

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

*Financial Statements  
(Audited)*

For The Year Ended  
December 31, 2000

**SUE WILSON, CLERK/TREASURER**





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  

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**JIM PETRO, AUDITOR OF STATE**

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Members of Council and Mayor  
Village of New Concord  
2 West Main Street  
P.O. Box 10  
New Concord, Ohio 43762

We have reviewed the independent auditor's report of the Village of New Concord, Muskingum County, prepared by Trimble, Julian & Grube, Inc., for the audit period January 1, 2000 through December 31, 2000. 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 New Concord is responsible for compliance with these laws and regulations.

**JIM PETRO**  
Auditor of State

July 10, 2001

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**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

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## Independent Auditor's Report

Members of Council and Mayor  
Village of New Concord  
2 West Main Street  
P. O. Box 10  
New Concord, Ohio 43762

We have audited the accompanying financial statements of the Village of New Concord, Muskingum County, as of and for the year ended December 31, 2000. These financial statements are the responsibility of the Village of New Concord's management. Our responsibility is to express an opinion on these financial statements based on our audit.

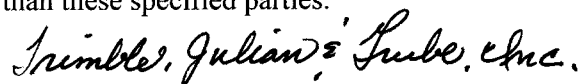
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable 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 audit provides a reasonable basis for our opinion.

As discussed in Note 2, the Village of New Concord prepares its financial statements on the basis of accounting prescribed or permitted by 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 cash balances and fund balances of the Village of New Concord, as of December 31, 2000, and its combined cash receipts and disbursements, combined budgeted and actual receipts and budgeted and actual disbursements and encumbrances for the year then ended on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 22, 2001, on our consideration of the Village of New Concord'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 the 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.



Trimble, Julian & Grube, Inc.  
May 22, 2001

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

COMBINED STATEMENT OF CASH FUND BALANCES  
ALL FUND TYPES  
DECEMBER 31, 2000

<u>Cash and Investments</u>	<u>2000</u>
Cash and Cash Equivalents	\$ 162,105
Investments	<u>636,746</u>
Total Cash and Investments	<u>\$ 798,851</u>
 <u>Fund Balances</u>	
<u>Governmental Fund Types:</u>	
General Fund	\$ 234,763
Special Revenue Funds	246,089
Debt Service Funds	19,900
Capital Projects Funds	<u>4,000</u>
Total Governmental Fund Types	<u>504,752</u>
 <u>Proprietary Fund Type:</u>	
Enterprise Funds	<u>272,686</u>
 <u>Fiduciary Fund Type:</u>	
Agency Funds	<u>21,413</u>
Total Fund Balances	<u>\$ 798,851</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

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

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Cash receipts:					
Local taxes	\$ 84,317	\$ 314,973	\$ 9,205	\$ -	\$ 408,495
Intergovernmental	215,005	92,828	-	-	307,833
Special assessments	-	-	18,692	-	18,692
Charges for services	15	104,518	-	-	104,533
Fines, licenses, and permits	64,032	-	-	-	64,032
Interest	37,354	824	-	-	38,178
Miscellaneous	9,660	4,373	-	-	14,033
Total cash receipts	<u>410,383</u>	<u>517,516</u>	<u>27,897</u>	<u>-</u>	<u>955,796</u>
Cash disbursements:					
Current:					
Security of persons and property	144,979	35,476	-	-	180,455
Public health services	-	52,308	-	-	52,308
Leisure time activities	330	1,087	-	-	1,417
Community environment	1,474	-	-	-	1,474
Transportation	-	112,233	-	-	112,233
General government	209,469	14,917	1,354	-	225,740
Capital outlay	115,993	145,614	-	-	261,607
Debt service:					
Principal retirement	-	-	44,667	-	44,667
Interest charges	-	-	35,133	-	35,133
Total cash disbursements	<u>472,245</u>	<u>361,635</u>	<u>81,154</u>	<u>-</u>	<u>915,034</u>
Total cash receipts over/(under) cash disbursements	<u>(61,862)</u>	<u>155,881</u>	<u>(53,257)</u>	<u>-</u>	<u>40,762</u>
Other financing receipts/(disbursements):					
Operating transfers in	207,000	151,563	53,783	-	412,346
Operating transfers out	(300)	(378,608)	-	-	(378,908)
Other uses	-	(347)	-	-	(347)
Total other financing receipts/(disbursements)	<u>206,700</u>	<u>(227,392)</u>	<u>53,783</u>	<u>-</u>	<u>33,091</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	144,838	(71,511)	526	-	73,853
Cash fund balances, January 1, 2000	<u>89,925</u>	<u>317,600</u>	<u>19,374</u>	<u>4,000</u>	<u>430,899</u>
Cash fund balances, December 31, 2000	<u>\$ 234,763</u>	<u>\$ 246,089</u>	<u>\$ 19,900</u>	<u>\$ 4,000</u>	<u>\$ 504,752</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

