

**VILLAGE OF LUCAS**

**RICHLAND COUNTY**

**JANUARY 1, 2011 TO DECEMBER 31, 2012  
AGREED UPON PROCEDURES**





# Dave Yost • Auditor of State

Village Council  
Village of Lucas  
P.O. Box 366  
Lucas, Ohio 44843

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Village of Lucas, Richland County, prepared by Julian & Grube, Inc., for the period January 1, 2011 through December 31, 2012. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

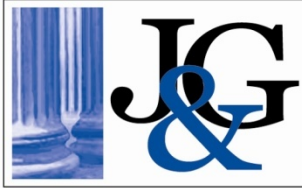
Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Lucas is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

May 22, 2013

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# Julian & Grube, Inc.

*Serving Ohio Local Governments*

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Lucas  
Richland County  
P.O. Box 366  
Lucas, Ohio 44843

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of the Village of Lucas (the Village) and the Auditor of State 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 Year to Date Fund Report to the December 31, 2010 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the Year to Date Fund Report to the December 31, 2011 balances in the Year to Date Fund 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 Year to Date Fund Reports. The amounts did not agree by the balances in the Electric Holding Account of \$2,355.15 and \$2,064.48 at December 31, 2012 and 2011, respectively. These amounts were recorded in the Village's records in the subsequent January due to timing differences.
4. We confirmed the December 31, 2012 bank account balances with the Village's financial institutions. 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 five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statements. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were 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 Revenue History Report. 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 Revenue History Report to determine whether it included two real estate tax receipts for 2012 and 2011. We noted the Revenue History Report 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 Vendor Payment Confirmation from 2012 and five from 2011.
  - a. We compared the amount from the above reports to the amount recorded in the Revenue History Report. 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.

**Water, Sewer and Electric Funds**

1. We haphazardly selected 10 Water, Sewer and Electric funds collection cash receipts from the year ended December 31, 2012 and 10 Water, Sewer and Electric funds collection cash receipts from the year ended 2011 recorded in the Daily Edit List and determined whether the:
  - a. Receipt amount per the Daily Edit List agreed to the amount recorded to the credit of the customer's account in the Account History. The amounts agreed.
  - b. Amount charged for the related billing period:
    - i. Agreed with the debit to accounts receivable in the Account History for the billing period. We found no exceptions.
    - ii. Complied with rates in force during the audit period multiplied by the consumption amount recorded for the billing period, plus any applicable late penalties, plus unpaid prior billings. We found no exceptions.
  - c. Receipt was posted to the proper funds, and was recorded in the year received. We found no exceptions.
2. We read the Aged Accounts Receivable Report.
  - a. We noted this report listed \$63,750 and \$66,300 of accounts receivable as of December 31, 2012 and 2011, respectively.
  - b. Of the total receivables reported in the preceding step, \$6,629 and \$6,801 were recorded as more than 90 days delinquent.
3. We read the Adjustment Transaction List Report.
  - a. We noted this report listed a total of \$1,118 and \$1,463 non-cash receipts adjustments for the years ended December 31, 2012 and 2011, respectively.
  - b. We selected five non-cash adjustments from 2012 and five non-cash adjustments from 2011, and noted that the Village Administrator or Fiscal Officer approved each adjustment.

**Debt**

1. From the prior agreed-upon procedures documentation, we noted the following bonds, notes and loans outstanding as of December 31, 2010. These amounts did not agree to the Villages January 1, 2011 balances on the summary we used in step 3. The 2010 Ohio Water Development Authority (OWDA) Water Treatment Plant Improvement Loan was presented as having principal outstanding of \$110,000; however, the entire proceeds of the loan had not been disbursed as of December 31, 2010.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2010:</b>
OWDA Sewer Plant Loan	\$13,744
2006 Sanitary Sewer Improvement Notes	\$55,495
2006 Water System Improvement Bond (Water-Loop Note)	\$40,732
2008 Ohio Public Works Commission (OPWC) Water Distribution Improvements & Replacements Loan	\$272,497
2010 OWDA Water Treatment Plant Improvement Loan	\$27,860

