

VILLAGE OF METAMORA

FULTON COUNTY

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



Dave Yost • Auditor of State

Village Council
Village of Metamora
114 E. Main Street, P.O. Box 299
Metamora, Ohio 43540-0299

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Village of Metamora, Fulton County, prepared by LublinSussman Group LLP, 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 Metamora is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

February 26, 2014

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

Village of Metamora
Fulton County
114 E. Main Street, P.O. Box 299
Metamora, Ohio 43540-0299

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of the Village of Metamora 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 December 31, 2012 and 2011, 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 Ledger Report to the December 31, 2010 documentation in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2011 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total December 31, 2012 and 2011 fund cash balances reported in the Fund Status Reports. The amounts agreed.

Cash and Investments (Continued)

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 statement. 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 Receipt Register Report. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund(s) 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 Register Report to determine whether it included two real estate tax receipts for 2012 and 2011. We noted the Receipts Register 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 Detail Expense Transactions Report from 2012 and five from 2011.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Register Report. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Income Tax Receipts

1. We obtained the December 31, 2012 and 2011 Total Distributions reports submitted by the Regional Income Tax Agency (RITA), the agency responsible for collecting income taxes on behalf of the Village. We agreed the total gross income taxes per year to the Village's Receipt Register Report. The amounts agreed.
2. We compared the allocation of income tax receipts for the years ended December 31, 2012 and 2011 to the Village's funds according to the allocation requirements of No. 745. The allocation agreed with the set amount the Ordinance requires.

Water and Sewer Funds

1. We haphazardly selected 10 Water and Sewer Fund collection cash receipts from the year ended December 31, 2011 (in February 2011, water services were transferred to the Northeast Fulton County Water District, along with the billing of sewer charges) and determined whether the:
 - a. Receipt amount per the Receipt Register Report agreed to the amount recorded to the credit of the customer's account in the Billing Register. The amounts agreed.
 - b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the Billing Register 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 fund(s), and was recorded in the year received. We found no exceptions.
2. The billing register was unavailable to look at since the Village no longer bills for these services. However, the fiscal officer was able to provide us the accounts receivable balance.
 - a. The fiscal officer provided to us \$2,164.07 of accounts receivable as of December 31, 2012 and 2011.
 - b. Of the total receivables reported in the preceding step, \$2,164.07 was recorded as more than 90 days delinquent as of December 31, 2012 and 2011.
3. We read the Payment/Credit Recap Report.
 - a. We noted this report listed a total of \$0 and \$6.36 non-cash receipts adjustments for the years ended December 31, 2012 and 2011, respectively.
 - b. We selected the only non-cash adjustment from 2011 and noted that the President of Public affairs did not approve this adjustment due to it being immaterial.

Water and Sewer Funds (Continued)

4. We obtained the December 31, 2012 and 2011 payment application reports submitted by the Northeast Fulton County Water System, the agency responsible for collecting sewer receipts on behalf of the Village beginning February 1, 2011. We selected two periods for each year and agreed the total sewer receipts per period, per fund, to the Village's Revenue History Report. The amounts agreed.

Debt

1. From the prior audit documentation, we noted the following bonds and loans outstanding as of December 31, 2010. These amounts agreed to the Villages' January 1, 2011 balances on the summary we used in step 3.

Bonds and Loans	Principal Outstanding as of December 31, 2010
Ohio Water Development Authority	\$107,539
Ohio Public Works Commission – Sanitary Sewer Improvements	\$77,551
Ohio Public Works Commission – Swanton Street Paving	\$34,686
Ohio Public Works Commission – East Main Storm and Sewer Improvements	\$8,601
Sanitary Sewer Bonds	\$989,800

2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail 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 and loan activity for 2012 and 2011 and agreed principal and interest payments from the related debt amortization schedules to debt service fund payments reported in the Payment Register Detail 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 Utility Improvement Fund per the Receipt Register Report. The amounts agreed.

Debt (Continued)

5. For new debt issued during 2012, we inspected the debt legislation, noting the Village must use the proceeds for water treatment plant improvements. We scanned the Payment Register Detail Report and noted the Village did incur expenses related to improvement of the water treatment plant. Northeast Fulton County Water District is reimbursing the Village for debt payments related to this loan.

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 Detail Adjustment Report and:
 - a. We compared the hours and pay rate, or salary amount used in the Employee Detail Adjustment Report to supporting documentation (timecards, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code(s) to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files or information recorded in the minutes. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We tested the checks we selected in step 1, as follows:
 - a. Name
 - b. Authorized Salary or pay rate
 - c. Department(s) 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
 - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a – f 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:

Payroll Cash Disbursements (Continued)

2012

Withholding	Due Date	Date Paid	Amount Due	Amount Paid
Federal Income Taxes and Medicare	1/31/2013	1/10/2013	\$2,904	\$2,904
State Income Taxes	1/15/2013	1/14/2013	\$392	\$392
Village of Metamora Income Taxes	1/20/2013	1/14/2013	\$252	\$252
Evergreen School District	1/15/2013	1/14/2013	\$297	\$297
OPERS Retirement (WH's + Employer Share)	1/31/2013	1/13/2013	\$1,945	\$1,945

4. There were no terminations in 2012 or 2011.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2012 and ten from the year ended December 31, 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 Payment Register Detail 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.

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 Revenue Status Report for the General, Water, and Utility Improvement Funds for the years ended December 31, 2012 and 2011. The amounts on the *Certificate* agreed to the amount recorded in the accounting system.

Compliance – Budgetary (Continued)

2. We scanned the appropriation measures adopted for 2012 and 2011 to determine whether, for all the 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 no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2012 and 2011 for the following funds: General, Water, and Utility Improvement Funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status report.
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, Water, and Utility Improvement 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, Water, and Utility Improvement Funds, as recorded in the Appropriation Status Report. 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 Register 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 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers exceeding \$5,000 for 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 Appropriation Status Reports 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 and Expenditures

We inquired of management and scanned the Payment Register Detail 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.

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.

Seiblin Sussman Group LLP

January 24, 2014
Toledo, OH



Dave Yost • Auditor of State

VILLAGE OF METAMORA

FULTON 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
MARCH 11, 2014**