



Dave Yost • Auditor of State

VILLAGE OF SYRACUSE
MEIGS COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Village of Syracuse
Meigs County
P.O. Box 266
Syracuse, Ohio 45779

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of the Village of Syracuse, Meigs County, Ohio (the Village), as of and for the years ended December 31, 2013 and 2012.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Village's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Village prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy these requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2013 and 2012, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Village of Syracuse, Meigs County, Ohio, as of December 31, 2013 and 2012, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2015, on our consideration of the Village'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Dave Yost
Auditor of State

Columbus, Ohio

January 22, 2015

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$30,236	\$31,633	\$61,869
Intergovernmental	38,488	72,583	111,071
Charges for Services	6,411	9,500	15,911
Fines, Licenses and Permits	22,442	1,300	23,742
Earnings on Investments	634	181	815
Miscellaneous	931	15,286	16,217
<i>Total Cash Receipts</i>	<u>99,142</u>	<u>130,483</u>	<u>229,625</u>
Cash Disbursements			
Current:			
Security of Persons and Property	36,567	57,868	94,435
Leisure Time Activities	12,376	13,059	25,435
Transportation		39,925	39,925
General Government	56,538	1,289	57,827
Capital Outlay		30,235	30,235
Interest and Fiscal Charges		350	350
<i>Total Cash Disbursements</i>	<u>105,481</u>	<u>142,726</u>	<u>248,207</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(6,339)</u>	<u>(12,243)</u>	<u>(18,582)</u>
Other Financing Receipts (Disbursements)			
Other Debt Proceeds		27,483	27,483
Transfers In		874	874
Transfers Out	(9,874)		(9,874)
Advances In		3,000	3,000
Advances Out	(8,000)		(8,000)
Other Financing Sources	150		150
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(17,724)</u>	<u>31,357</u>	<u>13,633</u>
<i>Net Change in Fund Cash Balances</i>	<u>(24,063)</u>	<u>19,114</u>	<u>(4,949)</u>
<i>Fund Cash Balances, January 1</i>	<u>124,064</u>	<u>114,278</u>	<u>238,342</u>
Fund Cash Balances, December 31			
Restricted		122,523	122,523
Committed		10,869	10,869
Assigned	29,947		29,947
Unassigned (Deficit)	70,054		70,054
<i>Fund Cash Balances, December 31</i>	<u>\$100,001</u>	<u>\$133,392</u>	<u>\$233,393</u>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	Totals (Memorandum Only)
	Enterprise	Agency	
Operating Cash Receipts			
Charges for Services	\$146,439		\$146,439
Fines, Licenses and Permits		\$26	26
<i>Total Operating Cash Receipts</i>	<u>146,439</u>	<u>26</u>	<u>146,465</u>
Operating Cash Disbursements			
Personal Services	79,103		79,103
Employee Fringe Benefits	16,586		16,586
Contractual Services	31,779		31,779
Supplies and Materials	30,601		30,601
Other	1,282	51	1,333
<i>Total Operating Cash Disbursements</i>	<u>159,351</u>	<u>51</u>	<u>159,402</u>
<i>Operating Income (Loss)</i>	<u>(12,912)</u>	<u>(25)</u>	<u>(12,937)</u>
Non-Operating Receipts (Disbursements)			
Intergovernmental	11,327		11,327
Earnings on Investments (proprietary funds only)	167		167
Miscellaneous Receipts	2,407		2,407
Capital Outlay	(1,145)		(1,145)
Principal Retirement	(24,884)		(24,884)
Interest and Other Fiscal Charges	(2,425)		(2,425)
Other non-operating receipts		23,458	23,458
Other non-operating disbursements		(21,866)	(21,866)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(14,553)</u>	<u>1,592</u>	<u>(12,961)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>(27,465)</u>	<u>1,567</u>	<u>(25,898)</u>
Transfers In	9,000		9,000
Advances In	5,000		5,000
<i>Net Change in Fund Cash Balances</i>	<u>(13,465)</u>	<u>1,567</u>	<u>(11,898)</u>
<i>Fund Cash Balances, January 1</i>	<u>105,775</u>	<u>2,197</u>	<u>107,972</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$92,310</u></u>	<u><u>\$3,764</u></u>	<u><u>\$96,074</u></u>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$29,582	\$30,095	\$59,677
Intergovernmental	39,404	158,747	198,151
Charges for Services	501	16,856	17,357
Fines, Licenses and Permits	21,553	130	21,683
Earnings on Investments	1,577	272	1,849
Miscellaneous	2,823	14,581	17,404
<i>Total Cash Receipts</i>	95,440	220,681	316,121
Cash Disbursements			
Current:			
Security of Persons and Property	21,356	49,190	70,546
Leisure Time Activities	14,904	12,212	27,116
Transportation		169,079	169,079
General Government	51,623	2,250	53,873
Capital Outlay		979	979
<i>Total Cash Disbursements</i>	87,883	233,710	321,593
<i>Excess of Receipts Over (Under) Disbursements</i>	7,557	(13,029)	(5,472)
Other Financing Receipts (Disbursements)			
Transfers In		3,000	3,000
Transfers Out	(16,000)		(16,000)
Other Financing Sources	349		349
Other Financing Uses	(1,238)		(1,238)
<i>Total Other Financing Receipts (Disbursements)</i>	(16,889)	3,000	(13,889)
<i>Net Change in Fund Cash Balances</i>	(9,332)	(10,029)	(19,361)
<i>Fund Cash Balances, January 1</i>	133,396	124,307	257,703
Fund Cash Balances, December 31			
Restricted		100,876	100,876
Committed		13,402	13,402
Assigned	122,664		122,664
Unassigned (Deficit)	1,400		1,400
<i>Fund Cash Balances, December 31</i>	\$124,064	\$114,278	\$238,342

