

VILLAGE OF GETTYSBURG  
DARKE COUNTY  
AGREED UPON PROCEDURES  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010



**Caudill & Associates, CPA**

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# Dave Yost • Auditor of State

Village Council  
Village of Gettysburg  
216 High Street  
Gettysburg, Ohio 45328

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Village of Gettysburg, Darke County, prepared by Caudill & Associates, CPAs, for the period January 1, 2010 through December 31, 2011. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Gettysburg is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

May 29, 2012

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Village of Gettysburg  
Darke County

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Ohio Society of Certified Public Accountants  
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### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Gettysburg  
Darke County  
216 High Street  
Gettysburg, Ohio 45328

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of the Village of Gettysburg, (the Village) and the Auditor of State have agreed, solely to assist the Council in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2011 and 2010, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Council are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

#### Cash

1. We tested the mathematical accuracy of the December 31, 2011 and December 31, 2010 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2010 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2009 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2011 and 2010 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2011 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2011 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

6. We tested investments held at December 31, 2011 and December 31, 2010 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

#### **Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2011 and one from 2010:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Register Report. The amounts agreed.
  - b. We determined whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipt Register Report to determine whether it included two real estate tax receipts for 2011 and 2010. We noted the Receipts Register Report included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2011 and five from 2010. We also selected five receipts from the County Auditor's payments list from 2011 and five from 2010.
  - a. We compared the amount from the above reports to the amount recorded in the Receipt Register Report. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

#### **Water Operating and Sewer Operating Fund**

1. We haphazardly selected 10 Water Operating and Sewer Operating Fund collection cash receipts from the year ended December 31, 2011 and 10 Water Operating and Sewer Operating Fund collection cash receipts from the year ended 2010 recorded in the Receipt Register Report and determined whether the:
  - a. Receipt amount per the Receipt Register Report agreed to the amount recorded to the credit of the customer's account in the Update Journal. The amounts agreed.
  - b. Amount charged for the related billing period:
    - i. Agreed with the debit to accounts receivable in the Delinquent Journal for the billing period. We found no exceptions.
    - ii. Complied with rates in force during the audit period multiplied by the consumption amount recorded for the billing period. We found no exceptions.
  - c. Receipt was posted to the proper funds, and was recorded in the year received. We found no exceptions.



2. We read the Delinquent Journal.
  - a. We noted this report listed \$46,210 and \$44,348 of accounts receivable as of December 31, 2011 and 2010, respectively.
  - b. Of the total receivables reported in the preceding step, \$5,734 and \$1,630 were recorded as more than 90 days delinquent.
3. We read the Demand Statement.
  - a. We noted this report listed a total of \$5,116 and \$8,072 non-cash receipts adjustments for the years ended December 31, 2011 and 2010, respectively.
  - b. We selected five non-cash adjustments from 2011 and five non-cash adjustments from 2010, and noted that the adjustments were not reviewed by the Council. We recommend that the Council review non-cash adjustments on a consistent basis.

**Debt**

1. From the prior audit documentation, we noted the following loans outstanding as of December 31, 2009. These amounts agreed to the Villages January 1, 2010 balances on the summary we used in step 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2009:</b>
OPWC Loan – Wellsite & Wells K720	\$160,000
VCIF/OWDA – Water Treatment #3675	67,657
OPWC – Water Treatment – CT42F	130,247
OPWC Loan – Bridge St Phase I CT29G	26,448
OPWC Loan – Bridge St Phase II CT36H	29,450
OPWC Bridge St III – CK05J	34,200
WPCLF Surplus Fund OWDA #4808	1,295,661
OPWC Loan – Central Wastewater Collection – CT21K	78,667

2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2011 or 2010 or debt payment activity during 2011 or 2010. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of loan debt activity for 2011 and 2010 and agreed principal and interest payments from the related debt amortization schedule to debt service fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Village made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2011 and one payroll check for five employees from 2010 from the Employee Register Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Employee Detail Adjustment Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.