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

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Agency	
Operating cash receipts:			
Charges for services	\$ 610,618	\$ -	\$ 610,618
Total operating cash receipts	<u>610,618</u>	<u>-</u>	<u>610,618</u>
Operating cash disbursements:			
Personal services	117,356	-	117,356
Contractual services	144,822	-	144,822
Supplies and material	87,077	-	87,077
Capital outlay	68,531	4,525	73,056
Total operating cash disbursements	<u>417,786</u>	<u>4,525</u>	<u>422,311</u>
Operating income/(loss)	<u>192,832</u>	<u>(4,525)</u>	<u>188,307</u>
Nonoperating cash receipts/(disbursements):			
Fines collected	-	70,326	70,326
Fines disbursed	-	(70,326)	(70,326)
Other financing sources	-	5,650	5,650
Debt service:			
Principal	(43,286)	-	(43,286)
Interest	(98,101)	-	(98,101)
Other financing uses	(716)	-	(716)
Total nonoperating cash receipts/(disbursements)	<u>(142,103)</u>	<u>5,650</u>	<u>(136,453)</u>
Income before operating transfers	50,729	1,125	51,854
Transfers in	45,740	-	45,740
Transfers out	<u>(72,178)</u>	<u>(7,000)</u>	<u>(79,178)</u>
Net income/(loss)	24,291	(5,875)	18,416
Cash fund balances, January 1, 2000	<u>248,395</u>	<u>27,288</u>	<u>275,683</u>
Cash fund balances, December 31, 2000	<u>\$ 272,686</u>	<u>\$ 21,413</u>	<u>\$ 294,099</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND ENCUMBRANCES COMPARED WITH EXPENDITURE  
AUTHORITY - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

Fund Types	Receipts				Disbursements					Variance Favorable (Unfavorable)		
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2000 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2000 Appropriations	Total	Actual 2000 Disbursements		Encumbrances Outstanding at 12/31/00	Total
<b>Governmental:</b>												
General	\$ 74,541	\$ 417,911	\$ 492,452	\$ 617,383	\$ 199,472	\$ 62,485	\$ 546,367	\$ 608,852	\$ 472,545	\$ 3,823	\$ 476,368	\$ 132,484
Special Revenue	280,046	692,167	972,213	669,079	(23,088)	27,917	825,471	853,388	740,590	551	741,141	112,247
Debt Service	19,374	84,752	104,126	81,680	(3,072)	-	82,710	82,710	81,154	-	81,154	1,556
Capital Projects	4,000	262,000	266,000	-	(262,000)	-	224,000	224,000	-	-	-	224,000
<b>Proprietary:</b>												
Enterprise	233,295	623,040	856,335	656,358	33,318	23,246	783,815	807,061	632,067	11,286	643,353	163,708
<b>Total</b>	<b>\$ 611,256</b>	<b>\$ 2,079,870</b>	<b>\$ 2,691,126</b>	<b>\$ 2,024,500</b>	<b>\$ (65,370)</b>	<b>\$ 113,648</b>	<b>\$ 2,462,363</b>	<b>\$ 2,576,011</b>	<b>\$ 1,926,356</b>	<b>\$ 15,660</b>	<b>\$ 1,942,016</b>	<b>\$ 633,995</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 1 - DESCRIPTION OF THE ENTITY**

The Village of New Concord (“the Village”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The Village operates under a council-mayor form of government and provides the following services: police protection, fire protection, water, sewer, street maintenance and repair, Mayor’s Court, as well as other general government services.

Management believes the financial statements included in this report represent all of the funds of the Village over which the Village officials have direct operating control.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The most significant of the Village’s accounting policies are described below.

**A. BASIS OF PRESENTATION - FUND ACCOUNTING**

The accounts of the Village are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The following fund types are used by the Village.

