

**VILLAGE OF GLENMONT**

**AUDIT REPORT**

**JANUARY 1, 2002 - DECEMBER 31, 2003**





**Auditor of State  
Betty Montgomery**

Members of Council  
Village of Glenmont

We have reviewed the Independent Auditor's Report of the Village of Glenmont, Holmes County, prepared by Wolfe, Wilson, & Phillips, Inc. for the audit period January 1, 2002 through December 31, 2003. 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.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

July 2, 2004

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**VILLAGE OF GLENMONT  
HOLMES COUNTY  
JANUARY 1, 2002 - DECEMBER 31, 2003**

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**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**ELECTED OFFICIALS  
As of December 31, 2003**

| <u>NAME</u>     | <u>TITLE</u>        | <u>TERM OF OFFICE</u> | <u>SURETY</u> | <u>AMOUNT</u> | <u>PERIOD</u>     |
|-----------------|---------------------|-----------------------|---------------|---------------|-------------------|
| Lester Gray     | Mayor               | 1/1/00 - 12/31/03     | (A)           | \$1,000       | 1/1/00 - 12/31/03 |
| Ed Stivers, Jr. | Treasurer/<br>Clerk | 4/1/00 - 3/31/04      | (A)           | \$1,000       | 4/1/00 – 3/31/04  |

Village Council

|                |                   |                   |  |  |  |
|----------------|-------------------|-------------------|--|--|--|
| Richard McCune | President         | 1/1/02 - 12/31/05 |  |  |  |
| Brenda Piatt   | Council<br>Member | 1/1/02 - 12/31/05 |  |  |  |
| Carolann Purdy | Council<br>Member | 1/1/00 - 12/31/03 |  |  |  |
| Bianca Weaver  | Council<br>Member | 1/1/00 - 12/31/03 |  |  |  |
| Gerri Lint     | Council<br>Member | 1/1/02 - 12/31/05 |  |  |  |
| Lynn Morris    | Council<br>Member | 1/1/02 - 12/31/05 |  |  |  |

BOARD OF PUBLIC AFFAIRS

|                 |        |                   |  |  |  |
|-----------------|--------|-------------------|--|--|--|
| Frank Cerecers  | Member | 1/1/01 – 12/31/03 |  |  |  |
| Heath Wolfe     | Member | 1/1/02 – 12/31/05 |  |  |  |
| Vivian Ashcraft | Member | 1/1/01 – 12/31/03 |  |  |  |

Statutory Legal Counsel

Daniel Mathie, Attorney  
Critchfield, Critchfield & Johnson  
138 East Jackson Street  
Millersburg, Ohio 44654

(A) Bond provided through the Personal Service Insurance Co.

**WOLFE, WILSON, & PHILLIPS, INC.**  
**37 SOUTH SEVENTH STREET**  
**ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT**

Mayor and Village Council  
Village of Glenmont  
P.O. Box 476  
Glenmont, Ohio 44628

We have audited the accompanying financial statements of the Village of Glenmont, Holmes County, as of and for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the Village of Glenmont'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 in Note 1, the Village of Glenmont prepares its financial statements on the cash basis, which is a comprehensive basis of accounting prescribed or permitted by the Auditor of State, 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 of the Village of Glenmont, Holmes County, as of December 31, 2003 and 2002, 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 a report dated June 23, 2004, on our consideration of the Village of Glenmont's internal control structure 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 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.

