

**VILLAGE OF WILKESVILLE
VINTON COUNTY
Agreed-Upon Procedures
December 31, 2009 and 2008**

Perry & Associates
Certified Public Accountants, A.C.

**VILLAGE OF WILKESVILLE
VINTON COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 8, 2010

Village of Wilkesville
Vinton County
P.O. Box 67
Wilkesville, OH 45695

To the Village Council and Mayor:

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of **Village of Wilkesville, Vinton County, Ohio** (the Village) and the Auditor of State agreed, solely to assist the Council and Mayor in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2009 and 2008, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions, and management, the Mayor, and the Council are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash

1. We tested the mathematical accuracy of the December 31, 2009 and December 31, 2008 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2008 beginning fund balances recorded in the Cash Journal to the December 31, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2009 and 2008 fund cash balances reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2009 bank account balance with the Village's financial institutions. We found no exceptions. We also agreed the confirmed balance to the amounts appearing in the December 31, 2009 bank reconciliation without exception.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2009 and one from 2008:
 - a. We traced the gross receipts from the Statement to the amount recorded in the Receipts Journal. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.

2. We scanned the Receipts Journal to determine whether it included the proper number of tax receipts for 2009 and 2008:
 - a. Two personal property tax receipts
 - b. Two real estate tax receiptsWe noted the Receipts Journal did not include the proper number of tax settlement receipts each year due to several intergovernmental receipts recorded as tax revenue.

3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2009 and five from 2008. We also selected five receipts from the County Auditor's Distribution Lists (DTL) from 2009 and five from 2008.
 - a. We compared the amount from the DTL to the amount recorded in the Receipts Journal. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. We inquired of management, and scanned the Receipts Journal and Appropriation Ledger for evidence of bonded or note debt issued during 2009 or 2008 or outstanding as of December 31, 2009 or 2008. We noted no new debt issuances, nor any debt payment activity during 2009 or 2008.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2009 and one payroll check for five employees from 2008 from the Appropriation Ledger and determined whether the following information in the employee's personnel file and minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Department and fund to which the check should be charged.
 - d. Retirement system participation and payroll withholding.
 - e. Federal, State & Local income tax withholding authorization and withholding.
 - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

Payroll Cash Disbursements (Continued)

2. We tested the checks we selected in step 1, as follows:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (legislatively approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the Appropriation Ledger. We found no exceptions.
 - c. We determined whether the fund and account codes to which the check was posted were reasonable based on the employee's duties as documented in the employee's personnel files and minute record or as required by statute. We also determined whether the payment was posted to the proper year. We found no exceptions.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
Federal income taxes	January 31, 2010	January 21, 2010	\$ 628.89	\$ 628.89
State income taxes	January 15, 2010	January 21, 2010	\$ 11.56	\$ 11.56
OPERS retirement (withholding plus employee share)	January 30, 2010	December 14, 2009	\$ 72.00	\$ 72.00

As noted above, the Village did not pay State income tax withholdings in a timely manner. We noted no other exceptions.

Non-Payroll Cash Disbursements

1. For the Appropriation Ledger, we refooted checks recorded as General Fund disbursements for security of persons and property, and checks recorded as public works in the Street Fund for 2009. We found no exceptions.

2. We agreed total disbursements (non-payroll and payroll) from the Appropriation Ledger for the years ended December 31, 2009 and 2008 to total disbursements recorded in the Cash Journal except for the following instances. We noted in the Appropriation Ledger the General Fund recorded disbursements in 2008 in the amount of \$15,171.35. However, the Cash Journal recorded disbursements in the amount of \$15,658.69. The Appropriation Ledger in the Street Fund recorded disbursements in 2008 in the amount of \$5,095.56. However, the Cash Journal recorded disbursements in the amount of \$5,245.56. The Appropriation Ledger in the Highway Improvement Fund recorded disbursements in 2008 in the amount of \$356.41. However, the Cash Journal recorded disbursements in the amount of \$206.41. We noted in the Appropriation Ledger the General Fund recorded disbursements in 2009 in the amount of \$13,656.30. However, the Cash Journal recorded disbursements in the amount of \$13,755.39. No other exceptions were noted.