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Proprietary Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Agency	
Operating Cash Receipts			
Charges for Services	\$152,559		\$152,559
Fines, Licenses and Permits		\$1,276	1,276
<i>Total Operating Cash Receipts</i>	<u>152,559</u>	<u>1,276</u>	<u>153,835</u>
Operating Cash Disbursements			
Personal Services	72,887		72,887
Employee Fringe Benefits	12,497		12,497
Contractual Services	418,714		418,714
Supplies and Materials	26,265		26,265
Other	3,069	763	3,832
<i>Total Operating Cash Disbursements</i>	<u>533,432</u>	<u>763</u>	<u>534,195</u>
<i>Operating Income (Loss)</i>	<u>(380,873)</u>	<u>513</u>	<u>(380,360)</u>
Non-Operating Receipts (Disbursements)			
Intergovernmental	395,233		395,233
Earnings on Investments (proprietary funds only)	264		264
Miscellaneous Receipts	3,107		3,107
Principal Retirement	(23,642)		(23,642)
Interest and Other Fiscal Charges	(3,667)		(3,667)
Other non-operating receipts		9,539	9,539
Other non-operating disbursements		(18,423)	(18,423)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>371,295</u>	<u>(8,884)</u>	<u>362,411</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>(9,578)</u>	<u>(8,371)</u>	<u>(17,949)</u>
Transfers In	<u>13,000</u>		<u>13,000</u>
<i>Net Change in Fund Cash Balances</i>	<u>3,422</u>	<u>(8,371)</u>	<u>(4,949)</u>
<i>Fund Cash Balances, January 1 (As Restated, Note 9)</i>	<u>102,353</u>	<u>10,568</u>	<u>112,921</u>
<i>Fund Cash Balances, December 31</i>	<u>\$105,775</u>	<u>\$2,197</u>	<u>\$107,972</u>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Syracuse, Meigs County (the Village), as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides road maintenance, water utilities, park operations, fire protection, and police services. The Village participates in a jointly governed organizations and a public entity risk pool. Notes 7 and 8 to the financial statements provide additional information for these entities. These organizations are the Syracuse-Racine Regional Sewer District and the Ohio Plan Risk Management, Inc.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit.

C. Deposits and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively. The Village maintains an interest bearing checking account and values its certificates of deposits at cost.

D. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

1. General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

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

Street Improvement Fund - This fund receives grant monies for street improvements.

Fire Department Fund - This fund receives tax money for fire protection.

3. Enterprise Funds

These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Funds:

Water Fund - This fund receives charges for services from residents to cover water service costs.

Swimming Pool Fund - This fund accounts for the operation of the Village's public swimming pool.

