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**VILLAGE OF OAKWOOD**  
**COUNCIL FINANCE COMMITTEE MEETING MINUTES**

June 25, 2019

**PRESENT:**

**Johnnie Warren** – Council President\*

**Brian Thompson**- Finance Director

**Elaine Gaither**- Council at Large

**Chris Callender** – Ward 1

**Anthony Akins**- Ward 3

**Patricia Rogers** – Ward 4

**Candace Williams** – Ward 5

**ABSENT:**

**Eloise Hardin** – Ward 2

*\* Arrived after roll call*

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*Thompson opened meeting at 6:15p*

*June Revenue/Budget Ratio Report*

**Williams** expressed her concerns over the Auditor's management letter. **Thompson** explained the Revenue/Budget Ratio Report. Revenues are at .4% which is nothing alarming. June's revenue did not show on this report. The expenses should be at 42%. Highlighted areas which went over that ratio are: Council, which I associated it with travel expenses. Finance Dept was at 44%. I had to invest in a server and computer equipment. Public Lands and Buildings are a bit out of line at 48%, but I will have an update on the utility analysis by the end of June. Health Benefits/Contracts are at 49%. I anticipate a stop loss payment. **Williams**: Is it because you haven't received reimbursements yet? **Thomson**: Yes. Total overall is only at 36%, well within the ratio of 42%.

*Senior and Recreation Fund*

**Thompson**: The first five months doesn't show much revenue. This is usually funded by transfers ,which doesn't happen until mid-year. Revenue will begin to show in the next report when campers begin paying for summer camp. Expenses are beginning to come in.

*Bank Reconciliation*

**Thompson**: We were off \$0.52 through the first five months of the year. We have been doing the reconciliations timelier now, so this citation in the management letter should go away. **Rogers**: You do this? **Thompson**: Ralph and I coordinate; I sign off on it. **Williams**: How often is this done? **Thompson**: Two weeks after closing we reconcile. We should not get that citation from the Auditors anymore.

*Auditors Management Letter*

**Thompson**: I didn't have the continuing education in 2016 and 2017, but I have attended it this year and have the certificate for my training. This should go away. **Williams** asked how often it takes place. **Thompson**: Annually. I must get 12 hours. Those certificates are included in my report. **Gaither**: Is an announcement made for the training ahead of time? **Thompson**: I must pay \$100 for registration. Options are given to take the course. I went to Sandusky. You must go online and update the hours, then a certificate is issued from the State. **Rogers** asked why he didn't complete it prior to this. **Thompson**: My daughters are in college and I had graduations, I missed it that year. **Williams**: They only offer it one time a year? **Thompson**: No, several times a year at different locations; some are further away. I just didn't get it in for the years 2016 and 2017. **Williams**: Going forward, you have it in the budget and the time frame? **Thompson**: Yes.

*Budgetary Accounting: Certificate of Estimated Receipts*

**Thompson:** I must estimate my resources to the County based on the prior year. I am issued a certificate from the County for January 1st. Throughout the year things happen. As an example, Ed Hren may go after a grant then I make changes. This can be changed any time throughout the year. We will not have this citation again. The Certificate of Final Estimate Resources should match the accounting. **Williams:** You have an unlimited amount of time to adjust this as needed.

**Thompson:** By the end of the year it must match our budget. **Williams:** Are you saying they restrict you on updating it?

**Thompson:** I can update it anytime throughout the year. **Williams:** Looking at 2016 and 2017, what happened? Why are these figures off by so much? **Thompson:** I didn't amend it to the County as things changed. **Williams:** Did you amend it in 2018? **Thompson:** It will happen in 2018, but it won't happen in 2019. Bad checks will also appear in 2018, but not 2019. **Williams:** The citation will appear in 2018 again as well? **Thompson:** Correct. They may see I am on course now, since they audit two years at a time and may not cite me. **Williams:** Are you the only person able to update this certificate? **Thompson:** Yes, as Fiscal Officer.

