



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Village of Sarahsville
Noble County
321 Main Street
Sarahsville, Ohio 43779

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 Sarahsville, Noble County (the Village), for the years ended December 31, 2022 and 2021.

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, 2022 and 2021.

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. We noted three Council members did not attend public records training for their term ended December 31, 2021. Ohio Rev. Code §§ 109.43(B) and 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. The Village's elected officials should attend public records training during their term of office. Our prior audit also reported this deficiency.
2. We noted the Village did not have a formal records retention schedule. Ohio Rev. Code § 149.43(B)(2) states, 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 § 149.381 states, in part, when a records commission has approved a schedule of records retention, the records commission shall send that schedule of records retention to the Ohio history connection for its review. Upon completion of its review, the Ohio Historical Connection shall forward the schedule of records retention to the auditor of state for the auditor of state's approval or disapproval. The Village should adopt a formal records retention schedule and send it to the Ohio history connection for review. Our prior audit also reported this deficiency.

Current Year Observations (Continued)

3. We noted the Village has not adopted a public records policy. Ohio Rev. Code § 149.43(E)(2) provides that every public office must have a policy in place for responding to public records requests. Generally, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to Ohio Rev. Code § 149.43(B)(7)(c), the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. "Commercial" is narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research. Ohio Rev. Code § 149.43(E)(2) further 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 should establish a public records policy in accordance with the aforementioned Ohio Revised Code Sections. Our prior audit also reported this deficiency.
4. We noted the Village received Local Fiscal Recovery Funds in the amount of \$8,922, and CARES Act monies in the amount of \$20,000 in 2021. These funds were placed into the General Fund instead of a Special Revenue Fund. Ohio Rev. Code § 5705.09 states each subdivision must establish a special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose. Additionally, Auditor of State Bulletin 2021-004 provides accounting guidance regarding Local Fiscal Recovery Funds. This error was corrected by the Village via a fund balance adjustment and establishment of the Local Fiscal Recovery Fund and CARES Act Fund on January 9, 2024.
5. We noted the Village did not file the 2021 cash basis annual report until November 2, 2022. Ohio Rev. Code § 117.38 states that public offices reporting on a cash basis must file annual reports with the Auditor of State's HINKLE system within 60 days after the close of the fiscal year. The Village should make a complete filing within 60 days of the fiscal year-end.
6. We noted General Fund appropriations of \$61,425 exceeded estimated resources by \$3,734 for the year ended December 31, 2022. Ohio Rev. Code § 5705.39 provides in part that total appropriations from each fund shall not exceed the total estimated resources. The Village should draft, approve, and implement procedures to compare appropriations to estimated resources.
7. We noted the Village made two debt payments late on the OWDA loan that was due January 1, 2022, and July 1, 2022, respectively. The payments were posted by OWDA on February 7, 2022, and July 22, 2022, respectively. The Village should pay debt payments in a timely manner to avoid any late fees or penalties. Our prior audit also reported this deficiency.
8. We noted the Village had \$83 in late fees on their tractor lease. The Village should ensure payments for the lease are made in a timely manner to eliminate late fees. Payments related to late fees may not be considered a proper public purpose.

Current Year Observations (Continued)

9. We noted the Village did not maintain a budgetary accounting system to allow the comparison of budgeted receipts/disbursements to actual receipts/disbursements. Ohio Admin Code 117-2-02(C) provides that all local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances or appropriations.



Keith Faber
Auditor of State
Columbus, Ohio

January 25, 2024

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF SARAHSVILLE

NOBLE 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 2/8/2024

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This report is a matter of public record and is available online at
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