**GOVERNMENTAL FUND TYPES**

**General Fund**

The general fund is used to account for all activities of the Village not required to be included in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds**

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The Village had the following significant Special Revenue Funds:

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

*State Highway Fund* - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village state highways.

*Fire Equipment Reserve Fund* - This fund receives monies from charges for services for providing fire protection.

*Emergency Medical Service Fund* - This fund receives monies from charges for services for providing emergency medical services.

*Street Assessment Fund* - This fund receives monies from a special levy for street maintenance.

*Local Income Tax Fund* - This fund receives monies from collections on the Village's one percent income tax imposed. Funds collected are used in both general operations of the Village and for capital expenditures and maintenance and repairs as required.

Debt Service Funds

These funds are used to accumulate resources for the payment of indebtedness. The Village had the following significant Debt Service Funds:

*Debt Service - Sewer Extension* - This fund accumulates resources for the payment of Sewer Extension project debt.

*Debt Service - Wedgewood* - This fund accumulates resources for the payment of Wedgewood project debt.

*Debt Service - South Friendship Sewer* - This fund accumulates resources for the payment of South Friendship Sewer project debt.

*Debt Service - Rix Mills Sewer Upgrade* - This fund accumulates resources for the payment of Rix Mills Sewer Upgrade project debt.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Capital Projects 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 funds). The Village had the following significant Capital Projects Funds:

*Capital Projects - Main Street* - This fund provides monies for the Main Street project's improvements.

*Capital Projects - Rix Mills Sewer* - This fund provides monies for Rix Mills Sewer project's improvements.

PROPRIETARY FUND TYPES

Enterprise Funds

These funds 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 this utility.

*Sewer Fund* - This fund receives charges for services from residents to cover the cost of providing this utility.

*Debt Service - Sewer* - This fund accumulates resources for the payment of debt for this project.

FIDUCIARY FUNDS (AGENCY FUNDS)

Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had the following significant Fiduciary Fund:

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*Mayor's Court* (agency) - This fund receives monies from collections on fines imposed from tickets issued by the Village's police protection force. Funds are collected in part on behalf of the State of Ohio. In addition, funds are used for safety programs, computerization, and general Village operations.

**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. BUDGETARY PROCESS**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds are legally required to be budgeted and appropriated. The primary level of budgetary control is at the item level within each fund. Any budgetary modifications at this level may only be made by resolution of the Village's Council.

*Tax Budget:*

A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. All funds (except certain agency funds) are legally required to be budgeted. The expressed purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*Estimated Resources:*

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews receipt estimates. The County Budget Commission certifies its actions to the Village by September 1. As part of this certification, the Village receives the official certificate of estimated resources, which states the projected receipts of each fund. On or about January 1, the certificate is amended to include unencumbered fund balances at December 31 of the preceding year. Further amendments may be made during the year if the Village determines that receipts collected will be greater than or less than the prior estimates, and the Budget Commission finds the revised estimates to be reasonable. Prior to December 31, the Village must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure.

*Appropriations:*

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriations measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

*Encumbrances:*

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated.



**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**D. CASH AND CASH EQUIVALENTS**

For reporting purposes, the Village considers "Cash and Cash Equivalents" to be cash on hand, demand deposits, and all investments held by the Village with a maturity date less than or equal to three months from the date of purchase. Interest income earned and received by the Village totaled \$38,178 for the year ended December 31, 2000.

**E. PROPERTY, PLANT, AND EQUIPMENT**

Fixed assets are not capitalized in any of the Village's funds. Instead, capital acquisition and construction costs are reflected as expenditures in the fund in the year expended. The costs of normal maintenance and repairs are also expended, along with improvements. Depreciation is not recorded.

**F. INTERGOVERNMENTAL REVENUES**

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursable basis, are recorded when received in accordance with the Village's method of accounting.

**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 basis of accounting used by the Village.

**H. INTERFUND TRANSACTIONS**

During the course of normal operations, the Village had transactions between funds. The most significant include:

Transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the receiving fund and are recorded as operating transfers.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

I. TOTAL COLUMNS ON FINANCIAL STATEMENTS

Total columns on the financial statements are captioned “Total (Memorandum Only)” to indicate that they are presented only to facilitate financial analysis. Interfund-type eliminations have not been made in the aggregation of this data.