*Payroll & Computer Backup*

**Thompson:** On severance pay documentation, several employees were paid out their balances. We were able to show calculations for their final checks, but during this time period a data failure occurred with our servers. Our Payroll Administrator keeps the data in her computer, which is stored on the server. We lost the information and we couldn't retrieve a couple employees. There is nothing we could do since the data was lost and non-retrievable. Since then, we have made significant improvements to our processes and spent quite a bit on our capital improvement for backups. One is offsite as well. This will go away. We are also working on a Disaster Recovery Plan in the event of a tornado, etc. to keep the Village running. **Williams:** Will we see this again in 2018? **Thompson:** No, because we updated. **Rogers:** Is it backed up every day? **Thompson:** Yes. **Rogers:** Is that the whole village? **Clerk:** IT has me backup twice a week, but there are other backups I don't see. **Thompson:** Our servers were outdated, so we invested. **Williams:** Is it recorded on the paystub the balance of sick time and vacation? Are there any other processes put into place to prevent this again? **Thompson:** I am confident this will not be an issue ever again. **Williams:** Can you tell us the process of payroll and recording of time. **Thompson:** You get 4.62 sick time hours per pay period. There is a tier level and as you gain tenure, you are issued more vacation days. **Williams:** Is it in the computer? **Thompson:** Yes. **Williams:** Does the Department Manager maintain that information? How does it go from employee to manager or payroll? **Thompson:** The manager completes the documentation which denotes the time with regular holiday, sick time or vacation. She records the pay codes. **Warren:** A paper request is made? **Thompson:** A stack of documentation comes from the Director advising the Payroll Administrator what to put in the system. **Williams:** So, the employee records their time on a document which is given to the manager? **Thompson:** The employees sign off on their sheet. The manager compiles the data for all the employees in the department. **Warren:** Are the timeclocks utilized? **Thompson:** Yes. Individuals are on the timeclock. **Warren:** Employees hit the timeclock, if they do not hit it, a paper trail exists which indicates their absence? **Thompson:** Yes. **Warren:** That compensates the lack of a swipe. **Thompson:** Yes. The manager reviews it prior to submitting to payroll. **Warren:** The employee doesn't submit a paper for the whole week; just for the exception of swiping in and out? **Thompson:** If it isn't hit, yes. **Warren:** The only time a paper document is used is in the absence of a swipe. Is that reviewed daily? **Thompson:** More weekly or bi-weekly. **Warren** explained in Cleveland; a person does a daily review. It is the employee's responsibility to call the manager as to why they will not be in. The manager knows in advance if an employee will be taking a vacation. The lady in Cleveland does a summary and she can tell you the employee and their manager if they didn't swipe in. The manager is to report a person called off sick to this lady who records it. The paper document is submitted the next day. **Thompson:** Does she do it in real time? **Thompson:** Yes. She has access to Kronos system. There needs to be greater control in knowing when your staff will be off. **Thompson:** Our system is not that advanced. **Warren:** I am just worried about people not accounting for the time they are in and out and if they are taking an approved vacation time in addition and it being taken from their banked time. **Williams:** How are salaried employees' vacation and sick time collected and tracked? **Thompson:** Salaried people use a time sheet and the time is recorded. If vacation or sick time is taken, it is signed off by the individual and submitted to payroll. I can look into a real time system. We are recording the time into the system. Severance pay is strictly related when an employee separates from the Village. **Warren:** That is a one-time thing, unless they come back. **Thompson:** You can get 30% of your sick time when you

separate from the Village. They get all your remaining vacation. **Warren:** That is typical. **Thompson:** The findings involved the payment of individuals directly, but we couldn't provide documentation which was lost by the server. They saw the timesheets and the check, but we couldn't retrieve it. **Williams:** So, I am salaried, and I complete my timesheet and give it to my manager, and it goes to payroll. **Thompson:** Yes. **Warren:** Where does the manager's documentation go to? **Thompson:** The managers are already salaried. The Mayor doesn't sign off on all manager's timesheets. They turn them into payroll. **Williams:** Who is accounting for vacation and sick time for the managers, as it relates to the finding? **Thompson:** From the manager timesheets? **Williams:** Who approves those? **Thompson:** They go to payroll. **Williams:** Payroll doesn't know if they are accurate or not. **Thompson:** They show what is taken in the system. The checks and balances are in there from the history detail of every pay period. **Warren:** Is there a maximum accumulation of vacation time? In some instances, there is a cap. **Thompson:** We have an approval process. If you are given three weeks and you didn't utilize all of it in the year, you can submit a request to your manager to roll it over into the next year. **Warren** suggested issuing vacation hours automatically by rolling into the next year. **Thompson:** The request from the employee to the manager may be better. **Warren:** What if the employee doesn't request it? **Thompson:** It won't be reflected into next year's balance. **Warren:** Then you have to give them back that time. **Thompson:** I think there should be some type of approval process. **Warren:** It could be automatic for a certain number of hours. I know mine will roll over automatically. The last thing we need is an employee who has 500 hours of vacation we have to pay out when they sever from the Village. The payroll system can be programmed to do that automatically up to a certain point. How many full-time employees do you have? **Thompson:** About 35. **Warren:** That is nothing for someone to do at year's end. **Thompson:** Does Council feel it is something prudent to do? **Gaither:** Years ago, there was unlimited vacation, but it was found employees weren't taking vacation and would be paid out a huge amount at retirement or severing. There was then a cap put in place how much can be turned over; it was 240 hours except for those who are grandfathered in. **Warren:** We will discuss this, but this discussion triggers something else. I have a question of usage; fairly accrued and fairly used. When you are sick you take a sick day and when you are on vacation you take a vacation day. You said everyone is on the timeclock except Police. **Thompson:** Police and salary. **Warren** asked the number of salaried we have. **Thompson:** About 10. **Warren:** It isn't uncommon for salaried employees not to hit the clock, but in most cases, they are working 40 hours. The municipality usually gets more than 40 hours from a salaried employee, do you agree? **Thompson:** You could have times; it wouldn't be exuberant. **Warren:** We will look into this. **Williams:** Another thing is the process for payroll.

