



**VILLAGE OF ENON  
CLARK COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2000-1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



VILLAGE OF ENON  
CLARK COUNTY

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## REPORT OF INDEPENDENT ACCOUNTANTS

Village of Enon  
Clark County  
363 East Main Street  
Enon, Ohio 45323

To the Village Council:

We have audited the accompanying financial statements of the Village of Enon, Clark County, (the Village) as of and for the years ended December 31, 2000 and 1999. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 audit 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 audit provides a reasonable basis for our opinion.

As described 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 Enon, Clark County, as of December 31, 2000 and 1999, 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 September 7, 2001 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the audit committee, management, village council and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

September 7, 2001

**VILLAGE OF ENON  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Property Tax and Other Local Taxes	\$227,736	\$78,025	\$305,761
Intergovernmental Receipts	44,566	144,179	188,745
Fines, Licenses, and Permits	3,162		3,162
Earnings on Investments	16,645	8,217	24,862
Special Assessments	281	2,316	2,597
Fines and Forfeitures	12,390		12,390
Miscellaneous	39,592	3,338	42,930
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	344,372	236,075	580,447
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	70,251	15,417	85,668
Public Health Services	31,137		31,137
Leisure Time Activities	1,906		1,906
Transportation		47,835	47,835
General Government	47,352		47,352
Capital Outlay	12,000	25,687	37,687
Personal Services	15,946	70,000	85,946
Fringe Benefits	26,862	34,289	61,151
Materials and Supplies	25,421	10,000	35,421
Contractual Services	57,545	16,205	73,750
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	288,420	219,433	507,853
Total Receipts Over/(Under) Disbursements	55,952	16,642	72,594
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In		5,340	5,340
Transfers-Out	(5,340)		(5,340)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	(5,340)	5,340	
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	50,612	21,982	72,594
<b>Fund Cash Balances January 1</b>	<hr/> 189,990	<hr/> 71,026	<hr/> 261,016
<b>Fund Cash Balances, December 31</b>	<hr/> <b>\$240,602</b>	<hr/> <b>\$93,008</b>	<hr/> <b>\$333,610</b>
Reserves for Encumbrances, December 31	<hr/> \$50,176	<hr/> \$23,493	<hr/> \$73,669

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

**VILLAGE OF ENON  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Enterprise</u>	<u>Agency</u>	<u>Totals (Memorandum Only)</u>
<b>Operating Cash Receipts:</b>			
Charges for Services	\$319,980		\$319,980
Special Assessments	6,661		6,661
Miscellaneous	4,312		4,312
	<hr/>	<hr/>	<hr/>
Total Operating Cash Receipts	330,953		330,953
<b>Operating Cash Disbursements:</b>			
Personal Services	113,000		113,000
Fringe Benefits	35,387		35,387
Contractual Services	101,194		101,194
Utilities	631		631
Supplies and Materials	31,069		31,069
Capital Outlay	58,938		58,938
	<hr/>	<hr/>	<hr/>
Total Operating Cash Disbursements	340,219		340,219
Operating Income/(Loss)	<hr/> (9,266)	<hr/>	<hr/> (9,266)
<b>Non-Operating Cash Receipts:</b>			
Interest Earnings	283		283
Other Non-Operating Receipts		14,830	14,830
	<hr/>	<hr/>	<hr/>
Total Non-Operating Cash Receipts	283	14,830	15,113
<b>Non-Operating Cash Disbursements:</b>			
Debt Service	11,151		11,151
Other Non-Operating Cash Disbursements		15,015	15,015
	<hr/>	<hr/>	<hr/>
Total Non-Operating Cash Disbursements	11,151	15,015	26,166
Net Receipts Over/(Under) Disbursements	(20,134)	(185)	(20,319)
<b>Fund Cash Balances, January 1</b>	<hr/> 121,098	<hr/> 343	<hr/> 121,441
<b>Fund Cash Balances, December 31</b>	<hr/> <b>\$100,964</b>	<hr/> <b>\$158</b>	<hr/> <b>\$101,122</b>
Reserve for Encumbrances, December 31	<hr/> <u>\$35,222</u>	<hr/> <u>\$0</u>	<hr/> <u>\$35,222</u>