4. Fiduciary Funds

Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency funds account for fine monies received from the police department citations. These monies are divided between the Village and the State, as prescribed by law.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. The Village did not encumber all commitments required by Ohio law. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2013 and 2012 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

F. Fund Balance (Continued)

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. Property, Plant, and Equipment

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

H. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. Equity in Pooled Deposits

The Village maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	2013	2012
Demand deposits	\$198,562	\$215,861
Certificates of deposit	130,905	130,453
Total deposits	\$329,467	\$346,314

Deposits: Deposits are insured by the Federal Deposit Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2013 and 2012 follows:

2013 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$66,729	\$99,292	\$32,563
Special Revenue	72,309	161,840	89,531
Enterprise	168,074	174,340	6,266
Total	\$307,112	\$435,472	\$128,360

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

3. Budgetary Activity (Continued)

2013 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$189,393	\$124,162	\$65,231
Special Revenue	175,978	144,302	31,676
Enterprise	279,667	187,805	91,862
Total	<u>\$645,038</u>	<u>\$456,269</u>	<u>\$188,769</u>

2012 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$72,675	\$95,789	\$23,114
Special Revenue	493,787	223,681	(270,106)
Enterprise	173,074	564,163	391,089
Total	<u>\$739,536</u>	<u>\$883,633</u>	<u>\$144,097</u>

2012 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$157,225	\$105,121	\$52,104
Special Revenue	198,096	233,710	(35,614)
Enterprise	192,750	572,057	(379,307)
Total	<u>\$548,071</u>	<u>\$910,888</u>	<u>(\$362,817)</u>

Contrary to Ohio law, appropriations exceeded estimated resources in the Enterprise Deposit Fund by \$11,183 for the year ended December 31, 2013.

Also, contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Fire Department Fund by \$8,103; Police Department Fund by \$3,392; Police Equipment Grant Fund by \$2,153; Mayor's Court Computer Fund by \$583; and the Swimming Pool Fund by \$25,029 for the year ended December 31, 2013 and in the Street Improvement Fund by \$105,259; Water Operating Fund by \$359,496; and the Swimming Pool Fund by \$19,812 for the year ended December 31, 2012.

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

5. Debt

Debt outstanding at December 31, 2013 was as follows:

	Principal	Interest Rate
Fire Truck	\$24,300	4.60%
General Obligation Note - Water Upgrade	35,995	2.70%
Total	\$60,295	

The Water Upgrade note was for the drilling of anew well and water line replacement. The note was approved in the amount of \$176,697 in 2006. The loan will be repaid in annual installments of \$23,709. The note was collateralized by the Village’s taxing authority.

The Village received a note in 2013 through Ohio Valley Bank for the purchase of a truck for the Fire Department in the amount of \$27,482 for six years. The Village will make quarterly payments of \$1,244 over the life of the loan.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	Fire Truck	General Obligation Notes - Water Upgrade
2014	\$4,977	\$27,309
2015	4,977	11,628
2016	4,977	
2017	4,977	
2018	4,977	
2019-2023	1,236	
Total	\$26,121	\$38,937

6. Retirement System

The Village’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2013 and 2012, OPERS members contributed 10%, respectively, of their gross salaries and the Village contributed an amount 14%, respectively, of participants’ gross salaries. The Village has paid all contributions required through December 31, 2013.

7. Risk Management

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”). The Plan is legally separate from its member governments.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

7. Risk Management (Continued)

Pursuant to § 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 767 and 774 members as of December 31, 2012 and 2013 respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2012 and 2013.

	2012	2013
Assets	\$13,100,381	\$13,774,304
Liabilities	(6,687,193)	(7,968,395)
Members' Equity	\$6,413,188	\$5,805,909

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

8. Jointly Governed Organization

Syracuse-Racine Regional Sewer District – The Syracuse-Racine Regional Sewer District is a regional sewer district organized under Chapter 6119 of the Ohio Revised Code. The District operates under the direction of a three member board of Trustees whose membership is composed of one appointment from each of the participating political subdivisions: Sutton Township, Village of Syracuse, and the Village of Racine. The membership elects a President, Vice President, and a Secretary-Treasurer, who are responsible for the fiscal control of the financial resources of the District.

To obtain financial information, write to the Syracuse-Racine Regional Sewer District, Secretary-Treasurer, at PO Box 201 Racine, Ohio 45771. The Village paid the District \$670 and \$780 for sewer services during 2013 and 2012, respectively.