#### *Stale Checks*

**Thompson:** Outstanding checks in 2018, did not get removed, but in 2019 they will be. I will be compiling those and putting them in unclaimed funds. It won't be a citation in 2019. **Williams** asked about a target date. **Thompson:** By the end of this month. **Williams:** So, by August we can expect that to be done? **Thompson:** Yes, for sure. **Rogers** asked about a policy on writing off old checks. **Thompson:** I can dialogue with Mr. Climer. I can put that together. **Williams** asked for that by August as well.

#### *Estimated Resources*

**Thompson:** I received a recommendation for the review process. By the end of February, the Hinkle System filing should be completed for the prior year end cash reports by February of the following year. So, by March 1<sup>st</sup> that needs to be filed; the cash reports, even though unaudited. This ties back to the estimated resources. In a cash report, if it is projected and is not all spent, it is called unassigned. If more is spent than the fund balance has in place, it is a find. Those have to be reported. Those assigned or unassigned balances must be reported on the Hinkle System.

#### *Reports to Council*

**Williams:** The next part of the management letter states you have to make sure the reports are given to Council. Are we getting all the reports? **Thompson:** I think I provided the cash reports before, but I can get those to Council. It is the cash financial reports. **Williams:** Do we always get the estimated resources report? **Thompson:** Yes, I get it at the beginning of the year, but I can get it to Council.

*Expenditures*

**Rogers:** We don't have everything here from the non-compliance findings. Expenditures were not accounted for; page 88 of the full audit report. It all has to do with the Mayors events and receipts not made available, payment of airfare.

**Thompson:** One was \$325 for beverages. **Rogers:** I see \$7,570 for a restaurant. **Thompson:** The Mayor advertised, no beverages to the residents, but when we got to Pickle Bills, they allowed the residents to order pop. There was a charge of \$325. The Auditor wasn't assured it was not alcoholic beverages from the receipt, so we were cited on it. **Rogers** asked again about the \$7,570 figure. **Thompson:** There is a line item for Mayors events. They didn't have an issue with that, but with the beverages. **Williams:** How do we get those receipts with the appropriate information on them, so it doesn't happen again? **Thompson:** The Mayor's Secretary gets those receipts from the vendor and she has been informed as how to get that information. Also, there is a reoccurring \$15 Amazon charge. Every Wednesday, the Mayor likes to find the music for the seniors and movies. We had a First Merit Bank card, but Huntington bought out First Merit. We went back to Amazon to get the receipt for the reoccurring charge, but we couldn't get it because it was tied to First Merit. We tried to explain that to the Auditors. The \$60.00 is for Corky and Lenny's for Mike Albert and his band. They like corned beef sandwiches. We failed to get the receipt for that. The late charges won't happen again, because we have the credit card on reoccurring payment now. **Williams:** Is that for all our credit cards? **Thompson:** Yes. We have the legislation in place for the Easter Egg Drop, but we didn't have to use it because of the rain. **Williams** asked if those funds are available for next year's event. **Thompson:** It is there, but to be safe, we had the legislation. **Rogers:** It was withdrawn in cash; why?

**Thompson:** Yes. I had to get the cash in \$5, \$10 denominations. **Rogers:** Were you going to put it back? **Thompson:** I showed the Auditors we had it in the minutes that the Mayor was getting the money for the Egg Drop, but they wanted individual legislation from Council, so he can get the money out. That is what we did this year. If he decides to get it next year, we will get the legislation in place to withdraw the funds for the event. **Akins** asked about the Fun Day event upcoming. That wasn't part of the budget this year. **Williams:** That question came up because of the cash withdrawal.

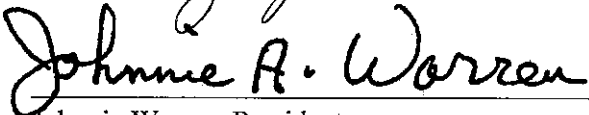
**Thompson:** We proved to the Auditors, there was email for the plane ticket. The Auditor felt the emails were not a formal contract. That was for Jennifer Holiday. **Williams** asked about a process regarding air miles. **Thompson:** They shouldn't have air miles attached. These are all one-time incidents and won't be repeated.

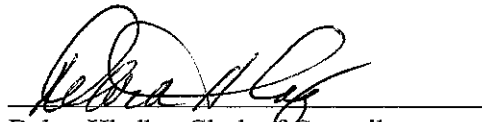
*Notes Soft Costs*

**Thompson:** I shared some soft costs for the notes. Please review it at your leisure. **Williams:** We have other questions for you.

Closed meeting at 7:00pm

Approved: July 9, 2019

  
Johnnie Warren, President

  
Debra Hladky, Clerk of Council

## Revenue/Budget ratio report Month Ending May 2019

### Finance Committee Meeting 6-25-19

Desired Revenue collected ratio = .42% Collected  
 Max Ratio Limit = .42/100%

General Fund	Projected Revenue	YTD Revenue 5/31/2019	Actual Budget/Revenue ratio
General Fund Revenue	\$ 9,461,700.00	\$ 3,759,504.06	\$ 0.40
Beginning Balance	\$ 523,332.52		
Total	\$ 9,985,032.52		