3. We haphazardly selected ten disbursements from the Appropriation Ledger for the year ended December 31, 2009 and ten from the year ended 2008 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Appropriation Ledger and to the names and amounts on the supporting invoices. We found no exceptions.

Non-Payroll Cash Disbursements (Continued)

- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
- d. The Fiscal Officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Receipt Journal for the General, Street, and Highway Funds for the years ended December 31, 2009 and 2008. The amounts on the *Certificate* did not agree to the amount recorded in the accounting system in any Fund tested. The Receipt Journal recorded budgeted (i.e. certified) resources for the General Fund of \$12,800 for 2008. However, the final *Amended Official Certificate of Estimated Resources* reflected \$15,256. The Receipt Journal recorded budgeted resources for the Street Fund of \$4,813 for 2008. However, the final *Amended Official Certificate of Estimated Resources* reflected \$4,486. The Receipt Journal recorded budgeted resources for the Highway Fund of \$354 for 2008. However, the final *Amended Official Certificate of Estimated Resources* reflected \$370. The Receipt Journal recorded budgeted (i.e. certified) resources for the General fund of \$12,211 for 2009. However, the final *Amended Official Certificate of Estimated Resources* reflected \$12,875. The Receipt Journal recorded budgeted resources for the Street Fund of \$3,762 for 2009. However, the final *Amended Official Certificate of Estimated Resources* reflected \$4,339. The Receipt Journal recorded budgeted resources for the Highway Fund of \$306 for 2009. However, the final *Amended Official Certificate of Estimated Resources* reflected \$342. The fiscal officer should periodically compare amounts recorded in the Receipt Journal to amounts recorded on the *Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Council may be using inaccurate information for budgeting and to monitor spending.
2. We scanned the appropriation measures adopted for 2009 and 2008 to determine whether, for the General, Street, and Highway Funds, the Council appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40, to the amounts recorded in the Appropriation Ledger for 2009 and 2008 for the following funds: General, Street, and Highway Funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Ledger with the exception of the General Fund and Highway Fund in 2009. The Appropriation Ledger recorded total appropriations for the General Fund of \$19,925 in 2009. However, the total appropriations filed with the County Auditor reflected \$20,525. The Appropriation Ledger recorded total appropriations for the Highway Fund of \$750 in 2009. However, the total appropriations filed with the County Auditor reflected \$2,260.
4. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street, and Highway Funds for the years ended December 31, 2009 and 2008. We noted that Street Fund appropriations in 2008 exceeded estimated resources by \$567, contrary to Ohio Revised Code Section 5705.39. The Council should not pass appropriations exceeding certified resources. Allowing this to occur could cause the Village to incur fund balance deficits. We found no other exceptions.

Compliance – Budgetary (Continued)

5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2009 and 2008 for the General, Street, and Highway Funds, as recorded in the Appropriation Ledger. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipts Journal for evidence of new restricted receipts requiring a new fund during December 31, 2009 and 2008. We also inquired of management regarding whether the Village received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Village to establish a new fund.
7. We scanned the 2009 and 2008 Receipt Journal and Appropriation Ledger for evidence of interfund transfers which Ohio Rev. Code Sections 5705.14 -.16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Ledger to determine whether the Village elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Village did not establish these reserves.

Compliance – Contracts & Expenditures

1. We inquired of management and scanned the Cash Journal for the years ended December 31, 2009 and 2008 for material or labor procurements which exceeded \$25,000, and therefore required competitive bidding under Ohio Rev. Code Section 731.14. We identified no purchases subject to the aforementioned bidding requirements.
2. We inquired of management and scanned the Cash Journal for the years ended December 31, 2009 and 2008 to determine if the Village had road construction projects exceeding \$30,000 for which Ohio Rev. Code Sections 117.16(A) and 723.52 requires the Village engineer, or officer having a different title but the duties and functions of an engineer, to complete a force account project assessment form (i.e., cost estimate). We identified no projects requiring the completion of the force account assessment form.

Officials Response – We did not receive a response from officials to these exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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This report is intended solely for the information and use of management and those charged with governance and the Auditor of State and is not intended to be, and should not be used by anyone other than these specified parties.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

Perry and Associates
Certified Public Accountants, A.C.



Mary Taylor, CPA
Auditor of State

VILLAGE OF WILKESVILLE

VINTON 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 1, 2010