VILLAGE OF SYRACUSE
MEIGS COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)

9. Restatement of Prior Year Balance

The Village had the following restatement as follows:

	<u>Agency Fund</u>
Reported Fund Balance at December 31, 2011	\$10,431
Prior audit errors	137
Adjusted Fund Balance at January 1, 2012:	\$10,568



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Village of Syracuse
Meigs County
P.O. Box 266
Syracuse, Ohio 45779

To the Village Council:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Village of Syracuse, Meigs County, Ohio (the Village), as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements and have issued our report thereon dated January 22, 2015 wherein we noted the Village followed financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying Schedule of Findings we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider findings 2013-001 and 2013-006 described in the accompanying Schedule of Findings to be material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Village'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 directly and materially affect the determination of financial statement amounts. However, opining 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 instances of noncompliance or other matters we must report under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2013-001 through 2013-005.

Entity's Response to Findings

The Village's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. We did not audit the Village's responses and, accordingly, we express no opinion on them.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Entity's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State

Columbus, Ohio

January 22, 2015

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2013-001

Noncompliance/Material Weakness

Ohio Rev. Code § 733.28 requires village fiscal officers to maintain the books of the Village and exhibit accurate statements of all monies received and expended.

Ohio Admin. Code § 117-2-02(A) requires public offices to maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements. Per Ohio Admin. Code § 117-2-02(D), accounting records that can help achieve these objectives include:

1. Cash journal, which typically includes the amount, date, receipt number, check number, account code, purchase order number, and any other information necessary to properly classify the transaction.
2. Receipts ledger, which typically assembles and classifies receipts into separate accounts for each type of receipt of each fund the public office uses. The amount, date, name of payor, purpose, receipt number, and other information required for such transactions to be recorded on this ledger.
3. Appropriation ledger, which assembles and classifies disbursements into separate accounts, for at a minimum, each account listed in the appropriation resolution. The amount, fund, date, check number, purchase order number, encumbrance amount, unencumbered balance, amount of disbursement, and any other information required may be entered in the appropriate columns.

Using these accounting records will provide the Village with information required to monitor compliance with the budget and prepare annual reports in the format required by the Auditor of State.

The Village utilized the UAN accounting system which provided all of the required journals and ledgers. The UAN software also included a monthly reconciliation process to assist the Fiscal Officer in the monthly book to bank reconciliation. Although the monthly reconciliations were included in the accounting records, there were other adjusting factors noted during testing which indicated the underlying accounting records were inaccurate. These inaccuracies also resulted in significant adjustments to the financial statements as follows:

- Unposted bank fees resulted in an adjustment in the amount of (\$78) in the General Fund;
- Unposted OPERS payment resulted in an adjustment of (\$1,356) in the General Fund, (\$310) in the Street Construction, Maintenance, and Repair Fund; (\$504) in the Police Department Fund; and (\$1,705) in the Water Fund;
- Unposted OPERS, IRS, and State of Ohio electronic fund transfer payments resulted in an adjustment of (\$2,676) in the General Fund; (\$612) in the Street Construction, Maintenance, and Repair Fund; (\$994) in the Police Department Fund; and (\$3,364) in the Water Fund;
- Unposted interest revenue resulted in an adjustment in the amount of \$15 in the General Fund; \$21 in the Street Construction, Maintenance, and Repair Fund; and \$11 in the State Highway Fund;
- Unposted intergovernmental receipt resulted in an adjustment in the amount of \$2,004 in the FEMA Fund;
- Mayor's Court activity from the bank statement that was never recorded in the accounting system; and,
- Law Enforcement Trust Fund activity from the bank statement that was never recorded in the accounting system.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(Continued)**

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

FINDING NUMBER 2013-001 (Continued)

Noncompliance/Material Weakness – Ohio Rev. Code § 733.28 (Continued)

In addition to the above adjustments that were made to the financial statements, the outstanding check list at December 31, 2013 and December 31, 2012 was carrying checks totaling \$660 and \$3,863 respectively, that had already cleared the bank.

Due to the errors noted above, the financial statements provided to the Village Council did not represent a true picture of the financial position of the Village.