## Expense/Budget ratio report Month Ending MAY 2019

Desired expense ratio = .42%  
 Max Ratio Limit = .42/100%

General Fund	100% Appropriations	YTD Expenses 5/31/2019	Actual Budget/Expenses ratio	
Police	\$ 2,252,782.14	\$ 814,790.69	0.36	
Fire	\$ 2,189,500.00	\$ 864,197.14	0.39	
School Guard	\$ 17,100.00	\$ 5,202.20	0.30	
Dog Warden	\$ 11,850.00	\$ 3,580.00	0.30	
Auxiliary	\$ 128,615.12	\$ 24,668.19	0.19	
Misc Contractual-utility	\$ 95,000.00	\$ 40,010.05	0.42	
Building	\$ 266,350.00	\$ 92,512.22	0.35	
Service Department	\$ 521,344.56	\$ 221,051.11	0.42	
Rubbish Disposal	\$ 105,000.00	\$ 42,603.96	0.41	
Council Clerk	\$ 57,359.00	\$ 24,128.21	0.42	
Council	\$ 169,609.71	\$ 72,317.38	0.43	Travel
Mayor	\$ 251,480.00	\$ 103,405.72	0.41	
Mayors Court	\$ 179,090.41	\$ 71,450.91	0.40	
Finance	\$ 255,100.00	\$ 112,929.32	0.44	Server Computer Equip.
Legal Administration	\$ 145,700.00	\$ 52,418.07	0.36	
Engineer	\$ 39,150.00	\$ 15,737.92	0.40	
Public Lands and Building	\$ 70,500.00	\$ 33,671.65	0.48	Utility Analyses
Senior Van	\$ 68,850.00	\$ 22,620.26	0.33	
Bedford Schools	\$ 120,450.00	\$ -	0.00	
Summer Employment	\$ 5,700.00	\$ 125.70	0.02	
Board of Commissions	\$ 13,900.00	\$ 5,223.70	0.38	
H/B Operational Contracts	\$ 1,931,323.19	\$ 943,101.48	0.49	Reimbursement Ck's Due
Transfers Out	\$ 1,054,000.00	\$ -	0.00	
<b>Total</b>	<b>\$ 9,949,754.13</b>	<b>\$ 3,565,745.88</b>	<b>0.36</b>	

**Expense/Budget ratio report Month Ending MAY 2019**

**Desired expense ratio = .42%**

**Max Ratio Limit = .42/100%**

**Special Revenue Fund**

**Finance Committee Meeting 6-25-19**

<b><u>Revenue</u></b>		<b>Projected Revenue</b>	<b>YTD Revenue 5/31/2019</b>	<b>Actual Budget/Revenue ratio</b>
<b>Senior Fund</b>	\$	134,500.00	\$ -	0.00
<b>Recreation Fund</b>	\$	280,300.00	\$ 5,808.00	0.02

<b><u>Expenses</u></b>		<b>100% Appropriations</b>	<b>YTD Expenses 5/31/2019</b>	<b>Budget/Expenses ratio</b>
<b>Senior Fund</b>	\$	130,350.00	\$ 39,364.91	0.30
<b>Recreation Fund</b>	\$	276,489.17	\$ 41,500.50	0.15

**RECONCILIATION OF CITY BANK ACCOUNTS AND INVESTMENTS  
MAY 2019**

HUNTINGTON MAIN	\$392,796.94
MEADOWS BANK ACCOUNT	\$0.00
FUNDED TO PAYROLL ACCOUNT BANK 2	\$1,000.00
CASH ON HAND	\$600.00
PAYROLL UNDER TRANSFERRED	-\$0.01
AP CHECK POSTED BUT CHECK NEVER PRINTED	-\$110.00
<b>TOTAL BANK BALANCE</b>	<b>\$394,286.93</b>
<b>TOTAL OUTSTANDING CHECKS</b>	<b>-\$71,133.40</b>
<b>RECONCILED BANK BALANCE</b>	<b>\$323,153.53</b>
<b>TOTAL BOOK BALANCE</b>	<b>\$330,055.00</b>
RECONCILING ITEMS:	
HUNTINGTON CREDIT CARD TO BE POSTED IN JUNE	-\$6,901.99
<b>RECONCILED BOOK BALANCE</b>	<b>\$323,153.01</b>
<b>DIFFERENCE</b>	<b>\$0.52</b>

# CPIM

CENTER FOR PUBLIC INVESTMENT MANAGEMENT

## CERTIFICATE OF COMPLETION



# Brian Thompson

IS HEREBY AWARDED THIS CERTIFICATE FOR COMPLETING CONTINUING EDUCATIONAL REQUIREMENTS IN ACCORDANCE WITH OHIO REVISED CODE SECTION 135 AND THE OHIO TREASURER OF STATES CENTER FOR PUBLIC INVESTMENT MANAGEMENT BY COMPLETING AT LEAST SIX (6.0) HOURS OF EDUCATION. THE ABOVE MENTIONED HAS FULFILLED THE ANNUAL REQUIREMENTS FOR 2019.

