

**VILLAGE OF GLENMONT**

**HOLMES COUNTY**

For the Years Ended December 31, 1999 and 1998

*With Independent Auditors' Report Thereon*



**PARMS & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS

**VILLAGE OF GLENMONT**

**HOLMES COUNTY**

For the Years Ended December 31, 1999 and 1998

*With Independent Auditors' Report Thereon*

VILLAGE OF GLENMONT  
HOLMES COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
ELECTED OFFICIALS	(i)
REPORT OF INDEPENDENT AUDITORS'	1
FINANCIAL STATEMENTS	
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 1999	2
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - Proprietary Fund Type For the Year Ended December 31, 1999	3
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 1998	4
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - Proprietary Fund Type For the Year Ended December 31, 1998	5
Notes to the Financial Statements	6 - 11
REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY <u>GOVERNMENT AUDITING STANDARDS</u>	12 - 13
SCHEDULE OF FINDINGS	14 - 16

VILLAGE OF GLENMONT  
HOLMES COUNTY  
P.O. Box 476  
Glenmont, Ohio 44628

ELECTED OFFICIALS  
As of December 31, 1999

---

<u>NAME</u>	<u>TITLE</u>	<u>TERM OF OFFICE</u>	<u>SURETY</u>	<u>AMOUNT</u>	<u>PERIOD</u>
Lester Gray	Mayor	1/1/96-12/31/99	(A)	\$1,000	(B)
Ed Stivers, Jr.	Treasurer/ Clerk	4/1/97-3/31/00	(A)	\$1,000	(B)
<u>Village Council</u>					
Earl Shinabarker	President	1/1/98-12/31/01			
Richard McCune	Council Member	1/1/98-12/31/01			
Lynn Morris	Council Member	1/1/98-12/31/01			
Carolann Purdy	Council Member	1/1/98-12/31/01			
Brenda Piatt	Council Member	1/1/98-12/31/01			
Bianca Weaver	Council Member	1/1/98-12/31/01			

**BOARD OF PUBLIC AFFAIRS**

Kelly Austin	Member	1/1/98-12/31/01
James Wolfe	Member	1/1/96-12/31/99
Paul Alexander	Member	1/1/96-12/31/99

**STATUTORY LEGAL COUNSEL**

Daniel Mathie, Attorney  
138 E. Jackson St., Suite A  
Millersburg, Ohio 44654

(A) Bond provided through the Personal Service Insurance Co.  
(B) Concurrent with term



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215

Telephone 614-466-4514  
800-282-0370

Facsimile 614-728-7398

Village Council  
Village of Glenmont  
Holmes County

We have reviewed the Independent Auditor's Report of the Village of Glenmont, Holmes County, prepared by Parns & Company, for the audit period January 1, 1998 to December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 Glenmont is responsible for compliance with these laws and regulations.



JIM PETRO  
Auditor of State

July 6, 2000



**Report of Independent Auditors'**

Village Council  
Village of Glenmont  
Holmes County

We have audited the accompanying financial statements of the Village of Glenmont (the Village) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village of Glenmont as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated April 21, 2000 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.

This report is intended for the information and use of the officials authorized to receive the report under Section 117.26, Ohio Revised Code. However, this report is a matter of public record and is available upon specific request.

*Parms & Company, Inc.*

April 21, 2000  
Columbus, Ohio

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
For the Year Ended December 31, 1999

	General	Special Revenue	Capital Projects	(Memorandum Only) Total
Cash receipts:				
Local taxes	\$1,802			\$1,802
Intergovernmental	31,583	9,735		41,318
Charges for services	4,009			4,009
Fines, licenses, and permits	403			403
Interest	4,747	1,424		6,171
Miscellaneous	2,808			2,808
<b>Total cash receipts</b>	<b>45,352</b>	<b>11,159</b>	<b>0</b>	<b>56,511</b>
Cash disbursements:				
Current:				
Security of persons and property	11,558			11,558
Public health services	286			286
Basic utility services	418			418
Leisure time activities	0			0
Transportation	0	4,082		4,082
General government	23,071			23,071
Debt Service:				
Redemption of principal				
Interest				
Capital outlay				
<b>Total cash disbursements</b>	<b>35,333</b>	<b>4,082</b>	<b>0</b>	<b>39,415</b>
<b>Total cash receipts over cash disbursements</b>	<b>10,019</b>	<b>7,077</b>	<b>0</b>	<b>17,096</b>
Other financing receipts (disbursements):				
Transfers-in	354	0	0	354
Transfers-out	0	(354)	0	(354)
Sale of fixed assets	4,150	0	0	4,150
Other sources	0	0	0	0
<b>Total other financing receipts (disbursements)</b>	<b>4,504</b>	<b>(354)</b>	<b>0</b>	<b>4,150</b>
<b>Total cash receipts and other financing receipts over cash disbursements and other financing disbursements</b>	<b>14,523</b>	<b>6,723</b>	<b>0</b>	<b>21,246</b>
Fund cash balances, January 1, 1999	61,311	42,632	0	103,943
Fund cash balances, December 31, 1999	<u>\$75,834</u>	<u>\$49,355</u>	<u>\$0</u>	<u>\$125,189</u>
Reserves for encumbrances, December 31, 1999	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE  
For the Year Ended December 31, 1999

