

VILLAGE OF WEST MILTON

DAYTON REGION, MIAMI COUNTY

REGULAR AUDIT

JANUARY 1, 1998 THROUGH DECEMBER 31, 1999

VILLAGE OF WEST MILTON
MIAMI COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Elected Officials	(i)
Index of Funds	(ii)
Report of Independent Auditors'	
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances – All Governmental Funds and Similar Fiduciary Funds - For the Year Ended December 31, 1999	1
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances – Proprietary Fund Type - For the Year Ended December 31, 1999	2
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances – All Governmental Funds and Similar Fiduciary Funds - For the Year Ended December 31, 1998	3
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances – Proprietary Fund Type - For the Year Ended December 31, 1998	4
Notes to the Financial Statements	5 - 11
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	12 - 13

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

701 South Miami Street
West Milton, Ohio 45383

**ELECTED OFFICIALS
AS OF DECEMBER 31, 1999**

ELECTED OFFICIALS

NAME	TITLE	TERM OF OFFICE
Village Council		
Howard DeHart	Mayor	01/01/98 – 12/31/01
Cindy Howard	Council Member	01/01/96 – 12/31/99
Donald Hamann	Council Member	01/01/96 – 12/31/99
Randolph Tormey	Council Member	01/01/98 – 12/31/01
James Chiappone	Council Member	01/01/96 – 12/31/99
Patricia Grim	Council Member	01/01/96 – 12/31/99
Joseph Beeson	Council Member	01/06/98 – 12/31/01

ADMINISTRATIVE PERSONNEL

Bradley C. Vath	Municipal Manager
Colleen Harris	Finance Director

STATUTORY LEGAL COUNSEL

Charles H. Sell II
316 South Miami Street
West Milton, Ohio 45383

VILLAGE OF WEST MILTON
MIAMI COUNTY

INDEX OF FUNDS

GOVERNMENTAL FUND TYPES:

General Fund:

General Fund

Special Revenue Funds:

Street Construction, Maintenance and Repair Fund

State Highway Improvement Fund

Cemetery Fund

Park and Recreation Fund

DUI Education and Enforcement Fund

Law Enforcement Trust Fund

Street Levy Fund

COPS Fast Fund

Debt Service Funds:

Water Bond Fund

EVCISA Debt Fund

OPWC Debt Fund

OWDA Debt Fund

Capital Project Funds:

Sidewalk, Curb and Gutter Fund

Fire Truck CIP Fund

PROPRIETARY FUND TYPE:

Enterprise Funds:

Water Fund

Sanitary Sewer Fund

Water CIP Fund

Sewer CIP Fund

Waste Water Treatment Plant Replacement (WWTP Replacement) Fund

South Sewer CIP Fund

FIDUCIARY FUND TYPES:

Trust Fund:

Expendable Trust Funds:

Mosier Trust Fund

Locust Hill Trust Fund

Greenbriar Trust Fund

Stone Meadow Trust Fund



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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Village Council
Village of West Milton
701 South Miami Street
West Milton, Ohio 45383

We have reviewed the Independent Auditor's Report of the Village of West Milton, Miami County, prepared by Vanderhorst & Manning CPAs, LLC, for the audit period January 1, 1998 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 West Milton is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

July 9, 2000



VANDERHORST & MANNING CPAs, LLC

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REPORT OF INDEPENDENT AUDITORS'

Village Council
Village of West Milton
701 South Miami Street
West Milton, Ohio 45383

We have audited the accompanying financial statements of the Village of West Milton, Miami County, (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 audit.