***Wolfe, Wilson, & Phillips, Inc.***  
Zanesville, Ohio  
June 23, 2004

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

|  | <u>Governmental Fund Types</u> |                            |                             | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|--|--------------------------------|----------------------------|-----------------------------|---|
|  | <u>General</u>                 | <u>Special<br/>Revenue</u> | <u>Capital<br/>Projects</u> |   |
| <b>Cash Receipts</b>                             |                                |                            |                             |   |
| Local taxes                                      | \$ 2,451                       | \$ -                       | \$ -                        | \$ 2,451                                |
| Intergovernmental                                | 33,698                         | 9,714                      | -                           | 43,412                                  |
| Charges for services                             | 3,097                          | -                          | -                           | 3,097                                   |
| Fines, licenses, and permits                     | 2,937                          | -                          | -                           | 2,937                                   |
| Interest   | 2,502                          | 443                        | -                           | 2,945                                   |
| Miscellaneous                                    | 2,594                          | -                          | -                           | 2,594                                   |
| <b>Total Cash Receipts</b>                       | <u>47,279</u>                  | <u>10,157</u>              | <u>-</u>                    | <u>57,436</u>                           |
| <b>Cash Disbursements</b>                        |                                |                            |                             |   |
| Current:   |                                |                            |                             |   |
| Security of persons and property                 | 17,400                         | -                          | -                           | 17,400                                  |
| Public health services                           | 579                            | -                          | -                           | 579                                     |
| Basic utility services                           | -                              | -                          | -                           | -                                       |
| Transportation                                   | -                              | 11,192                     | -                           | 11,192                                  |
| General government                               | 19,098                         | -                          | -                           | 19,098                                  |
| <b>Total Cash Disbursements</b>                  | <u>37,077</u>                  | <u>11,192</u>              | <u>-</u>                    | <u>48,269</u>                           |
| <b>Total Receipts Over/(Under) Disbursements</b> | 10,202                         | (1,035)                    | -                           | 9,167                                   |
| <b>Fund Cash Balnces, January 1, 2003</b>        | <u>77,278</u>                  | <u>40,730</u>              | <u>-</u>                    | <u>118,008</u>                          |
| <b>Fund Cash Balances, December 31, 2003</b>     | <u>\$ 87,480</u>               | <u>\$ 39,695</u>           | <u>\$ -</u>                 | <u>\$ 127,175</u>                       |

See notes to financial statements.



VILLAGE OF GLENMONT  
HOLMES COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

|  | <u>Enterprise</u>       |
|--|-------------------------|
| <b>Operating Cash Receipts:</b>                |                         |
| Charges for services                           | \$ 21,021               |
| <b>Total Operating Cash Receipts</b>           | <u>21,021</u>           |
| <b>Operating Cash Disbursements:</b>           |                         |
| Personal services                              | 3,833                   |
| Contractual services                           | 6,950                   |
| Supplies and materials                         | <u>3,747</u>            |
| <b>Total Operating Cash Disbursements</b>      | <u>14,530</u>           |
| <b>Net Receipts Over/(Under) Disbursements</b> | 6,491                   |
| <b>Fund Cash Balances, January 1, 2003</b>     | <u>82,870</u>           |
| <b>Fund Cash Balances, December 31, 2003</b>   | <u><u>\$ 89,361</u></u> |

See notes to financial statements.

