

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

*Financial Statements*  
(Audited)

For The Years Ended  
December 31, 2004 and 2003

**DIANE GAST, CLERK-TREASURER**





**Auditor of State  
Betty Montgomery**

Members of Council and Mayor  
Village of New Bremen  
New Bremen, Ohio

We have reviewed the *Independent Auditor's Report* of the Village of New Bremen, Auglaize County, prepared by Julian & Grube, Inc., for the audit period January 1, 2003 through December 31, 2004. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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 Bremen is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

July 18, 2005

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**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

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# JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

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## Independent Auditor’s Report

Members of Council and Mayor  
Village of New Bremen  
214 N. Washington  
New Bremen, Ohio 45869

We have audited the accompanying financial statements of the Village of New Bremen, Auglaize County, Ohio, as of and for the years ended December 31, 2004 and 2003. These financial statements are the responsibility of the Village of New Bremen’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 to reasonably assure 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 described more fully in Note 2, the Village of New Bremen prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America. Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, we presume they are material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village of New Bremen as of December 31, 2004 and December 31, 2003, or its changes in financial position for the years then ended.

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 of New Bremen, Auglaize County, as of December 31, 2004 and 2003 and its combined budgeted receipts and actual disbursements for the year then ended on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2005, on our consideration of the Village of New Bremen’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Julian & Grube, Inc.  
April 29, 2005

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

COMBINED STATEMENT OF CASH FUND BALANCES  
ALL FUND TYPES  
DECEMBER 31, 2004 AND 2003

<u>Cash and Cash Equivalents</u>	<u>2004</u>	<u>2003</u>
Cash and Cash Equivalents	\$ 3,850,482	\$ 4,166,848
Total Cash and Cash Equivalents	<u>\$ 3,850,482</u>	<u>\$ 4,166,848</u>
 <u>Fund Balances</u>		
<u>Governmental Fund Types:</u>		
General Fund	\$ 44,950	\$ 84,125
Special Revenue Funds	<u>228,447</u>	<u>316,858</u>
Total Governmental Fund Types	<u>273,397</u>	<u>400,983</u>
 <u>Proprietary Fund Type:</u>		
Enterprise Funds	<u>1,904,141</u>	<u>1,563,033</u>
 <u>Fiduciary Fund Type:</u>		
Expendable Trust Fund	<u>1,672,944</u>	<u>2,202,832</u>
Total Fund Balances	<u>\$ 3,850,482</u>	<u>\$ 4,166,848</u>

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

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN CASH FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND  
SIMILAR FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2004

	Governmental Fund Types			Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Expendable Trust	
<b>Cash receipts:</b>					
Local taxes	\$ 148,241	\$ -	\$ -	\$ 1,840,640	\$ 1,988,881
Intergovernmental	248,978	123,432	-	-	372,410
Special assessments	33,826	-	-	-	33,826
Charges for services	30,428	-	-	-	30,428
Fines, licenses, and permits	11,028	1,287	-	-	12,315
Interest	42,842	1,864	-	-	44,706
Donations and contributions	-	12,333	-	-	12,333
Miscellaneous	21,195	2,147	-	78	23,420
<b>Total cash receipts</b>	<u>536,538</u>	<u>141,063</u>	<u>-</u>	<u>1,840,718</u>	<u>2,518,319</u>
<b>Cash disbursements:</b>					
<b>Current:</b>					
Security of persons and property	755,015	18,893	-	-	773,908
Public health services	15,321	-	-	-	15,321
Leisure time activities	17,816	199,229	-	-	217,045
Transportation	145,764	336,122	-	-	481,886
General government	316,797	230	-	1,370,606	1,687,633
<b>Debt service:</b>					
Principal retirement	-	-	38,826	-	38,826
Interest charges	-	-	5,702	-	5,702
<b>Total cash disbursements</b>	<u>1,250,713</u>	<u>554,474</u>	<u>44,528</u>	<u>1,370,606</u>	<u>3,220,321</u>
<b>Total cash receipts over/(under) cash disbursements</b>	<u>(714,175)</u>	<u>(413,411)</u>	<u>(44,528)</u>	<u>470,112</u>	<u>(702,002)</u>
<b>Other financing receipts/(disbursements):</b>					
Proceeds from insurance	175,000	-	-	-	175,000
Other sources	-	-	44,528	-	44,528
Operating transfers in	823,453	325,000	-	-	1,148,453
Operating transfers out	(323,453)	-	-	(1,000,000)	(1,323,453)
<b>Total other financing receipts/(disbursements)</b>	<u>675,000</u>	<u>325,000</u>	<u>44,528</u>	<u>(1,000,000)</u>	<u>44,528</u>
<b>Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements</b>	<u>(39,175)</u>	<u>(88,411)</u>	<u>-</u>	<u>(529,888)</u>	<u>(657,474)</u>
<b>Cash fund balances, January 1, 2004</b>	<u>84,125</u>	<u>316,858</u>	<u>-</u>	<u>2,202,832</u>	<u>2,603,815</u>
<b>Cash fund balances, December 31, 2004</b>	<u>\$ 44,950</u>	<u>\$ 228,447</u>	<u>\$ -</u>	<u>\$ 1,672,944</u>	<u>\$ 1,946,341</u>

