



Dave Yost • Auditor of State

VILLAGE OF BUCHEL
ATHENS COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Buchtel
Athens County
P.O. Box 311
Buchtel, Ohio 45716

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of Village of Buchtel, Athens County, Ohio (the Village), have agreed, solely to assist the Council and Mayor in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2012 and 2011, including mayor's court receipts, disbursements and balances, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management, the Mayor, and / or the Council are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning fund balances recorded in the Fund Balance Report to the December 31, 2010 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the Fund Balance Report to the December 31, 2011 balances in the Fund Balance Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 fund cash balances reported in the Fund Balance Reports. The amounts agreed.
4. We confirmed the December 31, 2012 bank account balances with the Village's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation without exception.
5. We selected the only reconciling debit (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation:
 - a. We traced the debit to the subsequent January bank statement. We found no exceptions.

Cash and Investments (Continued)

- b. We traced the amount and date to the check register, to determine the debit was dated prior to December 31. We noted no exceptions.
6. We tested investments held at December 31, 2012 and December 31, 2011 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2012 and one from 2011:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipt Ledger to determine whether it included two real estate tax receipts for 2012 and 2011. We noted the Receipt Ledger included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2012 and five from 2011. We also selected five receipts from the County Auditor's DTLs from 2012 and five from 2011.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2010.
2. We inquired of management, and scanned the Receipt Ledger and Expenditure Ledger for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances, nor any debt payment activity during 2012 or 2011.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 from the Payroll Register and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Register to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.

Payroll Cash Disbursements (Continued)

- b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
 - c. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files or minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files and minute record was consistent with the information used to compute gross and net pay related to this check:
- a. Name
 - b. Authorized salary or pay rate
 - c. Departments and funds to which the check should be charged
 - d. Retirement system participation and payroll withholding
 - e. Federal, State & Local income tax withholding authorization and withholding

We found no exceptions related to steps a. – e. above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2012 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2012. We noted the following:

| Withholding (plus employer share, where applicable) | Date Due | Date Paid | Amount Due | Amount Paid |
|--|-----------------|------------------|-----------------------|------------------------|
| Federal income taxes & Medicare | 01/31/2013 | 12/28/2012 | \$560 | \$560 |
| State income taxes | 01/31/2013 | 12/28/2012 | \$188 | \$188 |
| OPERS retirement | 01/30/2013 | 12/28/2012 | \$1,276 | \$1,276 |

Non-Payroll Cash Disbursements

- 1. From the Expenditure Ledger, we re-footed checks recorded as General Fund disbursements for *security of persons and property*, and checks recorded as *leisure time activities* in the Permissive Motor Vehicle License Tax Fund for 2012. We found no exceptions.
- 2. We haphazardly selected ten disbursements from the Expenditure Ledger for the year ended December 31, 2012 and ten from the year ended 2011 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Expenditure Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - d. The Fiscal Officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Mayors Court Transactions and Cash Balances

1. We were unable to test the mathematical accuracy of December 31, 2012 and December 31, 2011 bank reconciliations because bank reconciliations were not performed, and the Village did not maintain a cash book in accordance with Ohio Rev. Code Section 2335.25.
2. We were unable to compare reconciled cash totals as of December 31, 2012 and December 31, 2011 to the Mayor's Court Agency Fund balance reported in the cash book because bank reconciliations were not performed, and the Village did not maintain a cash book in accordance with Ohio Rev. Code Section 2335.25.
3. We were unable to agree the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 listing of unpaid distributions because bank reconciliations were not performed, and the Village did not maintain a cash book in accordance with Ohio Rev. Code Section 2335.25.
4. We confirmed the December 31, 2012 bank account balance with the Mayor's Court financial institution. We found no exceptions. We were unable to agree the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation because bank reconciliations were not performed.
5. Because the Village did not maintain a cash book in accordance with Ohio Rev. Code Section 2335.25, we were unable to select cases from the court cash book and agree the payee and amount posted to the:
 - a. Duplicate receipt book.
 - b. Docket, including comparing the total fine paid to the judgment issued by the judge (i.e. mayor)
 - c. Case file.
6. Because the Village did not maintain a cash book in accordance with Ohio Rev. Code Section 2335.25, we were unable to select one month from the year ended December 31, 2012 and one month from the year ended 2011 and determine whether:
 - a. The monthly sum of fines and costs collected for those months agreed to the amounts reported as remitted to the Village, State or other applicable government in the following month.
 - b. The totals remitted for these two months per the cash book agreed to the returned canceled checks. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the cash book.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, if there was an amendment, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the AMEND Spreadsheet for the General, Street Construction, Maintenance and Repair and Permissive Motor Vehicle License Tax Funds for the years ended December 31, 2012 and 2011. The amounts agreed.

Compliance – Budgetary (Continued)

2. We scanned the appropriation measures adopted for 2012 and 2011 to determine whether, for the General, Street Construction, Maintenance and Repair and Permissive Motor Vehicle License Tax Funds, the Council appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Section 5705.38(C). We found the Village adopted appropriations at the fund level of control for 2012 and 2011. The Fiscal Officer should adopt appropriations for each office, department, and division, and within each, the amount appropriated for personal services, as required by Ohio Rev. Code Section 5705.38(C).
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the APP Spreadsheet for 2012 and 2011 for the following funds: General, Street Construction, Maintenance and Repair and Permissive Motor Vehicle License Tax. The amounts on the appropriation resolutions agreed to the amounts recorded in the APP Spreadsheet.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street Construction, Maintenance and Repair and Permissive Motor Vehicle Funds for the years ended December 31, 2012 and 2011. We noted no funds for which appropriations exceeded certified resources
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2012 and 2011 for the General, Street Construction, Maintenance and Repair and Permissive Motor Vehicle Funds, as recorded in the APP Spreadsheet. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipt Ledger for evidence of new restricted receipts requiring a new fund during December 31, 2012 and 2011. We also inquired of management regarding whether the Village received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Village to establish a new fund.
7. We scanned the 2012 and 2011 Receipt Ledgers and Expenditure Ledger for evidence of interfund transfers which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Expenditure Ledger to determine whether the Village elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Village did not establish these reserves.

Compliance – Contracts & Expenditures

We inquired of management and scanned the Expenditure Ledger for the years ended December 31, 2012 and 2011 to determine if the Village proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project exceeding \$30,000) or to construct or reconstruct Village roads (cost of project \$30,000/per mile) for which Ohio Rev. Code Sections 117.16(A) and 723.52 requires the Village engineer, or officer having a different title but the duties and functions of an engineer, to complete a force account project assessment form (i.e., cost estimate). We identified no projects requiring the completion of the force account assessment form.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Village, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

April 11, 2013



Dave Yost • Auditor of State

VILLAGE OF BUCHEL

ATHENS 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
MAY 9, 2013