



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

Village of Holmesville
Holmes County
P.O. Box 113
Holmesville, Ohio 44633

To the Village Council:

We have audited the accompanying financial statements of the Village of Holmesville, Holmes County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2000 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of management, Village Council and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

May 17, 2000

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

| | <u>Governmental Fund Types</u> | | | Totals (Memorandum Only) |
|--|--------------------------------|----------------------------|-----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | <u>Capital Projects</u> | |
| Cash Receipts: | | | | |
| Property Tax and Other Local Taxes | \$32,564 | \$5,412 | \$0 | \$37,976 |
| Intergovernmental | 35,702 | 14,386 | 32,329 | 82,417 |
| Fines, Licenses, and Permits | 12 | 0 | 0 | 12 |
| Miscellaneous | 1,523 | 605 | 0 | 2,128 |
| | <u>69,801</u> | <u>20,403</u> | <u>32,329</u> | <u>122,533</u> |
| Total Cash Receipts | | | | |
| | 69,801 | 20,403 | 32,329 | 122,533 |
| Cash Disbursements: | | | | |
| Current: | | | | |
| Security of Persons and Property | 4,214 | 0 | 0 | 4,214 |
| Public Health Services | 1,529 | 0 | 0 | 1,529 |
| Leisure Time Activities | 973 | 0 | 0 | 973 |
| Basic Utility Services | 2,538 | 3,574 | 0 | 6,112 |
| Transportation | 0 | 20,493 | 0 | 20,493 |
| General Government | 16,175 | 0 | 0 | 16,175 |
| Debt Service: | | | | |
| Principal Payments | 0 | 0 | 7,500 | 7,500 |
| Capital Outlay | 0 | 0 | 5,908 | 5,908 |
| | <u>25,429</u> | <u>24,067</u> | <u>13,408</u> | <u>62,904</u> |
| Total Cash Disbursements | | | | |
| | 25,429 | 24,067 | 13,408 | 62,904 |
| Total Receipts Over/(Under) Disbursements | 44,372 | (3,664) | 18,921 | 59,629 |
| Fund Cash Balances, January 1 | 22,204 | 7,094 | 45,682 | 74,980 |
| Fund Cash Balances, December 31 | <u>\$66,576</u> | <u>\$3,430</u> | <u>\$64,603</u> | <u>\$134,609</u> |
| Reserves for Encumbrances, December 31 | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

The notes to the financial statements are an integral part of this statement.

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

| | <u>Governmental Fund Types</u> | | | Totals (Memorandum Only) |
|---|--------------------------------|----------------------------|-----------------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | <u>Capital Projects</u> | |
| Cash Receipts: | | | | |
| Property Tax and Other Local Taxes | \$32,978 | \$2,928 | \$0 | \$35,906 |
| Intergovernmental | 266 | 13,076 | 14,825 | 28,167 |
| Fines, Licenses, and Permits | 66 | 0 | 0 | 66 |
| Miscellaneous | 2,177 | 730 | 178 | 3,085 |
| Total Cash Receipts | <u>35,487</u> | <u>16,734</u> | <u>15,003</u> | <u>67,224</u> |
| Cash Disbursements: | | | | |
| Current: | | | | |
| Security of Persons and Property | 4,841 | 0 | 0 | 4,841 |
| Public Health Services | 25 | 0 | 0 | 25 |
| Leisure Time Activities | 1,085 | 0 | 0 | 1,085 |
| Basic Utility Services | 2,936 | 3,128 | 0 | 6,064 |
| Transportation | 3,841 | 12,815 | 0 | 16,656 |
| General Government | 20,627 | 0 | 0 | 20,627 |
| Debt Service: | | | | |
| Principal Payments | 0 | 0 | 7,500 | 7,500 |
| Capital Outlay | 0 | 0 | 90,873 | 90,873 |
| Total Cash Disbursements | <u>33,355</u> | <u>15,943</u> | <u>98,373</u> | <u>147,671</u> |
| Total Receipts Over/(Under) Disbursements | 2,132 | 791 | (83,370) | (80,447) |
| Fund cash balances, January 1 (See note 10) | 20,072 | 6,303 | 129,052 | 155,427 |
| Fund Cash Balances, December 31 | <u>\$22,204</u> | <u>\$7,094</u> | <u>\$45,682</u> | <u>\$74,980</u> |
| Reserves for Encumbrances, December 31 | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

The notes to the financial statements are an integral part of this statement.

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Holmesville, Holmes County, (the Village) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services and park operations (leisure time activities). The Village contracts with the Holmes County Sheriff's department to provide security of persons and property.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of deposit are valued at cost.

D. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Fund:

Street Construction, Maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital projects fund:

Sewer Construction Fund - This fund receives proceeds of grants and loans. The proceeds are being used to construct a new sewer system.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Village maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

| | <u>1999</u> | <u>1998</u> |
|--------------------------------|-------------------|------------------|
| Demand deposits | \$ 124,609 | \$ 64,980 |
| Certificates of deposit | 10,000 | 10,000 |
| | <u>134,609</u> | <u>74,980</u> |
| Total deposits and investments | <u>\$ 134,609</u> | <u>\$ 74,980</u> |

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts

| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
|------------------|----------------------|--------------------|------------------|
| General | \$ 22,145 | \$ 69,801 | \$ 47,656 |
| Special Revenue | 16,455 | 20,403 | 3,948 |
| Capital Projects | 0 | 32,329 | 32,329 |
| Total | <u>\$ 38,600</u> | <u>\$ 122,533</u> | <u>\$ 83,933</u> |

1999 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
|------------------|----------------------------|---------------------------|-----------------|
| General | \$ 35,150 | \$ 25,429 | \$ 9,721 |
| Special Revenue | 25,350 | 24,067 | 1,283 |
| Capital Projects | 7,500 | 13,408 | (5,908) |
| Total | <u>\$ 68,000</u> | <u>\$ 62,904</u> | <u>\$ 5,096</u> |

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

3. BUDGETARY ACTIVITY (Continued)

| 1998 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|-----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$ 31,000 | \$ 35,487 | \$ 4,487 |
| Special Revenue | 18,729 | 16,734 | (1,995) |
| Capital Projects | 0 | 15,003 | 15,003 |
| Total | \$ 49,729 | \$ 67,224 | \$ 17,495 |

| 1998 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$ 35,150 | \$ 33,355 | \$ 1,795 |
| Special Revenue | 25,350 | 15,943 | 9,407 |
| Capital Projects | 7,500 | 98,373 | (90,873) |
| Total | \$ 68,000 | \$ 147,671 | \$ (79,671) |

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

5. DEBT

Debt outstanding at December 31, 1999 was as follows:

| | Principal | Interest Rate |
|---------------------------------------|------------|------------------|
| Ohio Water Development Authority Loan | \$ 15,000 | 0% |
| Ohio Water Development Authority Loan | 35,000 | 0% |
| Ohio Water Development Authority Loan | 190,000 | 6.56% |
| Ohio Public Works Commission Loan | 199,490 | 0% |
| Total | \$ 439,490 | |

The \$15,000 and \$35,000 Ohio Water Development Authority (OWDA) loans relate to a sewer plant project. The loans will be repaid in annual installments of \$2,500 and \$5,000, respectively, over 10 years.

The \$190,000 Ohio Water Development Authority (OWDA) loan relates to a sewer plant project. This loan will be repaid in one installment by January 1, 2001.

The \$199,490 Ohio Public Works Commission loan relates to a sewer plant project. This loan will be repaid in semiannual installments of \$4,987 for 20 years.

Amortization of the above debt, including interest, is scheduled as follows:

| Year ending December 31: | OWDA Loan | OWDA Loan | OWDA Loan | OPWC Loan |
|-----------------------------|--------------|--------------|--------------|--------------|
| 2000 | \$ 2,500 | \$ 5,000 | \$ 0 | \$ 0 |
| 2001 | 2,500 | 5,000 | 0 | 4,987 |
| 2002 | 2,500 | 5,000 | 245,811 | 4,987 |
| 2003 | 2,500 | 5,000 | 0 | 4,987 |
| 2004 | 2,500 | 5,000 | 0 | 4,987 |
| Subsequent | 2,500 | 10,000 | 0 | 179,542 |
| Total | \$ 15,000 | \$ 35,000 | \$ 245,811 | \$ 199,490 |

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

6. RETIREMENT SYSTEM

The Village's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 1999.

7. RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions
- Inland marine

8. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

9. PRIOR PERIOD ADJUSTMENT

Prior to 1998, the Sewer Construction, Capital Projects fund balance was overstated due to an error.

The correction of this error had the following effect on fund balances as previously reported at December 31, 1997.

| | Special Revenue | Capital Projects |
|---|-----------------|------------------|
| Fund Balance as Previously Reported | \$3,803 | \$131,552 |
| Restatement of Fund Balance | <u>2,500</u> | <u>(2,500)</u> |
| Restated Fund Balance for the Year Ended December 31, 1997 | <u>\$6,303</u> | <u>\$129,052</u> |

10. NONCOMPLIANCE

During 1999 and 1998, the majority of the Village's expenditures were not certified by the Clerk until after incurring the obligation which is contrary to Ohio Revised Code § 5705.41(D).