We recommend the Fiscal Officer prepare the monthly book-to-bank reconciliation in a timely manner. We also recommend the Fiscal Officer immediately follow-up on any discrepancies noted in the reconciliation process. This will allow the Village to maintain accurate records which the Village Council can rely on for budgeting and planning purposes.

Officials’ Response: The work of three Fiscal Officers and a substitute Clerk were all subject to this audit period. The current Fiscal Officer was not trained to record Mayor’s Court or Law Enforcement Trust Fund activity from their respective statements in UAN, but will do so now that she has been made aware of the requirement. The Fiscal Officer and Local Government Services coordinated on reviewing the 2012-2013 bank statements and reconciliations in 2013. Neither were able to locate the transactions which would have cleared the \$660 and \$3,863 checks.

FINDING NUMBER 2013-002

Noncompliance

Ohio Rev. Code § 5705.39 provides in part that total appropriations from each fund shall not exceed the total estimated resources. No appropriation measure is effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official certificate.

Appropriations exceeded estimated resources at December 31, 2013, in the following fund:

Fund	Estimated Resources	Appropriation Authority	Variance
Enterprise Deposit Fund	\$0	\$11,183	(\$11,183)

This could result in overspending of available resources.

We recommend the Fiscal Officer monitor the approved appropriations to ensure they do not exceed the estimated resources on the amended certificates.

Officials’ Response: The Fiscal Officer will ensure that none of the Funds are accidentally left off of the amended official certificate.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2013-003

Noncompliance

Ohio Rev. Code § 5705.40 provides, in part, that a subdivision may amend or supplement its appropriation measure provided the entity complies with the same provisions of law as are used in making the original appropriation. In addition, Ohio courts have held that a board or officer whose judgment and discretion is required, was chosen because they were deemed fit and competent to exercise that judgment and discretion and unless power to substitute another in their place has been given, such board or officer cannot delegate these duties to another. Following such reasoning, a village council would be prohibited from delegating duties statutorily assigned to it, such as the duty of amending appropriations. See C.B. Transportation, Inc. v. Butler County Board of Mental Retardation, 60 Ohio Misc. 71, 397 N.E.2d 781 (C.P. 1979); and Burkholder v. Lauber, 6 Ohio Misc. 152, 216 N.E.2d (C.P. 1965).

At December 31, 2013, appropriations as approved by the Village Council did not agree to the Village's accounting system. The variances are as follows:

	Approved	UAN System	Variance
Police Department Fund	\$23,507	\$26,507	(\$3,000)
Police Equipment Grant Fund	\$1	\$8,740	(\$8,739)
Mayors Court Computer Fund	\$0	\$2,130	(\$2,130)
Pool Fund	\$19,368	\$45,368	(\$26,000)

At December 31, 2012, appropriations as approved by the Village Council did not agree to the Village's accounting system. The variances are as follows:

	Approved	UAN System	Variance
Street Improvement Fund	\$0	\$36,371	(\$36,371)
ARC Water Fund	\$0	\$235,223	(\$235,223)
CDBG Water Fund	\$0	\$155,000	(\$155,000)
Pool Fund	\$23,574	\$45,954	(\$22,380)

We recommend Village Council to approve all appropriation amendments, record approval in the Board minutes, and file all appropriation amendments with the County Auditor in order to receive confirmation from the County Auditor that appropriations do not exceed estimated resources. The Fiscal Officer should only post legislatively approved amendments and maintain Board approved resolutions for supporting documentation.

Officials' Response: Each of the three Fiscal Officers and substitute Clerk who were subject to this audit period utilized different methods of filing and documentation. The current Fiscal Officer will maintain more detailed and thorough records of appropriations and budgeting.

