



CITIZENS SUMMARY

Findings in the audit of the Village of Deerfield

Oversight and Management	Village trustees do not regularly attend meetings; a quorum was present for only 3 of 12 monthly meetings during 2012. According to meeting minutes, Board Trustees Smith and Prickett attended most meetings, Board Chairman Wayne Sissick attended 3 meetings, and Board Trustee Kris Sissick attended 2 meetings, while Board Trustee Otter did not attend any meetings. The village does not prepare and post notices of meetings and related agendas, as required by state law, and Board minutes do not document a record of votes taken and contain limited documentation of decisions made regarding street repair and maintenance or purchases. It appears village business is conducted outside of regular open meetings, and there is no evidence that a public hearing was held on the village's proposed property tax rate in 2012 or that the tax rate was formally approved by the Board. The village has not adopted a formal policy regarding public access to village records, annual budgets are not prepared for village funds, and semiannual financial statements have not been published or posted, all of which are required by state law. Board review and approval of village disbursements is not adequate, and village ordinances are not complete, well-organized, or up-to-date. In addition, the village did not properly monitor the lease agreement with the United States Postal Service, and the village was underpaid \$413 in 2012.
Sales Tax Exemption	In August 2012, the Board Chairman used the village sales tax exemption letter to purchase a skid-steer loader in the village's name but had the loader delivered to his personal address. The Board Chairman said he did this to get a better price for a friend, but doing so is a violation of the terms of the village's sales tax exemption letter. No village funds were used for this transaction.
Internal Controls, Records, and Procedures	One person serves as both village clerk and village collector, which does not allow the segregation of duties necessary for the proper safeguarding of village assets. The village does not maintain a current fund ledger showing the beginning balance, monthly receipts by source and disbursements by type, and ending balance, and has not established a separate fund or separate accounting for motor vehicle-related revenues received from the state, and does not ensure these funds are used in compliance with state law. The Village Clerk/Collector does not prepare a receipt log and/or issue receipt slips for monies received, does not restrictively endorse checks immediately upon receipt, does not deposit receipts timely, does not perform bank reconciliations, and does not maintain a current balance in the checkbook. The village does not properly report as wages, and withhold employee payroll taxes from or pay the employer share of taxes on compensation paid to the Village Clerk/Collector.
Property Tax	The Village Clerk/Collector does not record the method of payment (cash, check, etc.) on the list of taxes due, and does not timely deposit tax collections. Tax statements sent to village residents do not contain sufficient

information, the Village Clerk/Collector does not maintain an account book and does not prepare and submit to the Board a list of delinquent taxes each year, and the Village Clerk/Collector is not bonded, as required by state law, which exposes the village to risk of loss.

Disbursements	The village lacks a bid policy and typically does not bid purchases, and there is no evidence in minutes or other village records indicating any attempt to check prices before purchasing, giving the village little assurance it is getting the best value. Some disbursements lack adequate supporting documentation, including \$1,493 in concrete purchases, \$8,750 for a used dump truck, and \$738 for dump truck insurance premiums. The Board Chairman's daughter provided mowing services, but it is not clear whether the Board Chairman voted to approve this service, which would be a conflict of interest. The village paid \$35 each for Sam's Club memberships for four trustees, and paid \$35 to the fifth trustee, which do not appear to be necessary or prudent uses of public funds. The village also paid \$35 for a Sam's Club membership for the Board Chairman's daughter, but the village was reimbursed for this membership.
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In the areas audited, the overall performance of this entity was **Poor**.*

American Recovery and Reinvestment Act (Federal Stimulus)	The Village of Deerfield did not receive any federal stimulus monies during the audited time period.
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*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.