*Robert Sprague*

ROBERT SPRAGUE  
TREASURER OF OHIO

2019



# Ohio Association of Public Treasurers


This is to Certify that

# Brian Thompson

Has Satisfactorily Completed the  
Ohio Public Finance Officer Training Program  
Sandusky, Ohio

**June 13<sup>th</sup> – 14<sup>th</sup>, 2019**

8 CPIM – 13.2 CPE  
4 ACPFA - 9 CLE

  
Sal Talarico, Director of Education  
Ohio Association of Public Treasurers

  
Jack Krise, Jr., Executive Director  
Ohio Association of Public Treasurers



# OHIO AUDITOR OF STATE KEITH FABER

**DRAFT**

## MANAGEMENT LETTER

Village of Oakwood  
Cuyahoga County  
24800 Broadway Avenue  
Oakwood Village, Ohio 44146

To the Village Council:

We have audited the financial statements of the Village of Oakwood, Cuyahoga County, Ohio (the Village) in accordance with *Government Auditing Standards*, as of and for the years ended December 31, 2017 and 2016, and have issued our report thereon dated February 20, 2019; wherein we noted the Village uses a special purpose framework other than generally accepted accounting principles.

*Government Auditing Standards* require us to report significant internal control deficiencies, fraud (including noncompliance with laws and regulations), and also abuse and noncompliance with contracts and grant agreements that could directly and materially affect the determination of financial statement amounts. We have issued the required report dated February 20, 2019, for the years ended December 31, 2017 and 2016.

We are also submitting the following comments for your consideration regarding the Village's compliance with applicable laws, regulations, grant agreements, contract provisions, and internal control. These comments reflect matters that do not require inclusion in the *Government Auditing Standards* report. Nevertheless, these comments represent matters for which we believe improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing these recommendations. These comments reflect our continuing desire to assist your Village but are only a result of audit procedures performed based on risk assessment procedures and not all deficiencies or weaknesses in controls may have been identified. If you have questions or concerns regarding these comments please contact your regional Auditor of State office.

### Noncompliance Findings

#### 1. Fiscal Integrity Act Training

**Ohio Rev. Code § 733.81(A)** requires a Village fiscal officer who is appointed to a subsequent term of office to complete twelve hours of continuing education courses in each subsequent term of office. Further the education courses should be updated in the Auditor of States Fiscal Integrity Act Portal upon completion.

The Finance Director has not attended the required training during the audit period.

The Finance Director should complete the required training and update the Auditor of State's Fiscal Integrity Act Portal upon completion of continuing education courses.



**Noncompliance Findings – (Continued)**

**2. Budgetary Accounting- Estimated Receipts**

Ohio Admin. Code 117-2-02(c)(1) requires all local public offices to integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This includes designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

The following funds had a variance between the Certificate of Final Estimated Receipts and the accounting system for the fiscal year ended December 31, 2016:

<u>Fund Name</u>	<u>Certificate of Final Estimated Receipts</u>	<u>Accounting System Final Estimated Receipts</u>	<u>Variance</u>
General	\$8,784,000	\$8,786,465	(\$2,465)
Street Construction, Maint. & Repair	1,300,000	1,272,564	27,436
General Obligation Bond Retirement	3,235,000	2,971,249	263,751
General Capital Improvement Fund	275,000	261,000	14,000
Sanitary Sewer	60,000	43,463	16,537

The following funds had a variance between the Certificate of Final Estimated Receipts and the accounting system for the fiscal year ended December 31, 2017:

<u>Fund Name</u>	<u>Certificate of Final Estimated Receipts</u>	<u>Accounting System Final Estimated Receipts</u>	<u>Variance</u>
General	\$8,880,000	\$8,980,623	(\$100,623)
Street Construction, Maint. & Repair	2,300,000	925,366	1,374,634
General Obligation Bond Retirement	3,285,000	2,824,929	460,071
General Capital Improvement Fund	325,000	231,000	94,000
Sanitary Sewer	65,000	46,271	18,729

Failure to accurately record approved estimated receipts in the accounting system could lead the Village to overspend their appropriation authority and to financial decisions being made with improper information.

The Village should periodically review the computerized budgetary reports to ensure approved estimated receipts are posted accurately and timely. Timely and accurately posting of budgeted amounts will help the Village better monitor its budget performance and maintain compliance with budgetary laws and regulations.

**Noncompliance Findings – (Continued)**

**3. Severance Pay Documentation**

**Ohio Rev. Code Section 149.351(A)** indicates all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under sections 149.38 to 149.42 of the Revised Code. Those records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, destroyed, mutilated, or transferred unlawfully.

Village personnel are entitled to payment for a portion of their unused leave balances upon separation pursuant to the Village policy and collective bargaining agreements. In order to ensure severance payments are accurate, procedures should be implemented to ensure each element of the severance pay calculation is correct and supported by the underlying payroll records and payment policy.

During 2017 and 2016 several employees separated their service from the Village and received payment for unused leave balances which would have been included in their final pay checks. Management, however, was unable to generate a specific listing of individuals who were compensated for leave balance payments due to a failure with the back-up procedures of their leave balance accounting system.

Failure to review and back-up the data utilized for severance pay calculations could result in under or over-payments to employees and possible findings for recovery being issued against the employee and Village personnel involved in the authorization of such disbursements.