FINDING NUMBER 2013-004

Noncompliance

Ohio Rev. Code § 5705.41(B) prohibits subdivisions or taxing authorities from expending money unless it has been appropriated.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2013-004 (Continued)

Noncompliance – Ohio Rev. Code § 5705.41(B) (Continued)

At December 31, 2013, expenditures exceeded appropriations, as follows:

Fund	Current Year Appropriations	Expenditures	Variance
Fire Department Fund	\$52,606	\$60,709	(\$8,103)
Police Department Fund	\$23,507	\$26,899	(\$3,392)
Police Equipment Grant Fund	\$1	\$2,154	(\$2,153)
Mayors Court Computer Fund	\$0	\$583	(\$583)
Swimming Pool Fund	\$19,368	\$44,397	(\$25,029)

At December 31, 2012, expenditures exceeded appropriations, as follows:

Fund	Current Year Appropriations	Expenditures	Variance
Street Improvement Fund	\$0	\$105,259	(\$105,259)
Water Operating Fund	\$169,175	\$517,355	(\$348,180)
Swimming Pool Fund	\$23,574	\$43,386	(\$19,812)

The practice of allowing expenditures to exceed appropriations could result in negative fund balances for the Village.

We recommend the Village Fiscal Officer compare expenditures to appropriations on a monthly basis. If appropriations in addition to those already adopted will be needed, the Village Council should adopt additional appropriations, if possible, to prevent expenditures from exceeding appropriations or reduce spending. The Village Fiscal Officer should deny requests for payment when appropriations are not available.

Officials' Response: The Fiscal Officer will ensure that the appropriations are reviewed and updated in UAN to match Council's appropriated expenditures.

FINDING NUMBER 2013-005

Noncompliance

Ohio Rev. Code § 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in §§ 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2013-005 (Continued)

Noncompliance - Ohio Rev. Code § 5705.41(D)(1) (Continued)

1. "Then and Now" certificate - If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.

2. Blanket Certificates - Fiscal officers may prepare so-called "blanket" certificates not running beyond the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation. Purchase orders may not exceed an amount established by resolution or ordinance of the legislative authority, and cannot extend past the end of the fiscal year. In other words, blanket certificates cannot be issued unless there has been an amount approved by the legislative authority for the blanket.
3. Super Blanket Certificate - The Village may also make expenditures and contracts for any amount from a specific line item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to exceed beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

47% of disbursements tested during the audit period were not certified by either the Fiscal Officer or appropriate Council Members at the time the commitment was incurred. The Village did use "Then and Now" Certificates, but they were not certified by the appropriate Council Members or Fiscal Officer.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, we recommend that the Fiscal Officer certify that the funds are or will be available prior to an obligation being incurred by the Village. When prior certification is not possible, "then and now" certification should be used and signed off as required.

We recommend the Village officials obtain the Fiscal Officer's certification of the availability of funds prior to the commitment being incurred. The most convenient certification method is to the purchase orders that include the certification language § 5705.41(D) requires to authorize disbursements. The Fiscal Officer should sign the certification at the time the Village incurs a commitment, and only when the requirements of § 5705.41(D) are satisfied. The Fiscal Officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2013-005 (Continued)

Noncompliance - Ohio Rev. Code § 5705.41(D)(1) (Continued)

Officials' Response: The Fiscal Officer will post purchase orders in a timely manner. The current Fiscal Officer completed "Then and Now" certificates and other purchase orders as she was trained, but will obtain further training to verify that future purchase orders are posted correctly.

FINDING NUMBER 2013-006

Material Weakness

Sound financial reporting is the responsibility of the Fiscal Officer and Village Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

As a result of the audit procedures performed, the financial statements had the following errors that required audit adjustments or reclassifications.

In 2012:

- General Fund beginning fund balance was increased \$1,522 to agree to the December 31, 2011 audited ending fund balance;
- General Fund general government expenditures of \$1,356 were unrecorded;
- General Fund intergovernmental revenue of \$3,028 was misposted as miscellaneous revenue;
- General Fund fines, licenses, and permits revenue of \$2,307 were unrecorded;
- General Fund unassigned fund balance of \$122,664 was reclassified to assigned fund balance;
- General Fund investment earnings of \$449 were unrecorded;
- Street Construction, Maintenance, and Repair Fund transportation expenditures of \$310 were unrecorded;
- Street Improvement Fund intergovernmental revenue of \$36,371 was misposted as special assessments;
- Street Improvement Fund on behalf payment of \$68,888 was not recorded as intergovernmental revenue and transportation expenditures;
- Fire Fund charges for services revenue of \$9,500 was misposted as miscellaneous revenue;
- Fire Fund restricted fund balance of \$27,616 was misclassified as committed fund balance;
- Police Department Fund security of persons and property expenditures of \$504 were unrecorded;
- Water Fund intergovernmental revenue and contractual services expenditures of \$380,223 was misposted in a special revenue fund;
- Water Fund capital outlay expenditures of \$379,600 was misposted in a special revenue fund;
- Water Fund intergovernmental revenue and contractual services expenditures of \$10,000 were unrecorded;
- Water Fund personal services expenditures of \$1,705 were unrecorded;
- Water Fund earnings on investment revenue of \$264 was unrecorded;
- Swimming Pool Fund intergovernmental revenue of \$5,010 was misposted as miscellaneous receipts;
- Mayor's Court Fund other non-operating receipts of \$7,232 was unrecorded;
- Mayor's Court Fund other non-operating disbursements of \$18,423 were unrecorded;
- Mayor's Court Fund beginning fund balance of \$9,073 was unrecorded;
- Mayor's Court Fund other non-operating receipts of \$2,307 were misposted as fines licenses, and permits;