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



**VILLAGE OF ENON  
CLARK 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**

	<u>Governmental Fund Types</u>		<b>Totals</b>
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
<b>Cash Receipts:</b>			
Property Tax and Other Local Taxes	\$257,921	\$79,968	\$337,889
Intergovernmental Receipts	45,454	168,709	214,163
Fines, Licenses, and Permits	1,947		1,947
Earnings on Investments	17,442	375	17,817
Special Assessments	1,014	1,341	2,355
Fines and Forfeitures	15,875		15,875
Miscellaneous	35,592	129	35,721
	<u>375,245</u>	<u>250,522</u>	<u>625,767</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	36,396	87,490	123,886
Public Health Services	35,173		35,173
Leisure Time Activities	5,450		5,450
Transportation		38,605	38,605
General Government	155,531		155,531
Capital Outlay	31,568	56,175	87,743
Personal Services	18,039	71,594	89,633
Fringe Benefits	14,386	41,669	56,055
Materials and Supplies	28,978	11,698	40,676
Contractual Services	68,978	21,176	90,154
	<u>394,499</u>	<u>328,407</u>	<u>722,906</u>
<b>Total Disbursements</b>			
Total Receipts Over/(Under) Disbursements	<u>(19,254)</u>	<u>(77,885)</u>	<u>(97,139)</u>
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In		10,885	10,885
Transfers-Out	<u>(10,885)</u>		<u>(10,885)</u>
	<u>(10,885)</u>	<u>10,885</u>	
<b>Total Other Financing Receipts/(Disbursements)</b>			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(30,139)	(67,000)	(97,139)
<b>Fund Cash Balances January 1</b>	<u>220,129</u>	<u>138,026</u>	<u>358,155</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$189,990</b></u>	<u><b>\$71,026</b></u>	<u><b>\$261,016</b></u>
Reserves for Encumbrances, December 31	<u>\$8,170</u>	<u>\$2,000</u>	<u>\$10,170</u>

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

**VILLAGE OF ENON  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Enterprise</u>	<u>Agency</u>	<u>Totals (Memorandum Only)</u>
<b>Operating Cash Receipts:</b>			
Charges for Services	\$349,758		\$349,758
Special Assessments	7,249		\$7,249
Miscellaneous	1,456		1,456
	<hr/>	<hr/>	<hr/>
Total Operating Cash Receipts	358,463		358,463
<b>Operating Cash Disbursements:</b>			
Personal Services	109,000		109,000
Fringe Benefits	33,497		33,497
Contractual Services	135,997		135,997
Utilities	705		705
Supplies and Materials	57,732		57,732
Capital Outlay	200,362		200,362
	<hr/>	<hr/>	<hr/>
Total Operating Cash Disbursements	537,293		537,293
Operating Income/(Loss)	<hr/> (178,830)	<hr/>	<hr/> (178,830)
<b>Non-Operating Cash Receipts:</b>			
Interest Earnings	103		103
Other Non-Operating Receipts		18,596	18,596
	<hr/>	<hr/>	<hr/>
Total Other Non-Operating Receipts	103	18,596	18,699
<b>Non-Operating Cash Disbursements:</b>			
Debt Service	11,151		11,151
Other Non-Operating Disbursements		18,293	18,293
	<hr/>	<hr/>	<hr/>
Total Non-Operating Cash Disbursements	11,151	18,293	29,444
Net Receipts Over/(Under) Disbursements	(189,878)	303	(189,575)
<b>Fund Cash Balances, January 1</b>	<hr/> 310,976	<hr/> 40	<hr/> 311,016
<b>Fund Cash Balances, December 31</b>	<hr/> <u>\$121,098</u>	<hr/> <u>\$343</u>	<hr/> <u>\$121,441</u>
Reserve for Encumbrances, December 31	<hr/> <u>\$6,700</u>	<hr/> <u>\$0</u>	<hr/> <u>\$0</u>

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

**VILLAGE OF ENON  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Enon, Clark County, (the Village) is a body corporate and politic 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 six-member Council. The Village provides general governmental services, including water sanitation and police services.

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. Cash and Investments**

Certificates of deposit are valued at cost.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

**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 is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Fund**

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 tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

**VILLAGE OF ENON  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Police Levy Fund** - This fund receives tax money for providing police protection.

**3. Enterprise Fund**

These funds 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 had the following significant Enterprise Fund:

**Water Fund** - This fund receives charges for services from residents to cover the cost of providing this utility.

**4. Fiduciary Funds (Agency Funds)**

Funds for which the Village is acting in an agency capacity are classified as agency funds.

**Mayor's Court Fund** - This fund receives monies for court fees, fines and forfeitures. These collections are remitted to the village and the State of Ohio on a monthly basis.

**E. Budgetary Process**

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

**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 Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**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 also approve estimated resources.

**3. Encumbrances**

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. Encumbrances outstanding at year end are carried over and need not be reappropriated. The Village did not encumber all commitments required by Ohio law.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**VILLAGE OF ENON  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Village.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

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

	<u>2000</u>	<u>1999</u>
Demand deposits	\$ 329,545	\$ 282,457
Certificates of deposit	<u>105,187</u>	<u>100,000</u>
Total deposits and investments	<u>\$ 434,732</u>	<u>\$ 382,457</u>

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 297,292	\$ 334,880	\$ 37,588
Special Revenue	302,297	241,415	(60,882)
Enterprise	370,500	331,236	(39,264)
Fiduciary	<u>15,000</u>	<u>14,830</u>	<u>(170)</u>
Total	<u>\$ 985,089</u>	<u>\$ 922,361</u>	<u>\$ (62,728)</u>