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



**VILLAGE OF NEW BREMEN  
AUGLAIZE 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, 2004

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	Total (Memorandum Only)
	<u>Enterprise</u>	<u>Agency</u>	<u>Only</u>
Operating cash receipts:			
Charges for services	\$ 4,364,264	\$ -	\$ 4,364,264
Other miscellaneous	61,238	-	61,238
Total operating cash receipts	<u>4,425,502</u>	<u>-</u>	<u>4,425,502</u>
Operating cash disbursements:			
Personal services	529,267	-	529,267
Contractual services	3,090,839	-	3,090,839
Supplies and material	275,469	-	275,469
Capital outlay	374,692	-	374,692
Total operating cash disbursements	<u>4,270,267</u>	<u>-</u>	<u>4,270,267</u>
Operating income	<u>155,235</u>	<u>-</u>	<u>155,235</u>
Nonoperating cash receipts/(disbursements):			
Fines collected	-	2,088	2,088
Fines disbursed	-	(2,088)	(2,088)
Proceeds of notes	700,000	-	700,000
Other	19,922	-	19,922
Debt service:			
Principal	(700,000)	-	(700,000)
Interest	(9,049)	-	(9,049)
Other local tax	223,453	-	223,453
Excise tax expense	(223,453)	-	(223,453)
Total nonoperating cash receipts/(disbursements)	<u>10,873</u>	<u>-</u>	<u>10,873</u>
Income before operating transfers	166,108	-	166,108
Transfers in	<u>175,000</u>	<u>-</u>	<u>175,000</u>
Net income	341,108	-	341,108
Cash fund balances, January 1, 2004	<u>1,563,033</u>	<u>-</u>	<u>1,563,033</u>
Cash fund balances, December 31, 2004	<u>\$ 1,904,141</u>	<u>\$ -</u>	<u>\$ 1,904,141</u>

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

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND ENCUMBRANCES COMPARED WITH EXPENDITURE  
AUTHORITY - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2004

Fund Types	Receipts					Disbursements						
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2004 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2004 Appropriations	Total	Actual 2004 Disbursements	Encumbrances Outstanding at 12/31/04	Total	Variance Favorable (Unfavorable)
Governmental:												
General	\$ 72,136	\$ 1,954,462	\$ 2,026,598	\$ 1,534,991	(419,471)	\$ 17,747	\$ 1,857,768	\$ 1,875,515	\$ 1,574,166	\$ 26,042	\$ 1,600,208	\$ 275,307
Special Revenue	279,076	1,066,740	1,345,816	466,063	(600,677)	32,024	1,345,815	1,377,839	554,474	4,591	559,065	818,774
Debt Service	-	125,000	125,000	44,528	(80,472)	-	125,000	125,000	44,528	-	44,528	80,472
Proprietary:												
Enterprise	1,428,651	7,123,500	8,552,151	5,543,877	(1,579,623)	130,674	7,852,150	7,982,824	5,202,769	36,927	5,239,696	2,743,128
Fiduciary:												
Expendable	1,830,201	2,546,700	4,376,901	1,840,718	(705,982)	366,157	4,376,901	4,743,058	2,370,606	75,414	2,446,020	2,297,038
Total (Memorandum Only)	\$ 3,610,064	\$ 12,816,402	\$ 16,426,466	\$ 9,430,177	\$ (3,386,225)	\$ 546,602	\$ 15,557,634	\$ 16,104,236	\$ 9,746,543	\$ 142,974	\$ 9,889,517	\$ 6,214,719

