



Dave Yost • Auditor of State



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Village of Summerfield
Noble County
P.O. Box 223
Summerfield, Ohio 43788

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 Summerfield, Noble County, Ohio (the Village), for the years ended December 31, 2014 and 2013.

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, 2014 or 2013.

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.

Current Year Observations

1. We noted the following during 2013:

- Eleven months of State and Local Highway Government funds were posted at 100% in the General Fund in the amount of \$3,036.76, instead of at 92.5% in the Street Construction, Maintenance and Repair Fund, in the amount of \$2,809.00 and at 7.5% in the State Highway Fund, in the amount of \$227.76;
- Twelve months of Permissive License Plate Tax funds were posted at 92.5% in the General Fund in the amount of \$595.55 and at 7.5% in the Street Construction Maintenance and Repair Fund in the amount of \$48.31, instead of posting entire amount of \$643.86 to the Motor Vehicle License Tax Fund; and
- Ten months of Motor Vehicle Registration funds were posted at 92.5% in the General Fund in the amount of \$1,523.73 and at 7.5% in the Street Construction, Maintenance and Repair Fund in the amount of \$123.54, and two months of Motor Vehicle Registration funds were posted at 100% in the General Fund in the amount of \$346.13, instead of at 92.5% in the Street Construction, Maintenance and Repair Fund in the amount of \$1,720.36 and at 7.5% in the State Highway Fund in the amount of \$149.50.

We noted the following during 2014:

- Nine months of State and Local Highway Government funds were posted at 100% in the General Fund in the amount of \$2,350.39, instead of at 92.5% in the Street Construction, Maintenance and Repair Fund in the amount of \$2,174.11 and at 7.5% in the State Highway Fund in the amount of \$176.28;
- Twelve months of Permissive License Plate Tax funds were posted at 92.5% in the General Fund in the amount of \$578.24 and at 7.5% in the Street Construction Maintenance and Repair Fund in the amount of \$46.88, instead of posting entire amount of \$625.12 to the Motor Vehicle License Tax Fund; and

- Twelve months of Motor Vehicle Registration funds were posted at 92.5% in the General Fund in the amount of \$1,619.81 and at 7.5% in the Street Construction, Maintenance and Repair Fund in the amount of \$131.34, instead of at 92.5% in the Street Construction, Maintenance and Repair Fund in the amount of \$1,619.81 and at 7.5% in the State Highway Fund in the amount of \$131.34.

The Village Officer's Handbook discusses and Ohio Rev. Code §5735.28 states motor vehicle registration, cents-per-gallon and gasoline tax monies are to be paid into the Street Construction, Maintenance and Repair Fund unless the Village is on the line of the state highway system as designated by the director of transportation and then 7.5% of the amount paid to any village shall be receipted into the State Highway Fund. Therefore, a finding for adjustment is hereby issued against the General Fund in the amount of \$8,876.82, and in favor of the Street Construction, Maintenance and Repair Fund, Special Revenue Fund type, in the amount of \$8,191.94 and the State Highway Fund, Special Revenue Fund type, in the amount of \$684.88.

Ohio Rev. Code §4504.15 provides that proceeds from the motor vehicle license tax should be distributed by the County to the municipal corporations not levying a tax under Ohio Rev. Code §4504.17. These motor vehicle license tax monies should be posted to the Village's Permissive Motor Vehicle License Tax Fund, Special Revenue Fund type as outlined in Auditor State Bulletin 88-16. Therefore, a finding for adjustment is hereby issued against the General Fund, in the amount of \$1,173.79, and against the Street Construction, Maintenance and Repair Fund, in the amount of \$95.19 and in favor of the Permissive Motor Vehicle License Tax Fund, Special Revenue Fund type, in the amount of \$1,268.98.

2. We noted during 2013 and 2014 electric payments, water payments and trash collection payments were charged to Leisure Time Activities instead of Basic Utility Services. In addition, during 2013 we noted debt payments for the truck loan were charged to Leisure Time Activities and the debt payments for the EMS vehicle truck were charged to Security of Persons and Property instead of Principal Retirement and Interest and Fiscal Charges. The improper posting of expenditure accounts misclassifies the financial statements. We recommend the Fiscal Officer review the UAN chart of accounts for Villages.

Current Status of Matters we Reported in our Prior Engagement

In addition to item 2 above, our prior audit for the years ended December 31, 2012 and 2011 included a material weakness for not posting estimated receipts to the Village's accounting system or comparing budgeted receipts to actual receipts. We have determined this prior audit noncompliance was corrected as of December 31, 2014.



Dave Yost
Auditor of State
Columbus, Ohio

May 26, 2015



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VILLAGE OF SUMMERFIELD

NOBLE 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
JULY 7, 2015**