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2013-006 (Continued)

Material Weakness (Continued)

- Law Enforcement Trust Fund fines, licenses, and permits of \$1,276 was unrecorded;
- Law Enforcement Trust Fund other expenditures of \$763 were unrecorded; and
- Law Enforcement Trust Fund beginning fund balance of \$425 was unrecorded.

In 2013:

- General Fund general governmental expenditures of \$2,754 were unrecorded;
- General Fund taxes of \$6,954 was misposted as intergovernmental revenue;
- General Fund interest revenue of \$299 was unrecorded;
- General Fund charges for services of \$6,300 was misposted as other financing sources;
- General Fund unassigned fund balance of \$29,947 was reclassified to assigned fund balance;
- Motor Vehicle License Fund transportation expenditures of \$612 were unrecorded;
- Police Department Fund security of persons and property expenditures of \$994 were unrecorded;
- Fire Fund taxes of \$4,554 were misposted as intergovernmental revenue;
- Police Department Fund tax revenue of \$4,644 were misposted as intergovernmental revenue;
- Fire Department Fund proceeds of debt of \$27,483 was unrecorded;
- Fire Department Fund capital outlay expenditures of \$27,133 were unrecorded;
- Fire Department Fund interest and fiscal charges expenditures of \$350 were unrecorded;
- FEMA Fund intergovernmental revenue of \$2,004 was unrecorded;
- State Highway Fund interest revenue of \$11 was unrecorded;
- Street Construction, Maintenance, and Repair Fund interest revenue of \$21 was unrecorded;
- Water Fund contractual services expenditures of \$624 were misposted in a special revenue fund;
- Water Fund employee fringe benefits expenditures of \$3,364 were unrecorded;
- Water Fund interest revenue of \$167 was unrecorded;
- Mayors Court Fund beginning fund balance of \$189 was unrecorded;
- Mayor's Court Fund other non-operating receipts of \$23,458 was unrecorded;
- Mayor's Court Fund other non-operating disbursements of \$21,866 was unrecorded;
- Law Enforcement Trust Fund beginning fund balance of \$938 was unrecorded;
- Law Enforcement Trust Fund fines, licenses, and permit revenue of \$26 was unrecorded; and
- Law Enforcement Trust Fund other expenditures of \$51 was unrecorded.

The Fiscal Officer made classification errors in posting of revenues and expenditures. This caused the mispostings and unrecorded revenues and expenditures as noted above.

The audited financial statements and the Village's UAN accounting system have been adjusted for the issues noted above.

We recommend the Fiscal Officer review the Village Officer's Handbook for guidance on the correct line items to post various receipts and disbursements of the Village to ensure the Village's financial statements are complete and accurate.

Officials' Response: The three Fiscal Officers and substitute Clerk who were subject to this audit period were unable to ensure that each individual's previous work was completed correctly without the state audit. The current Fiscal Officer will review the amounts provided and review current line items to ensure future postings are accurate.

**VILLAGE OF SYRACUSE
MEIGS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2013 AND 2012**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2011-001	Mayor's Court distribution of fines, reconciliation, and not recording mayor's court agency fund activity.	No	Partially Corrected; Reissued as Finding 2013-001 and management letter noncompliance
2011-002	Errors in posting of receipts and expenditures.	No	Reissued as Finding 2013-006



Dave Yost • Auditor of State

VILLAGE OF SYRACUSE

MEIGS 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
FEBRUARY 10, 2015**