2. We inquired of management, and scanned the Revenue History Report and Budget History Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of bond, note and loan debt activity for 2012 and 2011 and agreed principal and interest payments from the related debt amortization schedules to water and sanitary sewer fund payments reported in the Budget History Report. We also compared the date the debt service payments were due to the date the Village made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Capital Project Water fund per the Revenue History Report. The amounts agreed.
5. For new debt issued during 2011, we inspected the debt legislation, noting the Village must use the proceeds to make improvements to the water treatment plant. We scanned the Budget History Report and noted payments were made directly to contractors for the water treatment plant improvements by the Ohio Water Development Authority.

**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 Employee Payroll Ledger and:
  - a. We compared the hours and pay rate, or salary recorded in the Employee Payroll Ledger to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - 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 code(s) to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.



2. 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:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2013	December 18, 2012	\$2,277.85	\$2,277.85
State income taxes	January 15, 2013	December 18, 2012	\$494.22	\$494.22
OPERS retirement	January 30, 2013	December 18, 2012	\$3,545.44	\$3,545.44

3. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Employee Payroll Ledger:
  - a. Accumulated leave records
  - b. The employee's pay rate in effect as of the termination date
  - c. The Village's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

### **Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Budget History Report 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 Budget History Report 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 tested the mathematical accuracy of the December 31, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We compared the reconciled cash totals as of December 31, 2012 and December 31, 2011 to the Mayor's Court Agency Fund balance reported in the Year to Date Fund Report. The balances agreed.
3. We agreed the totals per the bank reconciliations to the total of December 31, 2012 and 2011 listing of unpaid distributions as of each December 31. The amounts agreed.
4. We confirmed the December 31, 2012 bank account balance with the Mayor's Court 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 haphazardly selected five cases from the court cash book and agreed 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.

The amounts recorded in the cash book, receipts book, docket and case file agreed.

6. From the cash book, we haphazardly selected one month from the year ended December 31, 2012 and one month from the year ended 2011 and determined 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. We found no exceptions.
  - 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. We found no exceptions.

### **Compliance – Budgetary**

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Year End Monthly Revenue Statement for the General, State Highway and Water funds for the year ended December 31, 2012 and the General, Street and Capital Projects Water funds for the year ended December 31, 2011. The amounts on the *Certificate* agreed to the amount recorded in the accounting system, except for the General Fund for the year ended December 31, 2011. The Year End Monthly Revenue Statement recorded budgeted (i.e. certified) resources for the General fund of \$98,200 for 2011. However, the final *Amended Official Certificate of Estimated Resources* reflected \$81,200. The fiscal officer should periodically compare amounts recorded in the Monthly Revenue Statement to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Council may be using inaccurate information for budgeting and to monitor spending.

2. We scanned the appropriation measures adopted for 2012 and 2011 to determine whether, for the General, State Highway and Water 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, for 2011, the Council appropriated at the object level within each fund without breaking out the department. For 2012, the Council appropriated separately for each function, and within each, the amount appropriated for personal services.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Year End Monthly Financial Statement for 2012 and 2011 for the following funds: General, Street and State Highway. The amounts on the appropriation resolutions agreed to the amounts recorded in the Year End Monthly Financial Statement.
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 and State Highway 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 and State Highway funds, as recorded in the Year End Monthly Financial Statement. 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 Revenue History Report 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 Year End Monthly Revenue Statements and Year End Monthly Financial Statements for evidence of interfund transfers exceeding \$1,000 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 Year End Monthly Financial Statements 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 Budget History Report 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.

#### **Compliance – American Municipal Power Joint Venture Debt Covenant Requirements**

1. The Village is a member of Ohio Municipal Electric Generation Agency Joint Venture 2 (OMEGA JV2). Appendix M, Section 11(A) of the Joint Venture Agreement requires the Village's Electric Utility receipts, as defined, to be at least 110% of its OMEGA JV2 operating & maintenance plus debt service charges, as defined.