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN CASH FUND BALANCES - ALL GOVERNMENTAL  
FUND TYPES AND SIMILAR FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Governmental Fund Types			Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Expendable Trust	
<b>Cash receipts:</b>					
Local taxes	\$ 140,604	\$ -	\$ -	\$ 1,890,515	\$ 2,031,119
Intergovernmental	197,567	227,287	-	-	424,854
Special assessments	93,570	-	-	-	93,570
Charges for services	33,861	500	-	-	34,361
Fines, licenses, and permits	18,182	2,000	-	-	20,182
Interest	45,691	1,735	-	-	47,426
Donations and contributions	-	17,053	-	-	17,053
Miscellaneous	17,815	3,312	-	125	21,252
<b>Total cash receipts</b>	<b>547,290</b>	<b>251,887</b>	<b>-</b>	<b>1,890,640</b>	<b>2,689,817</b>
<b>Cash disbursements:</b>					
<b>Current:</b>					
Security of persons and property	540,757	61,495	-	-	602,252
Public health services	15,338	-	-	-	15,338
Leisure time activities	-	217,207	-	-	217,207
Transportation	148,409	355,321	-	-	503,730
General government	278,900	2,717	-	1,062,556	1,344,173
Capital outlay	13,459	-	-	-	13,459
<b>Debt service:</b>					
Principal retirement	-	-	35,372	-	35,372
Interest charges	-	-	9,796	-	9,796
<b>Total cash disbursements</b>	<b>996,863</b>	<b>636,740</b>	<b>45,168</b>	<b>1,062,556</b>	<b>2,741,327</b>
<b>Total cash receipts over/(under) cash disbursements</b>	<b>(449,573)</b>	<b>(384,853)</b>	<b>(45,168)</b>	<b>828,084</b>	<b>(51,510)</b>
<b>Other financing receipts/(disbursements):</b>					
Operating transfers in	698,346	459,315	-	-	1,157,661
Operating transfers out	(268,346)	-	-	(969,315)	(1,237,661)
Other sources	-	-	68,564	-	68,564
<b>Total other financing receipts/(disbursements)</b>	<b>430,000</b>	<b>459,315</b>	<b>68,564</b>	<b>(969,315)</b>	<b>(11,436)</b>
<b>Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements</b>	<b>(19,573)</b>	<b>74,462</b>	<b>23,396</b>	<b>(141,231)</b>	<b>(62,946)</b>
Cash fund balances, January 1, 2003	103,698	242,396	(23,396)	2,344,063	2,666,761
<b>Cash fund balances, December 31, 2003</b>	<b>\$ 84,125</b>	<b>\$ 316,858</b>	<b>\$ -</b>	<b>\$ 2,202,832</b>	<b>\$ 2,603,815</b>

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

**VILLAGE OF NEW BREMEN  
AUGLAIZE 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, 2003

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Agency	
Operating cash receipts:			
Charges for services	\$ 4,317,453	\$ -	\$ 4,317,453
Other miscellaneous	30,790	-	30,790
Total operating cash receipts	<u>4,348,243</u>	<u>-</u>	<u>4,348,243</u>
Operating cash disbursements:			
Personal services	521,384	-	521,384
Contractual services	3,050,396	-	3,050,396
Supplies and material	256,989	-	256,989
Capital outlay	140,186	-	140,186
Total operating cash disbursements	<u>3,968,955</u>	<u>-</u>	<u>3,968,955</u>
Operating income	<u>379,288</u>	<u>-</u>	<u>379,288</u>
Nonoperating cash receipts/(disbursements):			
Excise tax expense	(238,346)	-	(238,346)
Other taxes	238,346	-	238,346
Proceeds of notes	700,000	-	700,000
Other receipts	15,060	-	15,060
Debt service:			
Principal retirement	(600,000)	-	(600,000)
Interest charges	(12,600)	-	(12,600)
Fines collected	-	3,528	3,528
Fines disbursed	-	(3,528)	(3,528)
Total nonoperating cash receipts/(disbursements)	<u>102,460</u>	<u>-</u>	<u>102,460</u>
Income before operating transfers	481,748	-	481,748
Transfers in	<u>80,000</u>	<u>-</u>	<u>80,000</u>
Net income	561,748	-	561,748
Cash fund balances, January 1, 2003	<u>1,001,285</u>	<u>-</u>	<u>1,001,285</u>
Cash fund balances, December 31, 2003	<u>\$ 1,563,033</u>	<u>\$ -</u>	<u>\$ 1,563,033</u>