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 audit 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 described 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 reserve for encumbrances of the Village of West Milton, Miami County, 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 a report dated June 15, 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 the audit committee, the Village council and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Vanderhorst & Manning CPAs, LLC
Greenville, Ohio

June 15, 2000

VILLAGE OF WEST MILTON
MIAMI COUNTY

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

	GOVERNMENTAL FUND TYPES				FIDUCIARY		Total (Memorandum Only)
	General	Special Revenue	Debt Service Funds	Capital Project Funds	Expendable Trust Funds		
Cash Receipts:							
Taxes	\$ 936,407	\$ 93,522	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,029,929
Intergovernmental Receipts	299,201	141,692	0	0	0	0	440,893
Charges for Services	176	2,751	0	7,621	25,484	0	36,032
Fines, Licenses, and Permits	6,305	769	0	125	0	0	7,199
Miscellaneous	109,454	14,344	0	456	0	0	124,254
Total Cash Receipts	\$ 1,351,543	\$ 253,078	\$ 0	\$ 8,202	\$ 25,484	\$ 0	\$ 1,638,307
Cash Disbursements:							
General Government	\$ 223,528	\$ 1,602	\$ 0	\$ 0	\$ 0	\$ 0	\$ 225,130
Security of Persons and Property	510,369	0	0	0	0	0	510,369
Public Health Services	0	25	0	0	0	0	25
Leisure Time Activities	2,936	22,752	0	0	0	0	25,688
Community Environment	5,354	0	0	0	9,645	0	14,999
Transportation	0	97,909	0	218	0	0	98,127
Capital Outlay	147,102	33,850	0	7,967	0	0	188,919
Debt Service	0	0	252,182	0	0	0	252,182
Total Cash Disbursements	\$ 889,289	\$ 156,138	\$ 252,182	\$ 8,185	\$ 9,645	\$ 0	\$ 1,315,439
Total Receipts Over/(Under) Disbursements	\$ 462,254	\$ 96,940	\$ (252,182)	\$ 17	\$ 15,839	\$ 0	\$ 322,868
Other Financing Sources/(Uses)							
Sale of Fixed Assets	\$ 621	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 621
Transfers In	0	30,000	252,182	30,000	0	0	312,182
Transfers Out	(60,000)	0	0	0	0	0	(60,000)
Other Uses	(650)	(1,339)	0	0	0	0	(1,989)
Total Other Financing Sources/(Uses)	\$ (60,029)	\$ 28,661	\$ 252,182	\$ 30,000	\$ 0	\$ 0	\$ 250,814
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	\$ 402,225	\$ 125,601	\$ 0	\$ 30,017	\$ 15,839	\$ 0	\$ 573,682
Fund Cash Balances, January 1, 1999	1,126,343	413,748	10,226	41,137	8,726		1,600,180
Fund Cash Balances, December 31, 1999	\$ 1,528,568	\$ 539,349	\$ 10,226	\$ 71,154	\$ 24,565	\$ 0	\$ 2,173,862
Reserve for Encumbrances, December 31, 1999	\$ 88,368	\$ 23,677	\$ 0	\$ 6,608	\$ 19,565	\$ 0	\$ 138,218

The Notes to the Financial Statements are an integral part of this statement.

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>PROPRIETARY FUND TYPE Enterprise</u>
Cash Receipts:	
Charges for Services	\$ 1,083,921
Miscellaneous	11,569
	<u> </u>
Total Cash Receipts	\$ <u>1,095,490</u>
Cash Disbursements:	
Personal Services	\$ 506,750
Travel Transportation	4,664
Contractual Services	242,652
Supplies and Materials	44,534
Capital Outlay	93,717
	<u> </u>
Total Cash Disbursements	\$ <u>892,317</u>
Operating Income/(Loss)	\$ 203,173
Non-Operating Cash Disbursements:	
Other Non-Operating Cash Disbursements	<u>(1,463)</u>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers	\$ 201,710
Transfers-In	56,749
Transfers-Out	<u>(308,931)</u>
Net Receipts Over/(Under) Disbursements	\$ (50,472)
Fund Cash Balances, January 1, 1999	<u>1,472,848</u>
Fund Cash Balances, December 31, 1999	<u>\$ 1,422,376</u>
Reserve for Encumbrances, December 31, 1999	<u>\$ 172,079</u>

The Notes to the Financial Statements are an integral part of this statement.