	Enterprise
Operating cash receipts:	
Charges for services	\$19,492
Miscellaneous	0
Total operating cash receipts	19,492
Operating cash disbursements:	
Personal services	4,191
Travel transportation	
Contractual services	7,456
Supplies and materials	2,817
Capital outlay	
Total operating cash disbursements	14,464
Operating income	5,028
Non-operating cash disbursements:	
Debt service	
Total cash receipts over cash disbursements before interfund transfers	5,028
Transfers-in	0
Transfers-out	0
Net cash receipts over cash disbursements	5,028
Fund cash balances, January 1, 1999	49,322
Fund cash balances, December 31, 1999	\$54,350
Reserves for encumbrances, December 31, 1999	\$0

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



**VILLAGE OF GLENMONT  
HOLMES COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
For the Year Ended December 31, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>(Memorandum Only) Total</u>
Cash receipts:				
Local taxes	\$1,867			\$1,867
Intergovernmental	30,750	21,354		52,104
Charges for services	688			688
Fines, licenses, and permits	1,356			1,356
Interest	3,760	1,844		5,604
Miscellaneous	1,937			1,937
<b>Total cash receipts</b>	<b>40,358</b>	<b>23,198</b>	<b>0</b>	<b>63,556</b>
Cash disbursements:				
Current:				
Security of persons and property	11,758			11,758
Public health services	232			232
Basic utility services	465			465
Leisure time activities	0			0
Transportation	0	47,378		47,378
General government	34,833			34,833
Debt Service:				
Redemption of principal				0
Interest				0
Capital outlay				0
<b>Total cash disbursements</b>	<b>47,288</b>	<b>47,378</b>	<b>0</b>	<b>94,666</b>
<b>Total cash receipts over cash disbursements</b>	<b>(6,930)</b>	<b>(24,180)</b>	<b>0</b>	<b>(31,110)</b>
Other financing receipts (disbursements):				
Transfers-in	1,026	0	0	1,026
Transfers-out	0	0	(15,655)	(15,655)
Other sources	0	0	0	0
<b>Total other financing receipts (disbursements)</b>	<b>1,026</b>	<b>0</b>	<b>(15,655)</b>	<b>(14,629)</b>
<b>Total cash receipts and other financing receipts over cash disbursements and other financing disbursements</b>	<b>(5,904)</b>	<b>(24,180)</b>	<b>(15,655)</b>	<b>(45,739)</b>
Fund cash balances, January 1, 1998	67,215	66,812	15,655	149,682
Fund cash balances, December 31, 1998	\$61,311	\$42,632	\$0	\$103,943
Reserves for encumbrances, December 31, 1998	\$0	\$0	\$0	\$0

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

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE  
For the Year Ended December 31, 1998

	Enterprise
Operating cash receipts:	
Charges for services	\$17,102
Miscellaneous	
Total operating cash receipts	17,102
Operating cash disbursements:	
Personal services	3,880
Travel transportation	0
Contractual services	8,573
Supplies and materials	1,870
Capital outlay	0
Total operating cash disbursements	14,323
Operating income	2,779
Non-operating cash disbursements:	
Debt service	
Total cash receipts over cash disbursements before interfund transfers	2,779
Transfers-in	14,629
Transfers-out	0
Net cash receipts over cash disbursements	17,408
Fund cash balances, January 1, 1998	31,914
Fund cash balances, December 31, 1998	\$49,322
Reserves for encumbrances, December 31, 1998	\$0

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

VILLAGE OF GLENMONT  
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
As of December 31, 1999 and 1998

---

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Village of Glenmont (the Village) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected council-mayor form of government using a six-member Council. The Village provides general governmental services, including road maintenance, water and sewer utilities, and police services. In addition, the Village operates a mayor's court. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved.)