**NOTE 3 - CASH AND CASH EQUIVALENTS**

The Village maintains individual cash balances in bank accounts and short-term cash equivalents classified as “Cash and Cash Equivalents” on the Statement of Fund Balances.

A. LEGAL REQUIREMENTS

Statutes require the classifications of funds held by the Village into two categories:

**Category 1** consists of active funds - those funds required to be kept in a cash or cash equivalent status for immediate use by the Village. Such funds must be maintained either as cash in the Village treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

**Category 2** consists of inactive funds - those funds not required for use within the current two year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Inactive funds may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any Federal government agency, or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 3 - CASH AND CASH EQUIVALENTS - (Continued)**

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio).

The Village may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default principal, interest or coupons;
3. Obligations to the Village.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Historically, the Village has not purchased these types of investments or issued these types of notes. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Village and must be purchased with the expectation that it will be held to maturity.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 3 - CASH AND CASH EQUIVALENTS - (Continued)**

**B. DEPOSITS 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:

	<u>2000</u>
Demand Deposits	\$162,105
Repurchase Agreement - Investments	<u>636,746</u>
Total Deposits and Investments	<u>\$798,851</u>

For the year ended December 31, 2000, the carrying amount of the balance of the Village's deposits was \$162,105, and the bank balance was \$226,353. Of the bank balance:

1. \$176,353 was covered by federal depository insurance for 2000.
2. \$50,000 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Village held to a successful claim by the FDIC.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of pledging specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure the repayment of all public monies deposited in the financial institution, provided that at all times the total value of the securities so pledged is at least equal to 110% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

**C. INVESTMENTS**

For the year ended December 31, 2000, the Village held investments of repurchase agreements which are uninsured and unregistered investments in which the securities are held by the counterparty's trust department or agent in the Village's name. The market value of the repurchase agreements was approximately the same as the carrying value.

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 4 - COMPLIANCE**

The following funds had appropriations in excess of estimated resources for the year ended December 31, 2000, in noncompliance with Ohio Revised Code Section 5705.39:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
General	\$492,452	\$546,367	\$53,915
<u>Special Revenue:</u>			
EMS Equipment Reserve	45,742	76,175	30,433

The following funds had expenditures plus encumbrances in excess of appropriations for the year ended December 31, 2000, in noncompliance with Ohio Revised Code Section 5705.41B:

<u>Fund Type/Fund</u>	<u>Appropriations</u>	<u>Expenditures Plus Encumbrances</u>	<u>Excess</u>
<u>General</u>			
Clerk Treasurer			
Personal Services	\$20,000	\$20,216	\$ 216
County Auditor & Treasurer Fees	1,557	1,722	165
<u>Special Revenue:</u>			
Street Construction, Maintenance and Repair:			
Traffic Signs			
Contractual Services	10,681	13,776	3,095
EMS:			
Supplies and Materials	14,014	16,433	2,419
Transfers Out	35,000	41,175	6,175
Fire Equipment Reserve:			
Personal Services	5,000	5,472	472
Supplies and Materials	20,809	27,640	6,831

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 5 - DEBT OBLIGATIONS**

At December 31, 2000, debt obligations consisted of the following issuances:

<u>Description</u>	<u>Balance at December 31, 2000</u>
1988 Special Assessment bonds - Wedgewood, due in semiannual payments of varying amounts through 2008 at a rate of 8.20%.	\$ 45,000
1999 Main Street Lighting bonds, due in annual payments of \$27,045 through 2009 at a rate of 5.90%.	184,755
1994 Ohio Water Development Authority (OWDA) Water Improvement loan, due in semiannual payments of \$46,269 through 2021 at a rate of 5.85%.	1,088,468
1994 Ohio Water Development Authority (OWDA) Sewer Improvement loan, due in semiannual payments of \$12,084 through 2015 at a rate of 4.56%.	254,363
1985 Sewer USDA Mortgage Revenue Bonds, due in annual payments of varying amounts through 2025 at a rate of 5%.	580,000
1998 Ohio Water Development Authority (OWDA) Sewer loan, due in semiannual payments of \$13,369 through 2008 at a rate of 5.66%.	<u>167,595</u>
Total debt obligations at December 31, 2000	<u><u>\$2,320,181</u></u>

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 5 - DEBT OBLIGATIONS - (Continued)**

