



**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



VILLAGE OF BELLVILLE  
RICHLAND COUNTY

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## REPORT OF INDEPENDENT ACCOUNTANTS

Village of Bellville  
Richland County  
P.O. Box 366  
Bellville, Ohio 44813

To the Village Council:

We have audited the accompanying financial statements of the Village of Bellville, Richland County, Ohio, (the Village) as of and for the year ended December 31, 2000. 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 audit in accordance with auditing standards generally accepted in the United States of America 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 audit provides 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, 2000, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2001, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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.

**Jim Petro**  
Auditor of State

August 31, 2001

VILLAGE OF BELLVILLE  
RICHLAND COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types			Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	
<b>Cash Receipts:</b>					
Property Tax and Other Local Taxes	\$135,204	\$471,595			\$606,799
Intergovernmental	114,319	74,588			188,907
Charges for Services		35,099			35,099
Fines, Licenses, and Permits	43,157				43,157
Earnings on Investments	9,834	2,070		\$574	12,478
Miscellaneous	23,525	33,271			56,796
<b>Total Cash Receipts</b>	<b>326,039</b>	<b>616,623</b>	<b>0</b>	<b>574</b>	<b>943,236</b>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	204,426	30,111			234,537
Public Health Services		54,488		375	54,863
Leisure Time Activities		1,840			1,840
Transportation		129,264			129,264
General Government	224,257	21,166			245,423
Capital Outlay		94,908			94,908
<b>Total Cash Disbursements</b>	<b>428,683</b>	<b>331,777</b>	<b>0</b>	<b>375</b>	<b>760,835</b>
Total Cash Receipts (Under)/Over Cash Disbursements	(102,644)	284,846	0	199	182,401
<b>Other Financing Receipts/(Disbursements):</b>					
Transfers-In	278,060	120,230			398,290
Transfers-Out	(81,340)	(416,290)			(497,630)
Other Receipts		1,723			1,723
Other Disbursements	(157)	(9,916)			(10,073)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>196,563</b>	<b>(304,253)</b>	<b>0</b>	<b>0</b>	<b>(107,690)</b>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	93,919	(19,407)	0	199	74,711
Fund Cash Balances, January 1	75,378	261,717	880	14,536	352,511
<b>Fund Cash Balances, December 31</b>	<b>\$169,297</b>	<b>\$242,310</b>	<b>\$880</b>	<b>\$14,735</b>	<b>\$427,222</b>
Reserves for Encumbrances, December 31	\$0	\$0	\$0	\$0	\$0

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

VILLAGE OF BELLVILLE  
RICHLAND COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Proprietary Fund Type	Fiduciary Fund Types		Totals (Memorandum Only)
	Enterprise	Nonexpendable Trust	Agency	
<b>Operating Cash Receipts:</b>				
Charges for Services	\$243,252	\$0	\$0	\$243,252
<b>Operating Cash Disbursements:</b>				
Personal Services	74,337			74,337
Employee Fringe Benefits	17,841			17,841
Contractual Services	42,045			42,045
Supplies and Materials	31,019		894	31,913
Capital Outlay	43,925		14,950	58,875
Total Operating Cash Disbursements	209,167	0	15,844	225,011
Operating Income (Loss)	34,085	0	(15,844)	18,241
<b>Non-Operating Cash Receipts:</b>				
Proceeds from Notes	900,000			900,000
Earnings on Investments	1,387		5	1,392
Fines, Licenses and Permits			131,254	131,254
Total Non-Operating Cash Receipts	901,387	0	131,259	1,032,646
<b>Non-Operating Cash Disbursements:</b>				
Debt Service:				
Principal Payments	988,604			988,604
Interest Payments	49,422			49,422
Distribution of fines			131,254	131,254
Other Non-Operating Cash Disbursements	1,294			1,294
Total Non-Operating Cash Disbursements	1,039,320	0	131,254	1,170,574
Excess of Cash Receipts (Under) Cash Disbursements Before Interfund Transfers	(103,848)	0	(15,839)	(119,687)
Transfers-In	51,000	32,840	15,500	99,340
Net Cash Receipts (Under)/ Over Cash Disbursements	(52,848)	32,840	(339)	(20,347)
Fund Cash Balances, January 1	147,365	7,184	0	154,549
<b>Fund Cash Balances, December 31</b>	<b>\$94,517</b>	<b>\$40,024</b>	<b>(\$339)</b>	<b>\$134,202</b>
Reserves for Encumbrances, December 31	\$0	\$0	\$0	\$0

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



**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Bellville, Richland County, Ohio, (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, including water and sewer utilities, park operations (leisure time activities), police services and a mayor's court.