Using information from the Village's unadjusted receipts and disbursements ledger, we calculated the cash basis debt coverage including other available funds (as defined) for its OMEGA JV2 for the years ended December 31, 2012 and 2011.

For the year ended December 31, 2012, the ratio of the Village's Electric Utility receipts to OMEGA JV2 debt service disbursements was 14.54, meeting the Village's debt covenant obligation of 1.10 times set forth in Appendix M, Section 11(A) of the Joint Venture Agreement.

For the year ended December 31, 2011, this ratio was 13.23, thus meeting the Village's debt covenant obligation.

Schedule A and Schedule B present the supporting calculations.

2. The Village is a member of Ohio Municipal Electric Generation Agency Joint Venture 5 (OMEGA JV5). Section 17(A) of the Joint Venture Agreement requires the Village's Electric Utility receipts, as defined, to be at least 110% of its OMEGA JV5 operating & maintenance plus debt service charges, as defined.

Using information from the Village's unadjusted receipts and disbursements ledger, we calculated the cash basis debt coverage for its OMEGA JV5 for the years ended December 31, 2012 and 2011.

For the year ended December 31, 2012, the ratio of the Village's Electric Utility receipts to OMEGA JV5 debt service disbursements was 3.76, meeting the Village's debt covenant obligation of 1.10 times set forth in Section 17(A) of the Joint Venture Agreement.

For the year ended December 31, 2011, this ratio was 1.86, thus meeting the Village's debt covenant obligation.

Schedule A and Schedule B present the supporting calculations.

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, the Auditor of State, and others within the Village, and is not intended to be, and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.  
April 29, 2013

**ELECTRIC FUND**  
**Village of Lucas**  
**Basis Of Accounting: Cash**  
**For the Year Ended December 31, 2012**  
**Schedule A**

<b>UNAUDITED</b>
Year
2012

<b>Statement of Revenues, Expenses and Changes in Fund Balances</b>
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**Operating Revenues**

Charges for Services	\$	456,811
kWh Tax Collected in Rates	\$	-
Other Operating (Miscellaneous) Revenues	\$	4,228
Total Operating Revenues	\$	<u>461,039</u>

**Operating Expenses**

Personal Services	\$	95,220
Purchased Power AMP-Ohio (Including Gorsuch/JV5/JV2 Debt Service if recorded with Purch Pwr)	\$	285,255
Contractual Services	\$	14,878
	\$	-
<u>Generation Expenses (If Applicable)</u>		
Fuel Expense	\$	-
Operations	\$	-
Maintenance	\$	-
kWh Tax Paid to General Fund	\$	-
kWh Tax Paid to State	\$	121
Materials & Supplies	\$	10,337
Other Operating Expenses	\$	980
Total Operating Expenses	\$	<u>406,791</u>
Total Operating Income	\$	<u>54,248</u>

**Nonoperating Income/Expenses**

Non Operating Income	\$	-
Non Operating Expenses	\$	82
Net Nonoperating Revenue	\$	<u>82</u>

**Transfers**

Transfers - In	\$	-
Transfers - Out	\$	-
Net Transfers	\$	<u>-</u>

Fund Balance - January 1	\$	211,878
Fund Balance - December 31	\$	239,114

Continued...