<u>Description:</u>	<u>Balance at December 31, 1999</u>	<u>Payments</u>	<u>Balance at December 31, 2000</u>
Special Assessment Bonds-			
Wedgewood	\$ 50,000	\$ 5,000	\$ 45,000
Main Street Lighting Bonds	200,000	15,245	184,755
OWDA Loan - Water 1994	1,115,735	27,267	1,088,468
OWDA Loan - Sewer 1994	266,514	12,151	254,363
USDA Mortgage Revenue Bonds	592,000	12,000	580,000
OWDA Loan - Sewer 1998	<u>183,885</u>	<u>16,290</u>	<u>167,595</u>
Total All Funds	<u>\$2,408,134</u>	<u>\$87,953</u>	<u>\$2,320,181</u>

The principal and interest requirement to retire the debt obligation outstanding at December 31, 2000, is as follows:

	Special Assessment Bonds- Wedgewood		1999 Main St. Lighting Bonds		1994 OWDA Water Improvement Loan		1994 OWDA Sewer Improvement Loan	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2001	\$ 5,000	\$ 3,690	\$ 16,144	\$10,901	\$ 28,862	\$ 63,676	\$ 12,712	\$11,455
2002	5,000	3,280	17,097	9,948	30,550	61,988	13,298	10,870
2003	5,000	2,870	18,106	8,939	32,338	60,200	13,911	10,256
2004	5,000	2,460	19,174	7,871	34,229	58,309	14,554	9,614
2005	5,000	2,050	20,305	6,740	36,232	56,306	15,057	8,943
2006 - 2010	20,000	3,690	93,929	14,251	215,543	247,143	87,327	33,512
2011 - 2015	-	-	-	-	286,410	176,276	97,504	11,418
2016 - 2020	-	-	-	-	380,556	82,131	-	-
2021 - 2025	-	-	-	-	43,748	2,520	-	-
Total	<u>\$45,000</u>	<u>\$18,040</u>	<u>\$184,755</u>	<u>\$58,650</u>	<u>\$1,088,468</u>	<u>\$808,549</u>	<u>\$254,363</u>	<u>\$96,068</u>

	1985 Sewer USDA Mortgage Revenue Bonds		1998 OWDA Sewer Loan		Total	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2001	\$ 12,000	\$ 29,000	\$ 17,212	\$ 9,526	\$ 91,930	\$ 128,248
2002	13,000	28,400	18,186	8,552	97,131	123,038
2003	13,000	27,750	19,216	7,522	101,571	117,537
2004	14,000	27,100	20,304	6,434	107,261	111,788
2005	15,000	26,400	21,452	5,284	113,046	105,723
2006 - 2010	85,000	120,250	71,225	8,292	573,024	427,138
2011 - 2015	110,000	96,500	-	-	493,914	284,194
2016 - 2020	140,000	66,200	-	-	520,556	148,331
2021 - 2025	178,000	27,550	-	-	221,748	30,070
Total	<u>\$580,000</u>	<u>\$449,150</u>	<u>\$167,595</u>	<u>\$45,610</u>	<u>\$2,320,181</u>	<u>\$1,476,067</u>

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 6 - PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Village. 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 annually. However, if the property owner elects, he/she may make semiannual payments.

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.

**NOTE 7 - LOCAL INCOME TAX**

This locally levied tax of one percent applies to gross salaries, wages, and other personal service compensation earned by residents both in and out of the Village and to earnings of nonresidents (except certain transients) earned in the Village. It also applies to the net income of business organizations located within the Village. Tax receipts are credited to the Village and amounted to \$314,973.

**NOTE 8 - RETIREMENT SYSTEMS**

The Village's law enforcement officers belong to the Ohio Police and Fire Fund (OP&F). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. OP&F 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.



**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000

**NOTE 8 - RETIREMENT SYSTEMS - (Continued)**

Contribution rates are also prescribed by the Ohio Revised Code. For 2000, members of OP&F contribute 10% of their wages to the OP&F. The Village contributes an amount equal to 19.5% of police employees' wages and 24% of firefighter employees' wages. PERS members contribute 8.5% of their gross salaries. The Village contributes an amount equal to 13.55% of participants' gross salaries. During 2000, PERS instituted a temporary employer contribution rollback which required the Village to contribute 10.84% of covered payroll. The Village has paid all contributions required through December 31, 2000.

**NOTE 9 - RISK MANAGEMENT**

The Village has obtained commercial insurance for the following risks:

- General liability and casualty
- Public official's liability
- Property (fleet and fire).