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 cash 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. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

Investments are included in the cash fund balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

**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:

**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

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

**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:

Capital Improvement Fund - This fund provides monies for the purchase of large equipment, vehicles, and buildings for the Village.

**4. Enterprise Funds**

These funds are used to account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village had the following significant Enterprise Funds:

Water Fund - This fund receives charges for services from residents to cover the cost of providing water service.

Sewer Fund - This fund receives charges for services from residents to cover the cost of providing sewer service.

**5. Fiduciary Funds (Trust and Agency Funds)**

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Village to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had the following significant fiduciary funds:

Mayor's Court (Agency Fund) - This fund receives monies from collection of fines and costs from police tickets to cover the operation of the Police department.

Bed Tax Fund (Agency Fund) - This fund receives monies from local hotels and motels from occupancy collections. These funds are used for general Village operations. In addition, the Village collects these monies on behalf of Washington Township and remits their portion to them monthly.

**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**5. Fiduciary Funds (Trust and Agency Funds - Continued)**

Cemetery Bequest Fund (Nonexpendable Trust Fund) - Interest from the trust is used for the maintenance of the cemetery.

SM and IRL Painter Flower Fund (Expendable Trust Fund) - Proceeds from this fund are used for cemetery land improvements.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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.

**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 carried over, and need not be reappropriated.

A summary of 2000 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.

**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.

**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)**

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Village maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31, 2000 was as follows:

Deposits:	
Demand deposits	\$486,179
Certificates of deposits	<u>35,000</u>
Total deposits	521,179
Investments:	
STAR Ohio	<u>40,245</u>
Total deposits and investments	<u><u>\$ 561,424</u></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.

**Investments:** Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ended December 31, 2000 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 588,558	\$ 604,099	\$ 15,541
Special Revenue	967,620	738,576	(229,044)
Capital Projects	0	0	0
Expendable Trust	200	574	374
Enterprise	1,211,987	1,195,639	(16,348)
Nonexpendable Trust	<u>24,514</u>	<u>32,840</u>	<u>8,326</u>
Total	<u><u>\$ 2,792,879</u></u>	<u><u>\$ 2,571,728</u></u>	<u><u>\$ (221,151)</u></u>

**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 580,000	\$ 510,180	\$ 69,820
Special Revenue	1,109,353	757,983	351,370
Capital Projects	0	0	0
Expendable Trust	300	375	(75)
Enterprise	1,332,738	1,248,487	84,251
Nonexpendable Trust	0	0	0
Total	\$ 3,022,391	\$ 2,517,025	\$ 505,366

**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.

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.

**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)**

**5. DEBT**

Debt outstanding at December 31, 2000, was as follows:

	Principal	Interest Rate
Bond Anticipation Note	\$ 900,000	4.84%
1980 OWDA Loan	16,612	6.40%
1981 OWDA Loan	4,823	7.05%
1983 OWDA Loan	2,362	9.95%
1982 OWDA Loan	1,392	7.05%
1987 OWDA Loan	44,843	7.60%
1993 OWDA Loan	8,593	6.61%
Total	\$ 978,625	

2000 Water System Improvement Notes for improving and enlarging the Village's water system to be renewed annually, due in 2001, bearing interest at 4.84%.

1980 Ohio Water Development Authority (OWDA) loan for utility construction projects, due in semi-annual installments of \$3,711 through 2003, bearing interest at 6.40%.

1981 OWDA loan for utility construction projects, due in semi-annual installments of \$1,086 through 2003, bearing interest at 7.05%.

1983 OWDA loan for utility construction projects, due in semi-annual installments of \$557 through 2003, bearing interest at 9.95%.

1982 OWDA loan for utility construction projects, due in semi-annual installments of \$339 through 2003, bearing interest at 7.05%.

1987 OWDA loan for utility construction projects, due in semi-annual installments of \$10,184 through 2003, bearing interest at 7.60%.

1993 OWDA loan for utility construction projects, due in semi-annual installments of \$2,363 through 2003, bearing interest at 6.61%.