**VILLAGE OF ENON  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 378,678	\$ 343,936	\$ 34,742
Special Revenue	253,887	242,926	10,961
Enterprise	407,331	386,592	20,739
Fiduciary	11,600	15,015	(3,415)
Total	<u>\$ 1,051,496</u>	<u>\$ 988,469</u>	<u>\$ 63,027</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 334,542	\$ 375,245	\$ 40,703
Special Revenue	307,268	261,407	(45,861)
Enterprise	331,151	358,566	27,415
Fiduciary	0	18,596	18,596
Total	<u>\$ 972,961</u>	<u>\$ 1,013,814</u>	<u>\$ 40,853</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 429,793	\$ 413,554	\$ 16,239
Special Revenue	351,499	330,407	21,092
Enterprise	570,510	555,144	15,366
Fiduciary	19,000	18,293	707
Total	<u>\$ 1,370,802</u>	<u>\$ 1,317,398</u>	<u>\$ 53,304</u>

Ohio Rev. Code Sec. 5705.39, states that the total appropriations from each fund should not exceed the total estimated revenue. The Water Works Fund had appropriations which exceeded total estimated resources by \$37,202 at December 31, 1999.

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by 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 accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, 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.

**VILLAGE OF ENON  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**4. PROPERTY TAX (Continued)**

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**5. DEBT**

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
Ohio Public Works Commission	\$ 165,112	0%

The Ohio Public Works Commission (OPWC) loan for Fairfield Pike relates to a booster station. The loan will be repaid in semiannual payments of \$2,310 over 15 years.

The Ohio Public Works Commission has also approved a loan for Houck Meadows Water Main Extension for up to \$130,620. The loan will be repaid in semiannual installments of \$3,265 over 20 years. The following payment schedule assumes that \$130,620 will be borrowed.

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

Year ending December 31:	OPWC Loan
2001	\$ 11,151
2002	11,151
2003	11,151
2004	11,151
2005	11,151
Subsequent	109,357
Total	\$ 165,112

**6. RETIREMENT SYSTEMS**

Village officials and full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

**VILLAGE OF ENON  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**6. RETIREMENT SYSTEMS (Continued)**

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PERS contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries for January through June 2000 and an amount equal to 8.13% of participants' gross salaries for July through December 2000. The Village has paid all contributions required through December 31, 2000.

**7. RISK MANAGEMENT**

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

The Village also provides health insurance and dental and vision coverage to full-time employees through a private carrier.





STATE OF OHIO  
OFFICE OF THE AUDITOR

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND  
ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Village of Enon  
Clark County  
363 East Main Street  
Enon, Ohio 45323

To the Village Council:

We have audited the accompanying financial statements of the Village of Enon, Clark County (the Village), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated September 7, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 audit 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 items 2000- 30312-001 and 2000-30312-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated September 7, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, 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. 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 material weaknesses. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we 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 September 7, 2001.

Village of Enon  
Clark County  
Report of Independent Accountants on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended for the information and use of the audit committee, management, and Village Council, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

September 7, 2001

**VILLAGE OF ENON  
CLARK COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999**

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

**FINDING NUMBER 2000-30312-001**

**Certification of Funds**

Ohio Rev. Code § 5705.41 (D), states, no orders or contracts involving the expenditure of money is to be made unless there is attached there to a certificate of the fiscal officer that the amount required for the order or contract 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 encumbrances.

This Section of the Code provides the following exception to this requirement:

If no certificate is issued at the time the contract or order is presented, the fiscal officer may execute a then and now certificate that states that there was, at the time of the making of such contract or order, and at the time of the execution of such certificate, a sufficient sum appropriated for the purpose of such contract and in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances. If the amount involved is greater than one thousand dollars, the taxing authority must authorize the drawing of a warrant with a resolution or ordinance within thirty days from execution of the then and now.

The Village was in violation of the above provision and did not meet the requirements for forty percent of the tested items which could result in the Village's expenditures exceeding amounts appropriated at the legal level of control. To provide for compliance with the above referenced Section of Code and that expenditures do not exceed appropriations, the Village should obtain the required certification of the availability of funds, for all Village funds, prior to a liability being incurred by the Village.

**FINDING NUMBER 2000-30312-002**

**Budgetary**

Ohio Rev. Code Sec. 5705.39, states that the total appropriations from each fund should not exceed the total estimated revenue. The Water Works Fund had appropriations which exceeded total estimated resources by \$37,202 at December 31, 1999.

The Village should monitor appropriations and estimated revenue throughout the fiscal year, making budgetary amendments as needed to be in compliance with this Section of Ohio Revised Code. Implementing these procedures will provide the Village with more accurate budgetary monitoring information and improve information for decision making purposes.





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**VILLAGE OF ENON**

**CLARK 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  
OCTOBER 9, 2001**