The Village also provides health, life, disability, and prescription insurance to full-time employees through a private carrier.

**NOTE 10 - CONTINGENT LIABILITY**

LITIGATION

The Village is currently not involved in any litigation that the Village's legal counsel anticipates a loss.

# TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

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## **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Members of Council and Mayor  
Village of New Concord  
2 West Main St.  
P. O. Box 10  
New Concord, Ohio 43762

We have audited the financial statements of the Village of New Concord, Muskingum County, Ohio, as of and for the year ended December 31, 2000, and have issued our report thereon dated May 22, 2001. We conducted our audit 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 of New Concord'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 2000-001, 2000-002, and 2000-003. We also noted certain immaterial instances of noncompliance, that we have reported to management of the Village of New Concord in a separate letter dated May 22, 2001.

Members of Council and Mayor  
Village of New Concord

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of New Concord'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 certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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 judgement, 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. Reportable conditions are described in the accompanying schedule of findings as items 2000-001, 2000-002, and 2000-003.

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 believe the reportable conditions described above are not material weaknesses. 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 the management of the Village in a separate letter dated May 22, 2001.

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

*Trimble, Julian & Grube, Inc.*

Trimble, Julian & Grube, Inc.  
May 22, 2001

**SCHEDULE OF FINDINGS**

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY  
DECEMBER 31, 2000**

<b>1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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Finding Number	2000-001
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Ohio Revised Code Section 5705.39 in part requires that the total appropriation from each fund should not exceed total estimated resources.

It was noted during the audit that the total appropriations exceeded the estimated resources for the following funds at December 31, 2000:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
General	\$492,452	\$546,367	\$53,915
<u>Special Revenue:</u>			
EMS Equipment Reserve	45,742	76,175	30,433

When appropriations exceed estimated resources, the Village may spend monies not lawfully appropriated for those purposes and thus could cause a fund deficit.

We recommend that the Village comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by monitoring appropriations throughout the fiscal year and amending the estimated resources as necessary.

**SCHEDULE OF FINDINGS**

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY  
DECEMBER 31, 2000**

<b>1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>
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Finding Number	2000-002
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Ohio Revised Code Section 5705.41(B) requires in part that no subdivision is to expend monies unless it has been appropriated.

It was noted during the audit that the Village had expenditures plus encumbrances in excess of appropriations at the legal level of control in the following funds during 2000:

<u>Fund Type/Fund</u>	<u>Appropriations</u>	<u>Expenditures Plus Encumbrances</u>	<u>Excess</u>
<u>General</u>			
Clerk Treasurer			
Personal Services	\$20,000	\$20,216	\$ 216
County Auditor & Treasurer Fees	1,557	1,722	165
 <u>Special Revenue:</u>			
Street Construction, Maintenance and Repair:			
Traffic Signs			
Contractual Services	10,681	13,776	3,095
EMS:			
Supplies and Materials	14,014	16,433	2,419
Transfers Out	35,000	41,175	6,175
Fire Equipment Reserve:			
Personal Services	5,000	5,472	472
Supplies and Materials	20,809	27,640	6,831

When expenditures plus encumbrances exceed appropriations, the Village may unlawfully expend monies that have not been approved.

We recommend that the Village comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by monitoring expenditures so they do not exceed lawful appropriations. This may be achieved by monitoring the budget more closely on a continual basis and making appropriation amendments as necessary.

**SCHEDULE OF FINDINGS**

**VILLAGE OF NEW CONCORD  
MUSKINGUM COUNTY  
DECEMBER 31, 2000**

**1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)**

Finding Number	2000-003
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Ohio Revised Code Section 5705.41(D) requires that no orders or contracts involving the expenditure of monies are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

It was noted during the audit that expenditures by the Village were not certified in a timely manner for sixty-one percent of the expenditures tested.

Without timely certification, the Village may expend more funds than available in the treasury or in the process of collection, or than funds appropriated.

We recommend that all orders or contracts involving the expenditure of money be timely certified to ensure all monies expended are lawfully appropriated and available in the treasury or in the process of collection. The Village should consider using “Then” and “Now” certificates where applicable. Guidance on the use of these certificates is found in this code section and the Ohio Compliance Supplement published by Auditor of State.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**VILLAGE OF NEW CONCORD**

**MUSKINGUM 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 31, 2001**