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. 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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

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

Capital Projects Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village's only significant Capital Projects Fund is the Issue II Fund. This fund records the payments to a private contractor for the construction of a municipal water well.

VILLAGE OF GLENMONT  
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
As of December 31, 1999 and 1998

---

1. Summary of Significant Accounting Policies (continued)

Enterprise Funds

These funds are used to account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village's only Enterprise Funds were the Water and Sewer Funds. These funds receive charges for services from residents to cover the cost of providing this utility.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

Estimated Resources

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

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements (capital outlays) when paid. These items are not reflected as assets in the financial statements.

2. Equity in Pooled Cash and Investments

The Village maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	\$89,570	\$83,332
Certificate of deposit	\$90,000	\$70,000

VILLAGE OF GLENMONT  
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
As of December 31, 1999 and 1998

Deposits:

Deposits are insured by the Federal Depository Insurance Corporation up to \$100,000 for demand deposits and \$100,000 for time deposits. All deposits at December 31, 1999 and 1998 were insured (GASB Statement No. 3 category 1).

3. Budgetary Activity

Budgetary activity for the years ended December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$31,280	\$45,352	\$14,072
Special Revenue	4,400	11,159	6,759
Capital Projects	0	0	0
Enterprise	<u>18,000</u>	<u>19,492</u>	<u>1,492</u>
Total	<u>\$53,680</u>	<u>\$76,003</u>	<u>\$22,323</u>

1999 Budgeted vs. Actual Budgetary Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$36,550	\$35,333	\$1,217
Special Revenue	6,000	4,082	1,918
Capital Projects	0	0	0
Enterprise	<u>19,650</u>	<u>14,464</u>	<u>5,186</u>
Total	<u>\$62,200</u>	<u>\$53,879</u>	<u>\$8,321</u>

VILLAGE OF GLENMONT  
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
As of December 31, 1999 and 1998

---

3. Budgetary Activity (continued)

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$31,610	\$40,358	\$8,748
Special Revenue	4,400	23,198	18,798
Capital Projects	0	0	0
Enterprise	<u>16,000</u>	<u>17,102</u>	<u>1,102</u>
Total	<u>\$52,010</u>	<u>\$80,658</u>	<u>\$28,648</u>

1998 Budgeted vs. Actual Budgetary Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$49,375	\$47,288	\$2,087
Special Revenue	39,000	47,378	(8,378)
Capital Projects	0	0	0
Enterprise	<u>28,000</u>	<u>14,323</u>	<u>13,677</u>
Total	<u>\$116,375</u>	<u>\$108,989</u>	<u>\$7,386</u>

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the financial statements as Intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20th.

Public utilities are also taxed on personal and real property located within the Village. Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30th.

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

VILLAGE OF GLENMONT  
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
As of December 31, 1999 and 1998

---

5. Debt

The Village did not have any debt outstanding as of December 31, 1999.

6. Retirement Systems

All Village personnel, including the Village's part-time law enforcement officers belong to the Public Employees Retirement System (PERS) of Ohio. This retirement program is a statewide cost-sharing multiple employer defined benefit pension plan. These plans provide retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code. Benefits are established and amended by State of Ohio statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy of the PERS financial report by making a written request to the Public Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085 or 1-800-222-PERS (7377).

PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

Funding Policy

The Ohio Revised Code provides PERS statutory authority for employee and employer contributions. The employee contribution rates are 8.5% for employees. The 1999 employer contribution rate for state employers was 13.31% of covered payroll. Required employer contributions are equal to 100% of the dollar amount billed to each employer.

Trend Information

Contributions required by State of Ohio Statutes:

<u>Fiscal Year</u>	<u>Percentage Contribution</u>	<u>Required Contributed</u>
1999	100%	\$1,945
1998	100%	\$1,912

Trend information showing the progress of PERS in accumulating sufficient assets to pay benefits when due is presented in their annual financial reports. Copies of these reports may be obtained from PERS.

VILLAGE OF GLENMONT  
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
As of December 31, 1999 and 1998

---

7. Other Post-employment Benefits

In addition to the retirement benefits described in Note 10, PERS provides post-retirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post-Employment Benefits (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 1999 employer contribution rate for state employers was 13.31% of covered payroll; 4.2% was the portion that was used to fund health care for the year. The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

OPEB are financed through employer contributions and investment earnings there on. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures for OPEB during 1998 were \$440,596,663. As of December 31, 1998, the unaudited estimated net assets available for future OPEB payments were \$9,447,325,318. The number of benefit recipients eligible for OPEB at December 31, 1998 was 115,579.

7. Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- General liability





**Report of Independent Accountants on Compliance and on Internal Control Required by Government Auditing Standards**

Village Council  
Village of Glenmont  
Holmes County

We have audited the financial statements of the Village of Glenmont (the Village) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated May 31, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings as item 1999-001, 1999-002 and 1999-004.

We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated April 21, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Village's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings as item 1999-003.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and, accordingly, would not disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described in the accompanying Schedule of Findings is a material weaknesses.

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated April 21, 2000.

This report is intended for the information of management and the Village Council. However, this report is a matter of public record and its distribution is not limited.

*Parms & Company, Inc.*

Columbus, Ohio  
April 21, 2000

**VILLAGE OF GLENMONT  
HOLMES COUNTY  
DECEMBER 31, 1999 AND 1998**

**SCHEDULE OF FINDINGS**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

Finding Number	1999-001
----------------	----------

Section 5705.41(D), Ohio Revised Code, states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Further, contracts and other orders for expenditure lacking prior certification should be null and void and no warrant shall be issued in payment of any amount due thereon. This section also provides two "exceptions" to the above requirements:

- A) Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was both at the time of the contract or order and at the time the certificate was appropriated and free of any previous encumbrances, the Village Council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate, if such expenditure is otherwise valid.
- B) If the amount involved is less than (\$1,000) dollars, the fiscal officer may authorize it to be paid without the affirmation of the Village Council.

We noted during our test of fiscal year 1998 expenditures, that for the first and second quarters of the fiscal year, vouchers did not contain a certification by the fiscal officer had been provided. For the remaining period audited, certification forms were being completed. However, these forms were not completed in their entirety or consistently used. Descriptions and amounts of expenditures being certified were not included. In addition, appropriation amounts being certified from the stated fund were not indicated. The absence of these mentioned elements could result in the overspending of appropriated funds.

Adequate supporting documentation should be attached to all vouchers to evidence that the expenditure was valid and for a proper public purpose. All expenditures should be appropriately certified prior to payment. All paid invoices should be stamped with an identifying mark to prevent double payments.

Finding Number	1999-002
----------------	----------

Section 5705.36, Revised Code, states that on or about the first day of each fiscal year, the fiscal officer should certify to the county auditor the total amount from all sources available.

There was no documentation that the 1999 and 1998 certifications of estimated resources were completed and submitted to the County Auditor.

**VILLAGE OF GLENMONT  
HOLMES COUNTY  
DECEMBER 31, 1999 AND 1998**

**SCHEDULE OF FINDINGS  
(Continued)**

Finding Number	1999-003
----------------	----------

Minutes of Council meetings are still not being maintained properly. Actions taken on annual financial data, including budget approvals, appropriations, required reports, etc., are not being made a permanent part of the minute records. Proper documentation of Council actions provides permanent documentation and a clear source of reference.

We recommend maintenance of all Council meetings be improved by providing for the following:

- I. Annual financial data, including budgets, appropriations, transfers, and required reports should be bound within the minute records.
- II. All minutes should be signed by the Clerk and President of Council. It is also recommended that all minutes to be permanently indexed in the minute records be typed.
- III. All Council actions should be properly indexed and any resolutions or exhibits numbered.

Finding Number	1999-004
----------------	----------

Section 5705.39, Revised Code, states that the total appropriation from each fund should not exceed the total estimated revenue. No appropriation measure is to become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official certificate.

There was no documentation that the Village ever submitted the 1999 or 1998 appropriation measure to the County Auditor. The Village could not document that they submitted and received the County Auditor's certification.

VILLAGE OF GLENMONT  
HOLMES COUNTY  
DECEMBER 31, 1999 AND 1998

SCHEDULE OF FINDINGS  
(Continued)

**STATUS OF PRIOR FINDINGS**

The prior audit report covering the fiscal years ending December 31, 1997 and 1996, contained compliance and internal control citations required to be reported in accordance with *Government Auditing Standards*. Finding numbers 1999-001, 1999-002, 1999-003, and 1999-004 cited above were also cited in the prior report. All other findings were either corrected or were not deemed reportable under *Government Auditing Standards*.



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

VILLAGE OF GLENMONT

HOLMES 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.

By: Susan Babbitt

Date: JUL 25 2000