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

|  | <u>Governmental Fund Types</u> |                            |                             | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|--|--------------------------------|----------------------------|-----------------------------|---|
|  | <u>General</u>                 | <u>Special<br/>Revenue</u> | <u>Capital<br/>Projects</u> |   |
| <b>Cash Receipts</b>                             |                                |                            |                             |   |
| Local taxes                                      | \$ 1,650                       | \$ 2,254                   | \$ -                        | \$ 3,904                                |
| Intergovernmental                                | 29,899                         | 6,965                      | -                           | 36,864                                  |
| Charges for services                             | 2,892                          | -                          | -                           | 2,892                                   |
| Fines, licenses, and permits                     | 1,137                          | -                          | -                           | 1,137                                   |
| Interest   | 3,200                          | 981                        | -                           | 4,181                                   |
| Miscellaneous                                    | 3,492                          | -                          | -                           | 3,492                                   |
|  | <u>42,270</u>                  | <u>10,200</u>              | <u>-</u>                    | <u>52,470</u>                           |
| <b>Total Cash Receipts</b>                       |                                |                            |                             |   |
| <b>Cash Disbursements</b>                        |                                |                            |                             |   |
| Current:   |                                |                            |                             |   |
| Security of persons and property                 | 16,555                         | -                          | -                           | 16,555                                  |
| Public health services                           | 289                            | -                          | -                           | 289                                     |
| Basic utility services                           | 274                            | -                          | -                           | 274                                     |
| Transportation                                   | -                              | 16,928                     | -                           | 16,928                                  |
| General government                               | 28,989                         | -                          | -                           | 28,989                                  |
|  | <u>46,107</u>                  | <u>16,928</u>              | <u>-</u>                    | <u>63,035</u>                           |
| <b>Total Cash Disbursements</b>                  |                                |                            |                             |   |
| <b>Total Receipts Over/(Under) Disbursements</b> | (3,837)                        | (6,728)                    | -                           | (10,565)                                |
| <b>Fund Cash Balances, January 1, 2002</b>       | <u>81,115</u>                  | <u>47,458</u>              | <u>-</u>                    | <u>128,573</u>                          |
| <b>Fund Cash Balances, December 31, 2002</b>     | <u>\$ 77,278</u>               | <u>\$ 40,730</u>           | <u>\$ -</u>                 | <u>\$ 118,008</u>                       |

See notes to financial statements.

VILLAGE OF GLENMONT  
HOLMES COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2002

|  | <u>Enterprise</u> |
|--|-------------------|
| <b>Operating Cash Receipts:</b>                |                   |
| Charges for services                           | \$ 22,212         |
| <b>Total Operating Cash Receipts</b>           | <u>22,212</u>     |
| <b>Operating Cash Disbursements:</b>           |                   |
| Personal services                              | 3,716             |
| Contractual services                           | 1,103             |
| Supplies and materials                         | <u>9,116</u>      |
| <b>Total Operating Cash Disbursements</b>      | <u>13,935</u>     |
| <b>Net Receipts Over/(Under) Disbursements</b> | 8,277             |
| <b>Fund Cash Balances, January 1, 2002</b>     | <u>74,593</u>     |
| <b>Fund Cash Balances, December 31, 2002</b>   | <u>\$ 82,870</u>  |

See notes to financial statements.

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Glenmont, Holmes County, Ohio (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 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. Cash and Investments**

Certificates of deposit are valued 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 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 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 Fund:

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 GLENMONT  
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002 (Continued)**

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

**D. Fund Accounting (Continued)**

**3. Enterprise Funds**

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 Funds:

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

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

**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. 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.

A summary of 2003 and 2002 budgetary activity appears in Note 3.

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002 (Continued)**

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

**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 on the accompanying 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 amounts of cash and investments at December 31 was as follows:

|                                | 2003       | 2002       |
|--------------------------------|------------|------------|
| Demand deposits                | \$ 81,536  | \$ 100,878 |
| Certificates of deposit        | 135,000    | 100,000    |
| Total deposits and investments | \$ 216,536 | \$ 200,878 |

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by securities specifically pledged by the financial institution to the Village.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2003 and December 31, 2002 follows:

| <b>2003 Budgeted vs. Actual Receipts</b> |                      |                    |          |
|--|----------------------|--------------------|----------|
| Fund Type                                | Budgeted<br>Receipts | Actual<br>Receipts | Variance |
| General                                  | \$ 45,412            | \$ 47,279          | \$ 1,867 |
| Special Revenue                          | 10,930               | 10,157             | (773)    |
| Enterprise                               | 23,000               | 21,021             | (1,979)  |
| Total                                    | \$ 79,342            | \$ 78,457          | \$ (885) |

| <b>2003 Budgeted vs. Actual Budgetary Basis Expenditures</b> |                            |                           |           |
|--|----------------------------|---------------------------|-----------|
| Fund Type  | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance  |
| General  | \$ 47,475                  | \$ 37,077                 | \$ 10,398 |
| Special Revenue  | 21,513                     | 11,192                    | 10,321    |
| Enterprise   | 24,223                     | 14,530                    | 9,693     |
| Total  | \$ 93,211                  | \$ 62,799                 | \$ 30,412 |