VILLAGE OF WEST MILTON
MIAMI COUNTY

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

	GOVERNMENTAL FUND TYPES					FIDUCIARY		Total (Memorandum Only)
	General	Special Revenue	Debt Service Funds	Capital Project Funds	Expendable Trust Funds			
Cash Receipts:								
Taxes	\$ 876,843	\$ 89,658	\$ 0	\$ 0	\$ 0	\$ 0	\$ 966,501	
Intergovernmental Receipts	225,129	133,608	0	0	0	0	358,737	
Charges for Services	293	3,571	0	15,471	8,124	0	27,459	
Fines, Licenses and Permits	4,834	265	0	185	0	0	5,284	
Miscellaneous	147,814	18,438	0	1,827	0	0	168,079	
Total Cash Receipts	\$ 1,254,913	\$ 245,540	\$ 0	\$ 17,483	\$ 8,124	\$ 0	\$ 1,526,060	
Cash Disbursements:								
General Government	\$ 218,576	\$ 1,526	\$ 0	\$ 0	\$ 0	\$ 0	\$ 220,102	
Security of Persons and Property	458,371	10,807	0	0	0	0	469,178	
Public Health Services	0	25	0	0	0	0	25	
Leisure Time Activities	2,707	21,414	0	0	0	0	24,121	
Community Environment	5,151	0	0	0	1,506	0	6,657	
Transportation	0	83,447	0	0	0	0	83,447	
Capital Outlay	94,337	121,288	0	231,254	0	0	446,879	
Debt Service	0	0	209,868	0	0	0	209,868	
Total Cash Disbursements	\$ 779,142	\$ 238,507	\$ 209,868	\$ 231,254	\$ 1,506	\$ 0	\$ 1,460,277	
Total Receipts Over/(Under) Disbursements	\$ 475,771	\$ 7,033	\$ (209,868)	\$ (213,771)	\$ 6,618	\$ 0	\$ 65,783	
Other Financing Sources/(Uses)								
Sale of Fixed Assets	\$ 10,670	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,670	
Transfers In	0	29,500	209,868	100,000	0	0	339,368	
Transfers Out	(129,500)	0	0	0	0	0	(129,500)	
Other Uses	(1,400)	(600)	0	0	0	0	(2,000)	
Total Other Financing Receipts/(Disbursements)	\$ (120,230)	\$ 28,900	\$ 209,868	\$ 100,000	\$ 0	\$ 0	\$ 218,538	
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	\$ 355,541	\$ 35,933	\$ 0	\$ (113,771)	\$ 6,618	\$ 0	\$ 284,321	
Fund Cash Balances, January 1, 1998	770,802	377,815	10,226	154,908	2,108	0	1,315,859	
Fund Cash Balances, December 31, 1998	\$ 1,126,343	\$ 413,748	\$ 10,226	\$ 41,137	\$ 8,726	\$ 0	\$ 1,600,180	
Reserve for Encumbrances, December 31, 1998	\$ 58,962	\$ 80,212	\$ 0	\$ 0	\$ 7,466	\$ 0	\$ 146,640	

The Notes to the Financial Statements are an integral part of this statement.

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>PROPRIETARY FUND TYPE Enterprise</u>
Cash Receipts:	
Charges for Services	\$ 1,163,493
Miscellaneous	5,452
	<u>1,168,945</u>
Total Cash Receipts	\$ 1,168,945
Cash Disbursements:	
Personal Services	\$ 468,083
Travel Transportation	8,002
Contractual Services	177,685
Supplies and Materials	59,493
Capital Outlay	125,254
	<u>838,517</u>
Total Cash Disbursements	\$ 838,517
Operating Income/(Loss)	\$ 330,428
Non-Operating Cash Disbursements:	
Other Non-Operating Cash Disbursements	<u>(1,428)</u>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers	\$ 329,000
Transfers-In	31,749
Transfers-Out	<u>(241,617)</u>
Net Receipts Over/(Under) Disbursements	\$ 119,132
Fund Cash Balances, January 1, 1998	<u>1,353,716</u>
Fund Cash Balances, December 31, 1998	<u><u>\$ 1,472,848</u></u>
Reserve for Encumbrances, December 31, 1998	<u><u>\$ 120,118</u></u>

The Notes to the Financial Statements are an integral part of this statement.