2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files was consistent with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Department(s) and fund(s) to which the check should be charged
  - d. Retirement system participation and payroll withholding
  - e. Federal, State & Local income tax withholding authorization and withholding
  - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2011 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2011. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	January 31, 2012	1/9/2012	\$513.61	\$513.61
State income taxes	January 15, 2012	1/6/2012	\$186.33	\$186.33
State School District Tax	January 31, 2012	1/6/2012	\$88.03	\$88.03
OPERS retirement	January 30, 2012	1/13/2012	\$2,256.93	\$2,256.93

4. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Employee Detail Adjustment Report:
  - a. Accumulated leave records
  - b. The employee's pay rate in effect as of the termination date
  - c. The Village's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

#### **Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2011 and ten from the year ended 2010 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

### Compliance – Budgetary

1. The amounts on the *Certificate* agreed to the amount recorded in the accounting system, except for the Water Fund. The Revenue Status Report recorded budgeted (i.e. certified) resources for the Water fund of \$97,439 for 2010. However, the final *Amended Official Certificate of Estimated Resources* reflected \$97,265. In 2011, the amounts on the Certificate for the General, Street Construction, and Water Fund did not agree to the amount recorded in the accounting system. The Revenue Status Report recorded budgeted (i.e. certified) resources for the General, Street Construction, and Water Fund in the amounts of \$95,113, \$22,900, and \$90,650, respectively. However, the final *Amended Official Certificate of Estimated Resources* reflected in the General, Street Construction and Water Fund in the amounts of \$81,340, \$21,000 and \$90,500, respectively. The fiscal officer should periodically compare amounts recorded in the Revenue Status Report to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Council may be using inaccurate information for budgeting and to monitor spending.
2. We scanned the appropriation measures adopted for 2011 and 2010 to determine whether, for the General, Street Construction and Water funds, the Council appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2011 and 2010 for the following funds: General, Street Construction, and Water Funds. Amendments were approved in 2010 for the General and Street Construction Fund by Village Council. Amendments were not made in 2011. For 2011, appropriations approved by Village Council did not agree to the amounts recorded in the Appropriation Status report for the General, Street Construction, and Water Funds. The Appropriation Status Report recorded budgeted expenses in the General, Street Construction, and Water Funds in the amount of \$98,633, \$25,163, and \$115,579, respectively. However, the final appropriations approved by Village Council in the General, Street Construction, and Water Funds were \$91,335, \$25,063, and \$115,209, respectively. For 2010, the appropriations approved by Village Council agreed to the Appropriation Status Report, except for the Water Fund. The Appropriation Status Report recorded budgeted expenses in the Water Fund in the amount of \$118,575. However, the final appropriations approved by Village Council for the Water Fund was \$115,579.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street Construction and Water funds for the years ended December 31, 2011 and 2010. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2011 and 2010 for the General, Street Construction and Water funds, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.

6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipt Register Report for evidence of new restricted receipts requiring a new fund during December 31, 2011 and 2010. We also inquired of management regarding whether the Village received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Village to establish a new fund.
7. We scanned the 2011 and 2010 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers exceeding which Ohio Rev. Code Sections 5705.14 -- .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Status Reports to determine whether the Village elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Village did not establish these reserves.

#### **Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2011 and 2010 for material or labor procurements which exceeded \$25,000 (\$50,000 effective September 29, 2011), and therefore required competitive bidding under Ohio Rev. Code Section 731.14.

We identified no purchases subject to the aforementioned bidding requirements.

2. We inquired of management and scanned the Payment Register Detail Report for the years ended December 31, 2011 and 2010 to determine if the Village proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project exceeding \$30,000) or to construct or reconstruct Village roads (cost of project \$30,000/per mile) for which Ohio Rev. Code Sections 117.16(A) and 723.52 requires the Village engineer, or officer having a different title but the duties and functions of an engineer, to complete a force account project assessment form (i.e., cost estimate). We identified no projects requiring the completion of the force account assessment form.

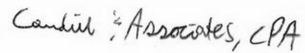
#### **Village Response**

In the future, we will notify both the Village Council and the Board of Public Affairs of the non-cash adjustments in a consistent manner. As well, the Village will periodically compare the amounts recorded in the Revenue Status Report to the amounts recorded on the Amended Certificate of Estimated Resources to assure that they agree, and the Village will make sure that amendments are made so that the final Appropriation Status Report agrees to the Amended Appropriations.

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We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, the Auditor of State, and others within the Village, and is not intended to be, and should not be used by anyone other than these specified parties.

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Caudill & Associates, CPA

April 20, 2012

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# Dave Yost • Auditor of State

VILLAGE OF GETTYSBURG

DARKE 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  
JUNE 12, 2012