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002 (Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

| <b>2002 Budgeted vs. Actual Receipts</b> |                      |                    |            |
|--|----------------------|--------------------|------------|
| Fund Type                                | Budgeted<br>Receipts | Actual<br>Receipts | Variance   |
| General                                  | \$ 44,192            | \$ 42,270          | \$ (1,922) |
| Special Revenue                          | 9,225                | 10,200             | 975        |
| Enterprise                               | 20,500               | 22,212             | 1,712      |
| Total                                    | \$ 73,917            | \$ 74,682          | \$ 765     |

| <b>2002 Budgeted vs. Actual Budgetary Basis Expenditures</b> |                            |                           |           |
|--|----------------------------|---------------------------|-----------|
| Fund Type  | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance  |
| General  | \$ 47,326                  | \$ 46,107                 | \$ 1,219  |
| Special Revenue  | 27,900                     | 16,928                    | 10,972    |
| Enterprise   | 17,980                     | 13,935                    | 4,045     |
| Total  | \$ 93,206                  | \$ 76,970                 | \$ 16,236 |

**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 payments, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxes 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 30.

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

**5. DEBT**

The Village did not have any debt outstanding as of December 31, 2003 and December 31, 2002.

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002 (Continued)**

**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 define 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 1-800-222-7377.

The Ohio Revised Code provides PERS statutory authority for employee and employer contributions. The employee contribution rates are 8.5%. The 2003 employer contribution rate for state employers was 13.55% of covered payroll. Required employer contributions are equal to 100% of the dollar amount billed to each employer. The Village has paid all contributions required through December 31, 2003.

**7. RISK MANAGEMENT**

The Village has obtained commercial insurance for the following risks:

- \* Comprehensive property and general liability
- \* Vehicles
- \* General Liability



**WOLFE, WILSON, & PHILLIPS, INC.  
37 SOUTH SEVENTH STREET  
ZANESVILLE, OHIO 43701**

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT  
OF FINANCIAL STATEMENT PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.**

Mayor and Village Council  
Village of Glenmont  
P.O. Box 476  
Glenmont, Ohio 44628

We have audited the financial statements of The Village of Glenmont as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated June 23, 2004. 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 of Glenmont's combined 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 test 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 2003-001. We also noted certain immaterial instances of noncompliance that we have reported to the management of the Village of Glenmont in a separate letter dated June 23, 2004.

**Internal Control Over Financing Reporting**

In planning and performing our audit, we considered the Village of Glenmont's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined 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 a material weakness. 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 of 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, which we have reported to management of the Village of Glenmont in a separate letter dated June 23, 2004.

This report is intended for the information of the Mayor, Council and the Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

***Wolfe, Wilson, & Phillips, Inc.***  
Zanesville, Ohio  
June 23, 2004

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2003 AND 2002**

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

|                |          |
|----------------|----------|
| Finding Number | 2003-001 |
|----------------|----------|

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.
  
- 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, if such expenditure is otherwise valid.

We noted during our test of fiscal years 2002 and 2003 expenditures, that several vouchers did not contain a certification by the fiscal officer for the expenditure. Those expenditures that did have a certification by the fiscal officer were not completed in their entirety. Descriptions and amounts of expenditures being certified were not included, as well as appropriation amounts being certified from stated fund. We also noted that none of the certifications were dated when signed by the fiscal officer. 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.

**VILLAGE OF GLENMONT  
HOLMES COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2003 AND 2002**

| Finding Number | Finding Summary                                       | Fully Corrected | Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid;<br><b>Explain:</b> |
|----------------|---|-----------------|--|
| 2001-001       | ORC 5705.41(D)<br>Fiscal certificates not being used. | No              | Not corrected. Cited in this report as item 2003-001.  |





**Auditor of State  
Betty Montgomery**

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**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.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 20, 2004**