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of West Milton of Miami 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 seven-member Council. The Village provides general governmental services, including water and sewer utilities, refuse services, park operations (leisure time activities), police and fire services.

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 a payment is made 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, and US Treasury Notes are valued at cost. The investment in STAR Ohio (the State Treasurers' investment pool), is valued at amounts reported by the State Treasurer. Mutual funds are recorded at share values reported by the mutual fund. Investments are also in Fifth Third, Public Funds - Banksafe Plus Account.

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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

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 Funds:

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Special Revenue Funds (Continued)

Street Construction, Maintenance and Repair Fund - This fund receives intergovernmental revenues to maintain and repair streets.

Street Levy Fund - This fund receives intergovernmental revenues to improve roads.

Debt Service Funds

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The Village had the following significant Debt Service Funds:

OWDA Debt fund - This fund received proceeds from Ohio Water Development Authority for the Waster Water Treatment Plant.

OPWC Debt fund - This fund received proceeds from Ohio Public Works Commission for water tower replacement.

Capital Project Funds

These funds are 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 Project Fund:

Sidewalk, Curb and Gutter Fund - This fund receives intergovernmental revenue for maintenance of the Village's sidewalks, curbs and gutters.

Proprietary Fund Type

Enterprise Funds

These funds are used to account for the activities of Village operations which are operated on a self-sustaining basis. The Village had the following enterprise funds:

Water Fund - This fund receives the revenue from water sales to Village residents on a per gallon basis. Water system operating expenditures are charged to this fund.

Sewer Fund - This fund receives the revenue from sewer rates charged to Village residents based on water usage. Sewer system operating expenditures are charged to this fund.

Fiduciary Funds (Trust Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Village to maintain the copies of the trust, the fund is classified as a non-expendable trust fund. Other trust funds are classified as expendable.

The Village has classified their trust funds as Expendable Trust Funds.

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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

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 Village 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.

Estimated Resources

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

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made.

Encumbrances outstanding at year-end are carried over and need not be reappropriated.

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 disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Village.

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.

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

The carrying amount of cash and investments at December 31 was as follows:

	1999	1998
Demand Deposits	\$ 103,661	\$ 96,406
Certificates of Deposit	247,789	236,719
Repurchase Agreements	2,445,736	1,986,493
STAR Ohio	<u>798,933</u>	<u>763,517</u>
Total Deposits and Investments	<u>\$3,596,119</u>	<u>\$3,083,135</u>

Deposits:

Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,352,163	\$1,352,164	\$ 1
Special Revenue	283,043	283,078	35
Debt Service	252,182	252,182	0
Capital Projects	38,202	38,202	0
Enterprise	1,152,240	1,152,239	(1)
Fiduciary	<u>25,484</u>	<u>25,484</u>	<u>0</u>
Total	<u>\$3,103,314</u>	<u>\$3,103,349</u>	<u>\$ 35</u>