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

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND ENCUMBRANCES COMPARED WITH EXPENDITURE  
AUTHORITY - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2003

Fund Types	Receipts					Disbursements						
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2003 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2003 Appropriations	Total	Actual 2003 Disbursements	Encumbrances Outstanding at 12/31/03	Total	Variance Favorable (Unfavorable)
Governmental:												
General	\$ 99,833	\$ 1,666,417	\$ 1,766,250	\$ 1,245,636	\$ (420,781)	\$ 9,623	\$ 1,766,250	\$ 1,775,873	\$ 1,265,209	\$ 17,747	\$ 1,282,956	\$ 492,917
Special Revenue	234,500	1,068,335	1,302,835	711,202	(357,133)	2,138	1,254,460	1,256,598	636,740	32,024	668,764	587,834
Debt Service	(23,396)	125,000	101,604	68,564	(56,436)	-	101,604	101,604	45,168	-	45,168	56,436
Proprietary:												
Enterprise	967,434	6,942,400	7,909,834	5,381,649	(1,560,751)	33,852	7,789,015	7,822,867	4,819,901	130,674	4,950,575	2,872,292
Fiduciary:												
Expendable	2,329,390	3,500,000	5,829,390	1,890,640	(1,609,360)	14,673	5,819,575	5,834,248	2,031,871	366,157	2,398,028	3,436,220
Total (Memorandum Only)	<u>\$ 1,278,371</u>	<u>\$ 9,802,152</u>	<u>\$ 11,080,523</u>	<u>\$ 7,407,051</u>	<u>\$ (2,395,101)</u>	<u>\$ 60,286</u>	<u>\$ 10,911,329</u>	<u>\$ 10,956,942</u>	<u>\$ 6,767,018</u>	<u>\$ 180,445</u>	<u>\$ 6,947,463</u>	<u>\$ 4,009,479</u>

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

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

**NOTE 1 - DESCRIPTION OF THE ENTITY**

The Village of New Bremen (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, water, sewer and electric utility services, street maintenance and repair, as well as other 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 (other than from trusts or capital projects) that are legally restricted to expenditure for specific purposes.

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

**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.

*Parks and Recreation Fund* - This fund receives fees to maintain the Village's parks.

DEBT SERVICE FUND TYPE:

Debt Service Fund

This fund is used to accumulate resources for the payment of indebtedness.

*Debt Service* - This fund accumulates resources for the payment of Ohio Water Development Authority Loans.

PROPRIETARY FUND TYPE:

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.

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

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

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

FIDUCIARY FUND TYPES:

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:

*Income Tax Fund (Expendable Trust Fund)* - This fund receives monies from collections on the Village's 1.5% income tax imposed. Funds collected are used for general operations of the Village, for construction, and for acquiring, maintaining and operating capital improvements, including street drainage.

*Mayor's Court (Agency Fund)* - 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.



**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

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

**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 estimate 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 (except Agency) are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Village's Council.

*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 determined that receipts collected will be greater than or less than the prior estimate, and the Budget Commission finds the revised estimate 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. The Village legally adopted appropriation amendment measures during 2004 and 2003.

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

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

*Encumbrances:*

As part of the 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. The Village had outstanding encumbrances at December 31, 2004 and 2003.

**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 received by the Village totaled \$44,706 and \$47,426 for the years ended December 31, 2004 and 2003, respectively.

**E. PROPERTY, PLANT AND EQUIPMENT**

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

**F. 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.

**G. 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 necessary fund and are recorded as operating transfers.

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

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

**H. 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 cash basis method of accounting.

**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 - COMPLIANCE**

The following fund had appropriations in excess of estimated resources for the year ended December 31, 2003, in noncompliance with Ohio Revised Code Section 5705.39:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess Amount</u>
Special Revenue Fund Type:			
FEMA	\$ 138,335	\$ 148,150	\$ 9,815

The Village Clerk-Treasurer is attempting to obtain additional amended certificates as new monies are known and appropriated.