The Village should implement procedures to help ensure all accounting records, including employee leave balance records, are retained and periodically backed up to allow for management to review the accuracy of this information and respond to public records requests.

**4. Outstanding Checks\***

**Ohio Rev. Code § 9.39** indicates all money received or collected by a public official under color of office and not otherwise paid out according to law shall be paid into the treasury of the public office with which he is connected to the credit of a trust fund and shall be retained there until claimed by its lawful owner. If not claimed within a period of five years, the money shall revert to the general fund of the public office.

The Village's December 31, 2017 and 2016 general, payroll, and mayor's court account bank reconciliations included \$41,267 and \$28,278, respectively, of outstanding checks which were greater than one year old with some dating back as far as August 1994.

The Village should develop a written policy regarding writing off old or stale checks following the guidance provided for in Auditor of State Management Advisory Services Bulletin 91-11. This bulletin indicates pursuant to Ohio Rev. Code Section 9.39 unclaimed money shall be deposited to the credit of a trust fund and shall be retained there until claimed by its lawful owner. If not claimed within a period of five years, the money shall revert to the General Fund.

**DRAFT**

## Recommendation

### Financial Statement Adjustments

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. **Governmental Accounting Standards Board (GASB) Statement No. 54—Fund Balance Reporting and Governmental Fund Type Definitions** introduced five fund balance classifications and clarified the existing governmental fund type definitions. These classifications were (1) nonspendable, (2) restricted, (3) committed, (4) assigned and, (5) unassigned. Auditor of State Bulletin 2011-004 provides additional guidance on GASB Statement 54 classification for Ohio governments.

The General Fund's December 31, 2017 and 2016 unassigned fund balance was overstated and assigned fund balance understated by \$159,947 and \$581,795, respectively due to the excess of subsequent year appropriations over estimated receipts not being reported as assigned fund balance. The 2017 difference was reported to management as an unadjusted item and the 2016 difference was posted to the financial statements as agreed to by management.

Management should review the draft financial statements to help ensure they are supported by sufficient documentation, reconciled to the trial balances, free of obvious errors and omissions, and consistent with their financial expectations. These procedures should help avoid financial statement errors and help ensure more accurate financial reporting.

\* We also reported this matter in our prior audit of the financial statements.

We intend this report for the information and use of the Village Council and management.

Keith Faber  
Auditor of State  
Columbus, Ohio

February 20, 2019

Form Prescribed by the Bureau of Inspection and Supervision of Public Offices.  
County Auditor's Form No. 32A

AMENDED OFFICIAL CERTIFICATE OF ESTIMATED RESOURCES

Based on 94.98% current collection of current levy for previous tax year  
Village

Revised Code 5705.36

Office of the Budget Commission, Cuyahoga County, Ohio.

Cleveland, Ohio

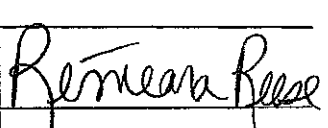
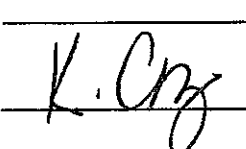
January 1, 2019

To the Council of the Village of:

Oakwood

The following is the amended official certificate of estimated resources for the fiscal year beginning **January 1st, 2019**, as revised by the Budget Commission of said County, which shall govern the total of appropriations made at any time during such fiscal year:

Fund	Unencumbered Balance	General Property Tax	Local Government	Other Sources	Total
101 General Fund	\$653,584.78	\$357,662.00	\$63,728.89	\$8,500,000.00	\$9,574,975.67
201 S. C.M. R.	\$245,449.46			\$2,000,000.00	\$2,245,449.46
202 Permissive Auto	\$67.44			\$45,000.00	\$45,067.44
203 State Highway	\$77.93			\$41,000.00	\$41,077.93
204 Recreation	\$393.66			\$315,000.00	\$315,393.66
205 Beautification	\$474.10			\$2,000.00	\$2,474.10
206 TIF- Swift Filters	\$9,114.13			\$15,000.00	\$24,114.13
206 Police Seizure	\$1,608.00			\$5,000.00	\$6,608.00
208 Senior Center	\$466.95			\$150,000.00	\$150,466.95
209 Furtherance Of Justice	\$436.67			\$0.00	\$436.67
210 Police Pension	\$26.17	\$37,000.00		\$150,000.00	\$187,026.17
211 Holiday Fund	\$590.67			\$2,500.00	\$3,090.67
212 Police Event Fund	\$200.52			\$0.00	\$200.52
213 Memorial Fund	\$279.30			\$0.00	\$279.30
214 Enforcement&Educ	\$37,372.16			\$25,000.00	\$62,372.16
215 Indigent Drivers	\$33.67			\$500.00	\$533.67
216 Confiscated Property	\$4.19			\$0.00	\$4.19
217 Ambul. Billing Serv.	\$396.09			\$325,000.00	\$325,396.09
218 Mayors Court	\$454.17			\$10,000.00	\$10,454.17
219 Court Indigent Driver	\$849.00			\$5,000.00	\$5,849.00
225 State Tax Fund 3%	\$165.70			\$1,000.00	\$1,165.70
230 TIF-Maines W&D Oakwood	\$1,551.45			\$5,000.00	\$6,551.45
231 TIF-Thermo	\$5,670.49			\$10,000.00	\$15,670.49
301 G/O Bond Retirement	\$134.12	\$73,999.00		\$2,800,000.00	\$2,874,133.12
401 General Improvement	\$1,836.71			\$350,000.00	\$351,836.71
501 S/A Bond Retirement	\$2,500.22			\$205,000.00	\$207,500.22
602 Sanitary Sewer	\$903.84			\$150,000.00	\$150,903.84
801 Maint. Bond Deposit	\$385.78			\$85,000.00	\$85,385.78
803 Senior Center Rental	\$701.98			\$25,000.00	\$25,701.98
804 Meadows Homeowners	\$4,573.06			\$10,000.00	\$14,573.06
805 PC Deposit	\$1,469.31			\$50,000.00	\$51,469.31
806 Clearing Fund	\$2,621.62			\$25,000.00	\$27,621.62
<b>Totals</b>	<b>\$974,393.34</b>	<b>\$468,661.00</b>	<b>\$63,728.89</b>	<b>\$15,307,000.00</b>	<b>\$16,813,783.23</b>

