests during the engagement period. The Village did not have any public records requests with redactions during the engagement period.
3. 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.
4. 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.
5. 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).
6. We observed 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.
7. 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.
8. We inspected individual proof of attendance 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.
9. 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.
10. 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.
11. 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 § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found the Council entered executive session on February 16, 2022 without documenting the reason for the executive session as required by Ohio Revised Code.

Contract Compliance

1. We inspected the Minutes and identified the Village had expenditures subject to competitive bidding. We found no exceptions.
2. We selected 1 contract subject to competitive bidding requirements for 2023 and 1 for 2022 and
 - a. We inspected the contract and other bids for the contracted expenditure and determined:
 - i. The Village accepted the lowest bid and met the requirements of Ohio Rev. Code § 735.05.
 - ii. No bid splitting occurred.
 - iii. No deliberate attempts to evade bid limitations occurred, such as successive contracts just under the bid amount, occurred.
 - iv. No apparent interest in the contract by a public official occurred.We found no exceptions.
 - b. We inspected the advertisements of the proposals for bids in the newspaper and determined they were made as required by Ohio Rev. Code §§ 731.14 and 7.16. We found no exceptions.

Other Compliance

Ohio Rev. Code § 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, 2023 and 2022 in the Hinkle system. We found no exceptions.

Additional Procedures- Rebates

1. We obtained support from the Police Chief 's review of credit card and purchasing card rebates. We compared the listing of rebates from the Menards website to the credit card and purchasing card disbursements in the Payment Detail Report. The rebates coincided with Village purchases.
2. We inspected the Payment Register Detail report for evidence of other credit/purchasing cards not included in the Police Chief review. We found no such cards.
3. The Fiscal Officer was required by the Police Chief's review to repay the Village \$87. We agreed this receipt to the bank statement on December 22, 2023.

We were engaged by the Village to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, 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.

We are required to be independent of the Village and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

A handwritten signature in black ink, appearing to read "Keith Faber". The signature is fluid and cursive, with the first and last names being clearly legible.

Keith Faber
Auditor of State
Columbus, Ohio

December 17, 2024

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF ALBANY

ATHENS 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 1/14/2025

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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