**NOTE 4 - EQUITY IN POOLED CASH AND CASH EQUIVALENTS**

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>2004</u>	<u>2003</u>
Deposits: Demand deposits	\$ 850,482	\$ 1,164,241
Investments in STAR Ohio	<u>3,000,000</u>	<u>3,002,607</u>
Total cash and cash equivalents	<u>\$ 3,850,482</u>	<u>\$ 4,166,848</u>

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

**NOTE 4 - EQUITY IN POOLED CASH AND CASH EQUIVALENTS - (Continued)**

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

*Investments:* Investments in STAR Ohio are not endorsed by securities that exist in physical or book-entry form. Investments in STAR Ohio are valued at amounts reported by the State Treasurer.

**NOTE 5 - DEBT OBLIGATIONS**

At December 31, 2004, debt obligations consisted of the following issuance:

<u>Description</u>	<u>Balance at 12/31/04</u>
2004 American Municipal Power-Ohio (AMP-Ohio) note for electrical substation construction, installation, and equipment projects, due in 2005 bearing interest at 4.25%.	\$ 700,000
1985 Ohio Water Development Authority (OWDA) loan for utility construction projects, due in varying semi-annual payments through 2005, bearing interest at 4.25%.	<u>42,618</u>
Total debt obligations at December 31, 2004	<u>\$ 742,618</u>

The Ohio Water Development Authority (OWDA) loan is for a utility construction project (sewer). This debt is an obligation of Dairy Farm Products, who assumed the obligation of the Village under a written contract with the Ohio Water Development Authority dated June 6, 1985. Dairy Farm Products remits payment to the Village in the month of the required payment and are reported as "Other Sources" on the Combined Statements of Cash Receipts, Cash Disbursements, and Changes in Cash Fund Balances – All Governmental Fund Types and Similar Fiduciary Fund Type.

	<u>Balance 01/01/04</u>	<u>Proceeds</u>	<u>Retirements</u>	<u>Balance at 12/31/04</u>
OWDA Loan	\$ 81,444	\$ -	\$ 38,826	\$ 42,618
Amp-Ohio Note	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>
Total Debt Obligations	<u>\$ 781,444</u>	<u>\$ 700,000</u>	<u>\$ 738,826</u>	<u>\$ 742,618</u>

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

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

	Balance 01/01/03	Proceeds	Retirements	Balance at 12/31/03
OWDA Loan	\$ 116,816	\$ -	\$ (35,372)	\$ 81,444
Amp-Ohio Note	<u>600,000</u>	<u>700,000</u>	<u>(600,000)</u>	<u>700,000</u>
Total Debt Obligations	<u>\$ 716,816</u>	<u>\$ 700,000</u>	<u>\$ (635,372)</u>	<u>\$ 781,444</u>

The principal and interest requirements to retire the debt obligations outstanding at December 31, 2004, is as follows:

Year Ending December 31,	Amp-Ohio Note		OWDA Loan	
	Principal	Interest	Principal	Interest
2005	<u>\$ 700,000</u>	<u>\$ 9,049</u>	<u>\$ 42,618</u>	<u>\$ 2,989</u>

During the years ended December 31, 2004, and 2003, OWDA granted the Village an interest credit enhancement in the amount of \$2,264 and \$1,624, respectively.

**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 County. 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. Real property taxes are payable annually or semiannually to the County. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

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.

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

**NOTE 6 - PROPERTY TAX - (Continued)**

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 1.50% 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 accounted for in an expendable trust and transferred based on Council ordinance allocation to various funds for operations. The Village collected \$1,840,640 in 2004 and \$1,890,515 in 2003 in income tax receipts.

**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 Ohio Public Employees Retirement System (OPERS) of Ohio. OP&F and OPERS 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 2004, members of OP&F contribute 10% of their wages to the OP&F. The Village contributes an amount equal to 19.5% of their wages. OPERS members contribute 8.5% of their gross salaries. The Village contributes an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 2004 and 2003.

**NOTE 9 - RISK MANAGEMENT**

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association with over 600 government 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 exceeded the member's deductible.

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

**NOTE 9 - RISK MANAGEMENT - (Continued)**

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 also provides health insurance to full-time employees through a private carrier.