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,360,324	\$ 949,939	\$ 410,385
Special Revenue	261,699	157,477	104,222
Debt Service	262,408	252,182	10,226
Capital Projects	72,000	8,185	63,815
Enterprise	1,864,279	1,202,711	661,568
Fiduciary	<u>26,773</u>	<u>9,645</u>	<u>17,128</u>
Total	<u>\$3,847,483</u>	<u>\$2,580,139</u>	<u>\$1,267,344</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,265,583	\$1,265,583	\$ 0
Special Revenue	275,005	275,040	35
Debt Service	209,868	209,868	0
Capital Projects	117,483	117,483	0
Enterprise	1,200,695	1,200,694	(1)
Fiduciary	<u>8,124</u>	<u>8,124</u>	<u>0</u>
Total	<u>\$3,076,758</u>	<u>\$3,076,792</u>	<u>\$ 34</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,230,459	\$ 910,042	\$ 320,417
Special Revenue	368,956	239,107	129,849
Debt Service	209,868	209,868	0
Capital Projects	253,250	231,254	21,996
Enterprise	1,516,994	1,081,562	435,432
Fiduciary	<u>8,944</u>	<u>1,506</u>	<u>7,438</u>
Total	<u>\$3,588,471</u>	<u>\$2,673,339</u>	<u>\$ 915,132</u>

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

4. PROPERTY TAX

Real property taxes become a lien on January 1 proceeding 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 payment, 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.

5. DEBT

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
OPWC - Water Tower Replacement Loan	\$ 404,640	0%
EVCISA - Loans	8,550	0%
OWDA - Loan - Waste Water Treatment Plant	<u>2,244,541</u>	5%
Total	<u>\$2,657,731</u>	

Debt outstanding at December 31, 1998 was as follows:

	Principal	Interest Rate
OPWC - Water Tower Replacement Loan	\$ 429,930	0%
EVCISA - Loans	10,600	0%
OWDA - Loan - Waste Water Treatment Plant	<u>2,353,072</u>	5%
Total	<u>\$2,793,602</u>	

During 1998 the OWDA Loan was restructured. The To-Go Costs of \$137,668, which were not utilized, were removed from the loan balance. Prior payments were reallocated due to this restructuring.

**VILLAGE OF WEST MILTON
MIAMI COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

5. DEBT (Continued)

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

Year Ending December 31, 1999	
2000	\$ 252,182
2001	252,182
2002	252,182
2003	252,182
2004	250,482
2005-2015	<u>2,301,766</u>
Total	<u>\$3,560,976</u>

Year Ending December 31, 1998	
1999	\$ 252,182
2000	252,182
2001	252,182
2002	252,182
2003	252,182
2004-2015	<u>2,552,248</u>
Total	<u>\$3,813,158</u>

6. RETIREMENT SYSTEMS

The Village's law full-time enforcement officers belong to the Police & Firemen's Disability & Pension Funds (PFDPF). Other full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including post-retirement health care, 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, PFDPF members contributed 10 % of their gross salaries. The Village contributed an amount equal to 19.5 % of their wages. PERS members contributed an amount equal to 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 Pool Insurance (Ohio Municipal League Joint Self-Insurance Pool) for the following risks:

- | | |
|--|-----------------------------|
| -General Liability | -Public Officials Liability |
| -Auto Liability & Auto Physical Damage | -Stop GAP |
| -Property Coverage | -Boiler Insurance |
| -Law Enforcement Liability | -Gatekeepers |
| -Inland Marine Coverage | |

The Village also provides health insurance coverage to full-time employees through a private carrier and flood insurance through FEMA.



VANDERHORST & MANNING CPAs, LLC

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

Members of Council
Village of West Milton
701 South Miami Street
West Milton, Ohio 45383

We have audited the financial statements of the Village of West Milton, Miami County (the Village), as of and for the years ended December 31, 1999, and 1998, and have issued our report thereon dated June 15, 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.

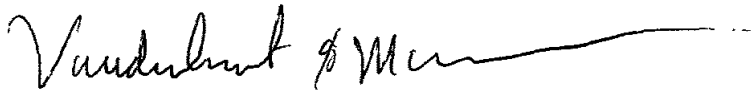
Compliance

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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, 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 specific 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 operations that we consider to be material weaknesses.

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



Vanderhorst & Manning CPAs, LLC
Greenville, Ohio

June 15, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF WEST MILTON

MIAMI 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.

By: Susan Babbitt

Date: AUG 15 2000