**ELECTRIC FUND**  
**Village of Lucas**  
**Basis Of Accounting: Cash**  
**For the Year Ended December 31, 2012**  
**Schedule A**

**Electric Capital Fund (If not utilizing specific fund accounting, Payments detail need only be completed)**

Beginning Balance	\$	-
Transfers In	\$	-
Sub-Total	\$	-
<u>Less: Payments</u>		
Routine Capital Outlays/Expenses	\$	26,930
Capitalized Labor	\$	-
Sub-Total	\$	26,930
Ending Fund Balance	\$	(26,930)

**Electric Debt Service Fund (If not utilizing specific fund accounting, Debt Service Paid as included in Purchased Power need only be completed)**

Beginning Fund Balance		
Transfers In		-
Sub-Total	\$	-
<u>Less: Debt Service Paid</u>		
OMEGA JV5	\$	13,537
OMEGA JV2	\$	6,124
AMP-Ohio Loan	\$	-
Other Debt Service	\$	-
Total Debt Service Paid	\$	19,661
Ending Fund Balance	\$	(19,661)

	Actual	\$ -
		Per JV5 2nd Supplemental Trust Agreement BAN interest is only shown for coverage for first five years of the BAN, paying interest and 1/20th principal year 6-20.

Continued...

**ELECTRIC FUND**  
**Village of Lucas**  
**Basis Of Accounting: Cash**  
**For the Year Ended December 31, 2012**  
**Schedule A**

**Calculation of Debt Coverage:**

<b>JV5</b>		
1	<b>Operating Income (From Above)</b>	\$ 54,248
2	<b>Add:</b> JV5 Debt Service (If included above as Operating Expense)	\$ 13,537
3	JV2 Debt Service (If included above as Operating Expense)	\$ 6,124
4	Other Electric System Debt Service (If included above as Operating Expense)	\$ -
5	Depreciation	\$ -
6	kWh Tax from General Fund Included in either Transfers In or Operating Income	\$ -
7	Adjusted Operating Income Available for Debt Service (L1+L2+L3+L4+L5+L6)	<u>\$ 73,909</u>
8	<b>Debt:</b> Omega JV5 Debt Service	\$ 13,537
9	OMEGA JV2 Debt Service	\$ 6,124
10	Other Electric System Debt Service	\$ -
11	Total Electric System Debt (L8+L9+L10)	<u>\$ 19,661</u>
12	<b>Coverage</b> (JV5 Covenants require 110% coverage of all debt) (L7/L11)	<u>3.759142635</u>

<b>JV2</b>		
13	Other Electric System Debt Service (Total Adjusted for Total AMP-Ohio Loan P&I paid)	\$ -
14	Other Funds Available for Debt Service	
15	Cash and Cash Equivalents (excluding current year Operating Income)	\$ 211,878
16	Debt Service Reserve Fund (If applicable)	\$ -
17	Total Other Funds Available for Debt Service (L15+L16)	<u>\$ 211,878</u>
18	<b>Coverage</b> (JV2 Covenants require 110% coverage of all debt) ((L7+L17)/(L11-L10+L13))	<u>14.535606713</u>

**Note: The Fund Balance in a cash basis system is the Cash Balance.**

1 Months O&M (Average)	\$ 33,899
Fund Balance	\$ 239,114
Months of O&M in Reserve	7.05

**ELECTRIC FUND**  
**Village of Lucas**  
**Basis Of Accounting: Cash**  
**For the Year Ended December 31, 2011**  
**Schedule B**

**UNAUDITED**  
**Year**  
**2011**

**Statement of Revenues, Expenses and Changes in Fund Balances**

**Operating Revenues**

Charges for Services	\$	457,233
kWh Tax Collected in Rates	\$	-
Other Operating (Miscellaneous) Revenues	\$	7,354
Total Operating Revenues	\$	<u>464,587</u>

**Operating Expenses**

Personal Services	\$	110,311
Purchased Power AMP-Ohio (Including Gorsuch/JV5/JV2 Debt Service if recorded with Purch Pwr)	\$	299,003
Contractual Services	\$	20,659
	\$	-
<u>Generation Expenses (If Applicable)</u>		
Fuel Expense	\$	-
Operations	\$	-
Maintenance	\$	-
kWh Tax Paid to General Fund	\$	-
kWh Tax Paid to State	\$	124
Materials & Supplies	\$	15,667
Other Operating Expenses	\$	1,850
Total Operating Expenses	\$	<u>447,614</u>
Total Operating Income	\$	<u>16,973</u>

**Nonoperating Income/Expenses**

Non Operating Income	\$	-
Non Operating Expenses	\$	-
Net Nonoperating Revenue	\$	<u>-</u>

**Transfers**

Transfers - In	\$	-
Transfers - Out	\$	-
Net Transfers	\$	<u>-</u>

Fund Balance - January 1	\$	223,407
Fund Balance - December 31	\$	211,878

Continued...