**NOTE 10 - CONTINGENT LIABILITY**

LITIGATION

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

**NOTE 11 - ECONOMIC DEPENDENCE**

The Village receives approximately 60% of its electric, water and sewer revenue from a local manufacturer. The same manufacturer also accounts for approximately 60% of the Village's income tax receipts through payroll withholdings and the manufacturer's corporate tax.

**NOTE 12 - JOINT VENTURE WITH EQUITY INTEREST**

The Village of New Bremen is a Financing Participant with an ownership percentage of 2.38%, and shares participation with forty-one other subdivisions within the State of Ohio in the Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Financing Participants own undivided interests, as tenants in common, without right of partition in the OMEGA JV5 Project.

Pursuant to the OMEGA Joint Venture JV5 Agreement (Agreement), the participants jointly undertook as Financing Participants, the acquisition, construction and equipping of OMEGA JV5, including such portions of OMEGA JV5 as have been acquired, constructed or equipped by AMP-Ohio.

OMEGA JV5 was created to construct a 42 Megawatt (MW) run-of-the-river hydroelectric plant (including 40MW of backup generation) and associated transmission facilities (on the Ohio River near the Bellville, West Virginia Locks and Dam) and sells electricity from its operations to OMEGA JV5 Participants.

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

**NOTE 12 - JOINT VENTURE WITH EQUITY INTEREST - (Continued)**

Pursuant to the Agreement each participant has an obligation to pay its share of debt service on the Beneficial Interest Certificates (Certificates) from the revenues of its electric system, subject only to the prior payment of Operating & Maintenance Expenses (O&M) of each participant's System, and shall be on a parity with any outstanding and future senior electric system revenue bonds, notes or other indebtedness payable from any revenues of the System. On dissolution of OMEGA JV5, the net assets will be shared by the financing participants on a percentage of ownership basis. Under the terms of the Agreement each participant is to fix, charge and collect rates, fees and charges at least sufficient in order to maintain a debt coverage ratio equal to 110% of the sum of OMEGA JV5 debt service and any other outstanding senior lien electric system revenue obligations. As of December 31, 2004 New Bremen has met their debt coverage obligation.

The Agreement provides that the failure of any JV5 participant to make any payment due by the due date thereof constitutes a default. In the event of a default, OMEGA JV5 may take certain actions including the termination of a defaulting JV5 Participant's entitlement to Project Power. Each Participant may purchase a pro rata share of the defaulting JV5 Participant's entitlement to Project Power, which together with the share of the other non-defaulting JV5 Participants, is equal to the defaulting JV5 Participant's ownership share of the Project, in kilowatts ("Step Up Power") provided that the sum of any such increases shall not exceed, without consent of the non-defaulting JV5 Participant, an accumulated maximum kilowatts equal to 25% of such non-defaulting JV5 Participant's ownership share of the project to any such increases.

OMEGA JV5 is managed by AMP-Ohio, which acts as the joint venture's agent. During 1993 and 2001 AMP-Ohio issued \$153,415,000 and \$13,899,981, respectively, of 30 year fixed rate Beneficial Interest Certificates (Certificates) on behalf of the Financing Participates of OMEGA JV5. The 2001 Certificates accrete to a value of \$56,125,000 on February 15, 2030. The net proceeds of the bond issues were used to construct the OMEGA JV5 Project. On February 17, 2004 the 1993 Certificates were refunded by issuing 2004 Beneficial Interest Refunding Certificates in the amount of \$116,910,000, which resulted in a savings to the membership of \$34,951,833 from the periods 2005 through 2024.

The Village's net investment to date in OMEGA JV5 was \$205,754 at December 31, 2004 and \$187,867 at December 31, 2003. Complete financial statements for OMEGA JV5 may be obtained from AMP-Ohio or from the State Auditor's website at [www.auditor.state.oh.us](http://www.auditor.state.oh.us).



