



ROBERT LANDON

CITY OF MARION AUDITOR

233 WEST CENTER STREET - MARION, OHIO 43302

**QUARTERLY REPORT
Q1
2021**

OFFICE OF THE AUDITOR

Office: 740-383-5337



MESSAGE FROM THE AUDITOR

The Auditor's Quarterly Report is intended to inform City Staff, Stakeholders and the general public of the progress of the Office of the Auditor and Income Tax Department. In addition, my Office produces annual reports that are more extensive in nature, such as the Comprehensive Annual Financial Report. My Office values transparency, accountability, and responsiveness to those we serve. This report helps us to meet these foundational values. Please take the time to review this report and provide feedback so we can continue improving and better serve you.

Robert Landon, Auditor

INTERNAL AUDITOR'S REPORT

Introduction

Internal Auditor and Compliance Officer, Carson Greashaber, is the designated Staff Member primarily responsible for internal audit and compliance functions. The Internal Auditor and Compliance Officer completes monthly bank reconciliations, quarterly and annual reports, asset management and inventory, insurance claims, and other duties as assigned.

It is our goal to work with various City personnel and Departments to follow local, state, and federal laws and regulations. Our internal audits and compliance measures are meant to be an assistance to City Administrators and Personnel so they can be successful.



Figure 1

Asset Management

During first quarter, our Office worked with our insurance company to compile a list of assets and are continually reviewing our asset management procedures and policies. Our Office is working on a new asset management system and will be reporting on this in greater detail later this year.

Internal Audits

Each month, our office conducts thorough internal audits to ensure compliance. One such task is the monthly bank reconciliation. After assuming Office in January of 2020, our office instituted a thorough bank reconciliation process. According to the Auditor of State's Office, our bank reconciliation procedure is more thorough than most other governments they audit. However, during January of 2021, our Office discovered we had mistakenly misapplied tax payments meant to go to the IRS instead had been paid to the State of Ohio. The IRS was quickly paid, and the State of Ohio has refunded all the overpayment. Our Senior Staff has initiated a thorough review of all policies and procedures in place. Frequently, we find mistakes that are made and work with the appropriate personnel and department to correct them and ensure compliance.

INTERNAL AUDITOR'S REPORT CONTINUED

Strategic Goals and Accomplishments

During first quarter of 2021, we set a goal to begin creating our quarterly reports. Our intention was to start producing quarterly reports in 2020. However, the coronavirus pandemic, staffing issues, and other challenges slowed down this process.

The Auditor's Office made it a priority to re-organize our paper and electronic filing system. During first quarter of 2021, we began the process of re-organizing our filing systems in a more efficient manner. This is an ongoing project, and we hope to finalize it in second quarter.

Insurance and Accidents

As Internal Auditor, I have the responsibility of assisting our Departments with insurance claims and reports. As human errors occur, we frequently see accidents and work to quickly resolve them in a timely and efficient manner with the respective Departments.

During first quarter of 2021, the City of Marion had 8 claims which incurred \$41,118.28. Of that amount, \$26,043.28 has been paid. These claims are still open and subject to change.

Our fleet of vehicles in the City of Marion are properly insured to protect the City from unnecessary liabilities. Departments are responsible for informing the Auditor's Office any time a new vehicle is delivered so we can place coverage on the vehicle.

To report suspected fraud, please contact Internal Auditor, Carson Greashaber, at 740-383-5337.



Target

We strive to exceed our target performance



Insights

This report is meant to provide valuable insights



Transparency

Our goal is more transparency and access to information

DEPUTY AUDITOR'S REPORT

Introduction

The Auditor's Office is managed by Deputy Auditor Kimberly Hutchison. The Office consists of an Internal Auditor, Accounts Payable Clerk, and a Payroll Specialist. The Auditor's Office is responsible for the accurate accounting of all revenue and expenses, asset management, internal auditing, payroll, and more.

Strategic Goals and Accomplishments

Our Office is planning to establish Key Performance Indicators (KPI's) which we plan to use in grading and tracking the City's financials, assets, and more. During first quarter of 2021, the Auditor's Office established the Center for Community Engagement and Transparency. This state-of-the-art online website details the City's financial status and activities, demographic data, and reports. Auditor Landon came into office with a strong initiative of increasing access to information for our constituents and providing greater transparency into the City's operations. This website helps accomplish that goal.

The Center for Community Engagement and Transparency can be viewed by going to the following link: <https://www.cleargov.com/ohio/marion/city/marion>

Our Office established the Center for Community Engagement and Transparency, a state-of-the-art online portal to view the City's financial and demographic data

Additionally, the Auditor's Office reduced costs by working with many of our vendors to convert to ACH payments instead of receiving payments from the City of Marion by check. The reduction in cost of paper checks, envelopes, stamps, and time contributed to the reduction in cost. Furthermore, we had reduced costs by switching credit card processing companies. We have our vendor registration forms available online at marionohio.us/auditor. More forms are planned to be made available online in the future. Another focus is to improve the technology we utilize so we can achieve greater results for those we serve. Lastly, we are exploring ways to ensure the Auditor's Office is better prepared for future pandemics, disasters, and emergencies. More will come in following reports on our goals and the job we have done in accomplishing those goals.