These loans are collateralized by water and sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF BELLVILLE  
RICHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)**

**5. DEBT (Continued)**

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

Year Ending December 31:	OWDA Loans	Bond Anticipation Note
2001	\$ 18,239	\$ 943,439
2002	36,478	
2003	34,115	
Total	\$ 88,832	\$ 943,439

**6. RETIREMENT SYSTEMS**

The Village's full-time law enforcement officers belong to the Police & Firemen's Disability & Pension Fund (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 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 2000, members of PFDPF contributed 10% of their wages to the PFDPF. The Village contributed an amount equal to 19.5% of their wages. PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 10.84% of participants' gross salaries. The Village has paid all contributions required through December 31, 2000.

**7. RISK MANAGEMENT**

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association with over 600 governmental entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages 100%, rather than using a risk pool of member funds to pay individual and collective losses. Therefore, the individual members are only responsible for their self-retention (deductible) amounts which vary from member to member.

The Village is also self-insured through a third-party administrator to provide Village employees with health insurance.

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OFFICE OF THE AUDITOR

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

Village of Bellville  
Richland County  
P.O. Box 366  
Bellville, Ohio 44813

To the Village Council:

We have audited the accompanying financial statements of the Village of Bellville, Richland County, Ohio, (the Village) as of and for the year ended December 31, 2000, and have issued our report thereon dated August 31, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 2000-30570-001 and 2000-30570-002.

We also noted certain immaterial instances of noncompliance that we have reported to the management of the Village in a separate letter dated August 31, 2001.

**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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Village's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings as item 2000-30570-003.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider item 2000-30570-003 to be a material weakness.

We also 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 August 31, 2001.

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.

**Jim Petro**  
Auditor of State

August 31, 2001

VILLAGE OF BELLVILLE  
RICHLAND COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2000

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

**Findings For Recovery Repaid Under Audit**

<b>Finding Number</b>	2000-30570-001
-----------------------	----------------

Ronnie L. Willey, the acting Police Chief in 2000, was overpaid \$542.97 during 2000 due to a bank error. The original check, check number 23085 dated March 22, 2000, was being carried as an outstanding check at year-end by the Clerk/Treasurer. However, per inspection of the cancelled checks, it was noted that the check had been cashed by Mr. Willey and validated by the bank, but it was not included as a cleared check on the monthly bank statement. The Clerk/Treasurer subsequently reissued Mr. Willey another check on February 14, 2001, after he assumed that the original check was never cashed.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Ronnie L. Willey, and the Ohio Government Risk Management Plan, his bonding company, jointly and severally, in the amount of five hundred forty two dollars and ninety-seven cents (\$542.97), and in the favor of the Village of Bellville.

This finding was repaid during the audit on April 17, 2001, by Ronnie L. Willey.

<b>Finding Number</b>	2000-30570-002
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Ronnie L. Willey, the acting Police Chief in 2000, was overpaid eight hours of overtime during the pay period ending December 10, 2000, for a holiday during which he did not work. The amount of this overtime was \$133.88, based on his actual hourly rate at that time.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Ronnie L. Willey, and the Ohio Government Risk Management Plan, his bonding company, jointly and severally, in the amount of one hundred thirty three dollars and eighty-eight cents (\$133.88), and in the favor of the Village of Bellville.

This finding was repaid during the audit on May 3, 2001, by Ronnie L. Willey.

**Material Weakness**

<b>Finding Number</b>	2000-30570-003
-----------------------	----------------

**Bank Reconciliations**

A necessary step in the internal control over financial reporting is to prove both the balance of the bank and the balance of cash in the accounting records. A bank reconciliation means accounting for the differences between the balance on the bank statement(s) and the cash and investment balances according to the entity's records. This process involves reconciling the bank balance to the cash and investment balance. From January 1, 2000 through December 31, 2000, the Village did not resolve various differences between the adjusted bank balance and the balance reflected within the Village's accounting records. The annual report for this fiscal year was filed with the Auditor of State with this unresolved difference.

Without complete and accurate monthly bank reconciliations, the Village's internal control is weakened, which could hinder the detection of errors or irregularities by the Village's management in a timely manner.

The Village should perform and complete monthly bank reconciliations in a timely manner. Also, a copy of each monthly bank reconciliation and the listing of outstanding checks should be filed in the bank activity folder along with the bank statements and supporting documents for the applicable month, and the Village Council should sign and date the bank reconciliations to indicate that they have been reviewed.

VILLAGE OF BELLVILLE  
RICHLAND COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2000

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1998-704010-05-001	Expenditures plus encumbrances exceeded total appropriations	Yes	Finding No Longer Valid





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**VILLAGE OF BELLVILLE**

**RICHLAND 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  
SEPTEMBER 25, 2001**