**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

**NOTE 13 - INTERFUND TRANSACTIONS**

The Village had the following interfund transactions for the year ended December 31, 2004:

<u>Fund Type/Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
GENERAL FUND	\$ 823,453	\$ 323,453
<u>SPECIAL REVENUE FUNDS:</u>		
Street Construction, Maintenance & Repair	100,000	-
Parks and Recreation	<u>225,000</u>	<u>-</u>
Total Special Revenue Funds	<u>325,000</u>	<u>-</u>
<u>EXPENDABLE TRUST FUND:</u>		
Income Tax	<u>-</u>	<u>1,000,000</u>
<u>ENTERPRISE FUNDS:</u>		
Electric	100,000	-
Swimming Pool	<u>75,000</u>	<u>-</u>
Total Enterprise Funds	<u>175,000</u>	<u>-</u>
Total	<u>\$ 1,323,453</u>	<u>\$ 1,323,453</u>

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

**NOTE 13 - INTERFUND TRANSACTIONS - (Continued)**

The Village had the following interfund transactions for the year ended December 31, 2003:

<u>Fund Type/Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
GENERAL FUND	\$ 698,346	\$ 268,346
<u>SPECIAL REVENUE FUNDS:</u>		
Street Construction, Maintenance & Repair	250,000	-
Parks and Recreation	199,500	-
FEMA	<u>9,815</u>	<u>-</u>
Total Special Revenue Funds	<u>459,315</u>	<u>-</u>
<u>EXPENDABLE TRUST FUND:</u>		
Income Tax	<u>-</u>	<u>969,315</u>
<u>ENTERPRISE FUNDS:</u>		
Electric	30,000	-
Swimming Pool	<u>50,000</u>	<u>-</u>
Total Enterprise Funds	<u>80,000</u>	<u>-</u>
Total	<u>\$ 1,237,661</u>	<u>\$ 1,237,661</u>

The transfers during the years ended December 31, 2004 and 2003 were made in accordance with the Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

# JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

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## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Members of Council and Mayor  
Village of New Bremen, Auglaize County  
214 N. Washington  
New Bremen, Ohio 45869

We have audited the financial statements of the Village of New Bremen, Auglaize County, as of and for the years ended December 31, 2004 and 2003, and have issued our report thereon dated April 29, 2005, wherein we noted the Village of New Bremen followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of New Bremen's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts that would be material in relation to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the Village of New Bremen in a separate letter dated April 29, 2005.

Members of Council and Mayor  
Village of New Bremen

Compliance and Other Matters

As part of reasonably assuring whether the Village of New Bremen's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2004-VONB-001. We also noted other immaterial instances of noncompliance that we have reported to the management of the Village of New Bremen in a separate letter dated April 29, 2005.

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



Julian & Grube, Inc.  
April 29, 2005

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO  
DECEMBER 31, 2004 AND 2003**

**SCHEDULE OF FINDINGS**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2004-VONB-001

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 total estimated resources as follows at December 31, 2003:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess Amount</u>
Special Revenue Fund Type			
FEMA	\$ 138,335	\$ 148,150	\$ 9,815

With appropriations exceeding estimated resources, the Village of New Bremen is appropriating monies that are not in the treasury or in the process of collection that have been certified with the County Auditor. Thus, over appropriating may cause expenditures to increase and cause a deficit fund balance.

We recommend that the Village of New Bremen comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by keeping more accurate appropriations versus estimated resources records and amending the budget prior to year end. If it is determined that estimated revenues will be greater than initially anticipated, the Village of New Bremen should amend its official estimate in order to provide for any additional appropriations; however, appropriations should not exceed estimated resources. In addition, the Village of New Bremen should monitor its budgetary process on a regular basis.

The Village Clerk-Treasurer is attempting to obtain additional amended certificates as new monies are known and appropriated.

**VILLAGE OF NEW BREMEN  
AUGLAIZE COUNTY, OHIO**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2004 AND 2003**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:</b>
2002-VONB-001	Ohio Revised Code Section 5705.10 in part requires that money paid into any fund shall be expended only after such fund receives monies to cover expenditures.	Yes	N/A
2002-VONB-002	Ohio Revised Code Section 5705.39 in part requires that the total appropriation from each fund should not exceed total estimated resources.	No	The Village is attempting to monitor its budget more closely. Repeated as finding 2204-VONB-001.
2002-VONB-003	Ohio Revised Code Section 5705.41(B) requires in part that no subdivision is to expend monies unless it has been appropriated.	Yes	N/A
2002-VONB-004	Ohio Revised Code Section 5705.41(D) requires that no order 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.	Yes	N/A



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**VILLAGE OF NEW BREMEN**

**AUGLAIZE 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  
AUGUST 4, 2005**