Cash and Investments

The City of Marion ended first quarter of 2021 with a cash position of \$16,742,944.14. This is an increase of \$1,532,339.93 year over year.

Our Office works in conjunction with the City Treasurer during the monthly bank reconciliation. The Treasurer reconciles cash and the Auditor's Office reconciles the books to the Treasurer's balance.

TAX COMMISSIONER’S REPORT

The City of Marion’s Income Tax Department is managed by Deputy Auditor / Tax Commissioner Marden Watts. The Income Tax Department has two (2) Account Clerks and a Tax Investigator. The Income Tax Department receipts in revenue derived from the mandatory two percent income tax levied by Marion City Council.

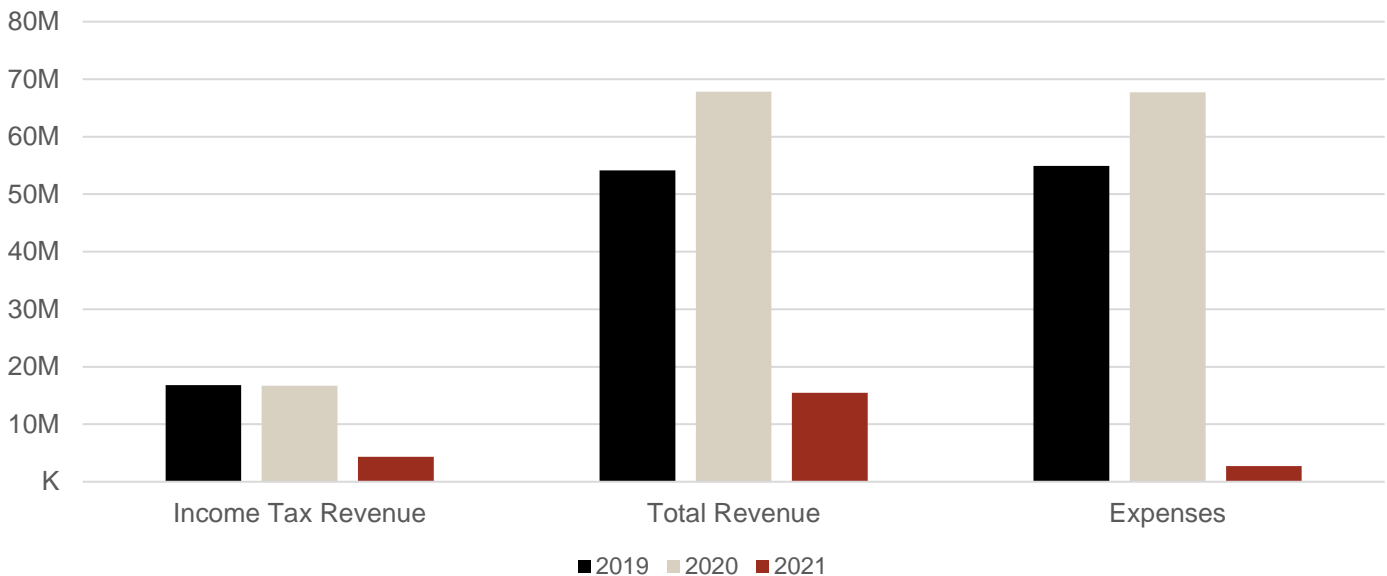
The Income Tax Department strives to make our information accessible to the public. That is why we have provided our information online. You can download forms or find more information by going to the following link: <https://www.marionohio.us/income-tax>

During first Quarter of 2021, the Income Tax Department collected income tax receipts in the amount of \$4,329,198.40. This was an increase of 1.58% year over year. Below you will find a chart of information which will highlight the City of Marion’s revenue and expenses for 2019, 2020, and 2021 year to date.

NOTE: The City had to appropriate \$12,137,054 in funding from the Ohio Water Development Authority (OWDA) to upgrade the sewage treatment plant in 2020, which is the main cause of the significant increase from 2019 to 2020 numbers.

	2019	2020	2021
Income Tax Revenue	\$16,819,244.45	\$16,692,388.13	\$4,329,198.40
Total Revenue	\$54,145,995.72	\$67,845,721.05	\$15,470,922.2
Expenses	\$54,916,402.17	\$67,700,848.92	\$13,785,312.47

Year over Year Revenues and Expenses



CONCLUSION

Thank you for taking the time to review the Marion City Auditor's Office Quarterly Report. Our Office stands ready to serve you and answer any questions you may have.

Office: 740-383-5337

Fax: 740-387-3433

Address: 233 West Center Street, Marion, Ohio 43302