 Roseanne Reese	Budget Commission	 K. Czajka
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Invoice: Underwriting Services

May 24, 2019

To: Brian Thompson, Finance Director  
Village of Oakwood  
24800 Broadway Avenue  
Oakwood, Ohio 44146

Re: Village of Oakwood  
\$1,050,000 Real Estate Acquisition Notes, Series 2019  
Closed: June 5, 2019

Expenses	\$ Amount
OMAC	\$262.50
CUSIP	96.00
DTC	350.00
Underwriting Fee	2,100.00
<b>Total</b>	<b>\$2,808.50</b>

**TOTAL AMOUNT DUE: \$2,808.50**

**Please Wire Funds to:**

Bank: Fifth Third Bank, Cincinnati  
ABA #: 042000314  
Ref: Account of Fifth Third Securities, Inc.  
Re: Village of Oakwood, OH – Tim Reidy  
Acct #: 89923177  
Cost Center: 07887

**Or Send a Check to:**

Fifth Third Securities, Inc.  
Attention: Timothy Reidy  
600 Superior Avenue East, 4<sup>th</sup> Floor  
MD: A6516B  
Cleveland, OH 44114

If you have any questions, please contact Tim Reidy at (216) 274-5649 or Alyson Davies at (216) 274-5095.

# MAS Financial Advisory Services LLC

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## INVOICE

June 10, 2019

MAS Financial Advisory Services LLC  
17172 Penny Pines Circle  
Strongsville OH 44136

Brian Thompson  
Director of Finance  
Village of Oakwood

Re: MAS Financial Advisory Services LLC  
Invoice for Municipal Advisory Services  
Village of Oakwood, Ohio  
GO Land Acquisition BANs, Series 2019

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For municipal advisory services in connection with the Village of Oakwood, Ohio, Series 2019 GO Land Acquisition bond anticipation notes scheduled to close on June 6, 2019 and as detailed:

\$1,050,000  
Village of Oakwood, Ohio  
GO Land Acquisition Notes, Series 2019  
(General Obligation, Limited Tax, Bank Qualified)

Municipal advisory services rendered by MAS Financial Advisory Services LLC on behalf of the Village of Oakwood, are to be paid from note proceeds or other sources of funds as defined in the authorizing legislation for the above captioned issue.

**Municipal Advisory Services Fee \$1,837.50**

**Please make check payable to: MAS Financial Advisory Services LLC  
17172 Penny Pines Circle  
Strongsville, Ohio 44136  
Attn: Matthew Stuczynski  
Fed Tax ID# 34-1972087**

Thank you.  
Matthew Stuczynski



**CONTINUING DISCLOSURE**

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**LEGAL SERVICES**

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For all legal services as disclosure counsel to the Village of Oakwood, Ohio, in connection with preparation of the Village's Annual Information Filing for Fiscal Year 2017, including filing on the Village's behalf the Annual Information Filing and, as appropriate, the Village's unaudited and/or audited financial statements, with the Municipal Securities Rulemaking Board (MSRB) in an electronic format prescribed by the MSRB using the MSRB's Electronic Municipal Market Access (EMMA) platform (thereby also satisfying the Village's obligation to file those materials with the Ohio Municipal Advisory Council (OMAC), the State Information Depository), related telephone conferences and e-mails with the Director of Finance and County Fiscal Officer and/or their staff and representatives regarding the same, attention to preparation and filing of any notices required by the Village's prior Continuing Disclosure Agreement(s), and for all related disbursements and out-of-pocket expenses.