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

10. NONCOMPLIANCE (Continued)

During 1999 and 1998, two of the Village's funds had negative fund balances which is contrary to Ohio Revised Code § 5705.10.

Transfers were made in 1999 and 1998 without Council's approval which is contrary to Ohio Revised Code § 5705.14,15,16.

During 1999 and 1998, appropriations exceeded estimated resources which is contrary to Ohio Revised Code § 5705.39.

During 1999 and 1998, expenditures exceeded appropriations in several funds which is contrary to Ohio Revised Code § 5705.41(B).

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Village of Holmesville
Holmes County
P.O. Box 113
Holmesville, Ohio 44633

To the Village Council:

We have audited the accompanying financial statements of the Village of Holmesville, Holmes County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated May 17, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed five instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 1999-30938-001 through 1999-30938-005. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated May 17, 2000.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated May 17, 2000.

This report is intended for the information and use of management and Village Council, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

May 17, 2000

**SCHEDULE OF FINDINGS
DECEMBER 31, 1999 AND 1998**

| |
|--|
| FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS |
|--|

FINDING NUMBER 1999-30938-001

Noncompliance Citation

Ohio Revised Code § 5705.41(D) states, in part, that no subdivision or taxing unit shall make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same....has been lawfully appropriated for such purposes and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon. This section also provides two "exceptions" to the above requirements:

- A. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, Village Council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate, if such expenditure is otherwise valid.
- B. If the amount involved is less than \$1,000, the Clerk may authorize payment through a Then and Now Certificate without the affirmation of Village Council if such expenditure is otherwise valid.

Of the sixty transactions tested, forty-nine expenditures (23 in 1998 and 26 in 1999) were not certified by the Clerk prior to the invoice date of the expenditure. In those forty-nine instances, Then and Now Certificates could have been used by the Village.

Certain liabilities, contracts, and open purchase commitments incurred prior to December 31 which were not encumbered were improperly charged against the following year's appropriations. Also, the unencumbered fund balances reported to the County Auditor for budgetary purposes were overstated.

Not properly certifying expenditures could cause the Village to overspend. The Village should establish policies to ensure that expenditures are properly certified and encumbered in accordance with the Ohio Revised Code.

FINDING NUMBER 1999-30938-002

Noncompliance Citation

Ohio Revised Code § 5705.10 states that money paid into a fund must be used only for the purposes for which such fund has been established. A negative fund balance would indicate that money from one fund was used to cover the expenses of another fund.

The Park Fund and the Street Lighting Fund had negative fund balances throughout the year for both 1999 and 1998.

To help ensure that monies are expended from the appropriate fund(s), the Village should consider eliminating the Park Fund and instead, utilize the General Fund for park activities. Also, to support the expenditures of the Street Lighting Fund, the Village should consider looking into other sources of revenue.

FINDING NUMBER 1999-30938-003

Noncompliance Citation

Ohio Revised Code § 5705.14,15,16 states that money may be transferred from the general fund to any other fund of the subdivision by resolution of the taxing authority.

Council did not approve the transfers made at year end from the General Fund to the Street Construction Maintenance and Repair, Special Revenue Fund, in the amount of \$4,800 in 1999 and to the Street Lighting and Park, Special Revenue Funds, in the amounts of \$1,955 and \$1,500, respectively, in 1998. However, the financial statements have been adjusted to eliminate these unapproved transfers.

The Village should implement procedures to ensure all transfers have been approved by Council.

FINDING NUMBER 1999-30938-004

Noncompliance Citation

Ohio Revised Code § 5705.39 states that total appropriations from each fund should not exceed the total estimated revenue.

Appropriations exceeded estimated revenue in the Special Revenue Fund Type in 1999 by \$1,801 and in 1998 by \$317. Appropriating more than what is estimated to be received could result in overspending of funds. The Clerk should review the estimated revenue and compare it to the appropriations. If more revenue is received than expected then an amended certificate should be obtained from the County Auditor.

FINDING NUMBER 1999-30938-005

Noncompliance Citation

Ohio Revised Code § 5705.41(B) prohibits a subdivision from making an expenditure unless it has been properly appropriated.

Expenditures exceeded appropriations in the Sewer Fund, Capital Projects Fund, by \$90,873 for 1999. For 1998, expenditures exceeded appropriations in the Street Construction Maintenance Repair Fund, Special Revenue Fund, by \$2,881 and the Sewer Fund, Capital Projects Fund, by \$5,908.

The Village should establish procedures to ensure that funds are available prior to the Village incurring the obligation. In addition, the Clerk should ensure that adequate appropriations exist at the time expenditures are made.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF HOLMESVILLE

HOLMES 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
JULY 13, 2000**