**ELECTRIC FUND**  
**Village of Lucas**  
**Basis Of Accounting: Cash**  
**For the Year Ended December 31, 2011**  
**Schedule B**

**Electric Capital Fund (If not utilizing specific fund accounting, Payments detail need only be completed)**

Beginning Balance	\$	-
Transfers In	\$	-
Sub-Total	\$	-
<u>Less: Payments</u>		
Routine Capital Outlays/Expenses	\$	26,956
Capitalized Labor	\$	1,546
Sub-Total	\$	28,502
Ending Fund Balance	\$	(28,502)

**Electric Debt Service Fund (If not utilizing specific fund accounting, Debt Service Paid as included in Purchased Power need only be completed)**

Beginning Fund Balance		
Transfers In		_____
Sub-Total	\$	-
<u>Less: Debt Service Paid</u>		
OMEGA JV5	\$	13,537
OMEGA JV2	\$	6,124
AMP-Ohio Loan	\$	-
Other Debt Service	\$	-
Total Debt Service Paid	\$	19,661
Ending Fund Balance	\$	(19,661)

	Actual	\$ -
		Per JV5 2nd Supplemental Trust Agreement BAN interest is only shown for coverage for first five years of the BAN, paying interest and 1/20th principal year 6-20.

Continued...

**ELECTRIC FUND**  
**Village of Lucas**  
**Basis Of Accounting: Cash**  
**For the Year Ended December 31, 2011**  
**Schedule B**

**Calculation of Debt Coverage:**

<b>JV5</b>		
1	<b>Operating Income (From Above)</b>	\$ 16,973
2	<b>Add:</b> JV5 Debt Service (If included above as Operating Expense)	\$ 13,537
3	JV2 Debt Service (If included above as Operating Expense)	\$ 6,124
4	Other Electric System Debt Service (If included above as Operating Expense)	\$ -
5	Depreciation	\$ -
6	kWh Tax from General Fund Included in either Transfers In or Operating Income	\$ -
7	Adjusted Operating Income Available for Debt Service (L1+L2+L3+L4+L5+L6)	<u>\$ 36,634</u>
8	<b>Debt:</b> Omega JV5 Debt Service	\$ 13,537
9	OMEGA JV2 Debt Service	\$ 6,124
10	Other Electric System Debt Service	\$ -
11	Total Electric System Debt (L8+L9+L10)	<u>\$ 19,661</u>
12	<b>Coverage</b> (JV5 Covenants require 110% coverage of all debt) (L7/L11)	<u>1.863240943</u>

<b>JV2</b>		
13	Other Electric System Debt Service (Total Adjusted for Total AMP-Ohio Loan P&I paid)	\$ -
14	Other Funds Available for Debt Service	
15	Cash and Cash Equivalents (excluding current year Operating Income)	\$ 223,407
16	Debt Service Reserve Fund (If applicable)	\$ -
17	Total Other Funds Available for Debt Service (L15+L16)	<u>\$ 223,407</u>
18	<b>Coverage</b> (JV2 Covenants require 110% coverage of all debt) ((L7+L17)/(L11-L10+L13))	<u>13.225938690</u>

**Note: The Fund Balance in a cash basis system is the Cash Balance.**

1 Months O&M (Average)	\$ 37,301
Fund Balance	\$ 211,878
Months of O&M in Reserve	5.68



# Dave Yost • Auditor of State

VILLAGE OF LUCAS

RICHLAND COUNTY

## CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
JUNE 4, 2013