**TOTAL AMOUNT:**

**\$ 3,250.00**

# SQUIRE PATTON BOGGS (US) LLP

Oakwood, Village of  
Briani L. Thompson  
Director of Finance  
Village Hall  
24800 Broadway  
Oakwood, Ohio 44146

Invoice Number: 10031853  
Invoice Date: 10/18/18  
Matter Number: 024545.00179

## REMITTANCE COPY

### Continuing Disclosure

### INVOICE SUMMARY

**Amount Due for this Invoice:**

**\$ 3,250.00**

### PAYMENT INSTRUCTIONS

#### *Remit Check Payments to:*

Squire Patton Boggs (US) LLP  
P.O. Box 643051  
Cincinnati, OH 45264  
Phone: 216.687.3400  
Fax: 216.687.3401

#### *Remit Wire Payments to:*

Squire Patton Boggs (US) LLP  
US Bank  
425 Walnut St. Cincinnati, OH 45264  
Bank Routing #042000013  
Bank Account #576762314

#### **For Wires outside the US:**

US Bank, USA  
SWIFT Code: USBKUS44IMT  
Bank Account #576762314

#### *Direct Billing Inquiries to:*

Michael L. Sharb  
4900 Key Tower  
127 Public Square  
Cleveland, OH 44114  
United States  
Phone: +1.216.479.8500  
Fax: +1.216.479.8780  
email: Mike.Sharb@squirepb.com

**Please Include Reference Number 10031853.24545 with all Payments**

Tax Identification Number 34-0648199

# SQUIRE PATTON BOGGS (US) LLP

301-7799 56110

Oakwood, Village of  
Brian L. Thompson  
Director of Finance  
Village Hall  
24800 Broadway  
Oakwood, Ohio 44146

Invoice Number: 10031853  
Invoice Date: 10/18/18  
Matter Number: 024545.00179

## Continuing Disclosure

### INVOICE SUMMARY

**Amount Due for this Invoice:**

**\$ 3,250.00**

### PAYMENT INSTRUCTIONS

#### *Remit Check Payments to:*

Squire Patton Boggs (US) LLP  
P.O. Box 643051  
Cincinnati, OH 45264  
Phone: 216.687.3400  
Fax: 216.687.3401

#### *Remit Wire Payments to:*

Squire Patton Boggs (US) LLP  
US Bank  
425 Walnut St. Cincinnati, OH 45264  
Bank Routing #042000013  
Bank Account #576762314

#### **For Wires outside the US:**

US Bank, USA  
SWIFT Code: USBKUS44IMT  
Bank Account #576762314

#### *Direct Billing Inquiries to:*

Michael L. Sharb  
4900 Key Tower  
127 Public Square  
Cleveland, OH 44114  
United States  
Phone: +1.216.479.8500  
Fax: +1.216.479.8780  
email: Mike.Sharb@squirepb.com

**Please Include Reference Number 10031853.24545 with all Payments**

Tax Identification Number 34-0648199

18-1600



Corporate Trust Services  
EP-MN-WN3L  
60 Livingston Ave.  
St. Paul, MN 55107

Invoice Number: 5008850  
Invoice Date: 06/04/2018  
Account Number: 0059570NS  
Direct Inquiries To: DAVID SCHLABACH  
Phone: 216-623-5987

VILLAGE OF OAKWOOD REAL ESTATE ACQUISITION  
NOTE SERIES 2018

Accounts Included 0059570NS

In This Relationship:

**CURRENT CHARGES SUMMARIZED FOR ENTIRE RELATIONSHIP**

Detail of Current Charges	Volume	Rate	Portion of Year	Total Fees
04125 Paying Agent, One Time Fee for the period 06/07/2018 - 06/06/2019	750.00	1.00		\$750.00
<b>Subtotal Miscellaneous</b>				<b>\$750.00</b>
<b>TOTAL AMOUNT DUE</b>				<b>\$750.00</b>



Corporate Trust Services  
 EP-MN-WYN3L  
 60 Livingston Ave.  
 St. Paul, MN 55107

Invoice Number: 5008850  
 Account Number: 0059570NS  
 Invoice Date: 06/04/2018  
 Direct Inquiries To: DAVID SCHLABACH  
 Phone: 216-623-5987

VILLAGE OF OAKWOOD  
 BRIAN L THOMPSON  
 24800 BROADWAY AVE  
 OAKWOOD OH 44146

VILLAGE OF OAKWOOD REAL ESTATE ACQUISITION NOTE SERIES 2018

The following is a statement of transactions pertaining to your account. For further information, please review the attached.

STATEMENT SUMMARY

PLEASE REMIT BOTTOM COUPON PORTION OF THIS PAGE WITH CHECK PAYMENT OF INVOICE.

TOTAL AMOUNT DUE \$750.00

All invoices are due upon receipt.

Please detach at perforation and return bottom portion of the statement with your check, payable to U.S. Bank.

VILLAGE OF OAKWOOD REAL ESTATE ACQUISITION  
 NOTE SERIES 2018

Invoice Number:	5008850
Account Number:	0059570NS
Current Due:	\$750.00
Direct Inquiries To:	DAVID SCHLABACH
Phone:	216-623-5987

Wire Instructions:  
 U.S. Bank  
 ABA # 091000022  
 Acct # 1-801-5013-5135  
 Trust Acct # 0059570NS  
 Invoice # 5008850  
 Attn: Fee Dept St. Paul

Please mail payments to:  
 U.S. Bank  
 CM-9690  
 PO BOX 70870  
 St. Paul, MN 55170-9690

301-7799-56110