

VILLAGE OF GLORIA GLENS PARK

MEDINA COUNTY

**JANUARY 1, 2011 TO DECEMBER 31, 2012
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Village Council
Village of Gloria Glens Park
P.O. Box 457
Chippewa Lake, Ohio 44215

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Village of Gloria Glens Park, Medina County, prepared by Julian & Grube, Inc., for the period January 1, 2011 through December 31, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code.

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 Gloria Glens Park is responsible for compliance with these laws and regulations.

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Dave Yost
Auditor of State

April 17, 2013

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Julian & Grube, Inc.

Serving Ohio Local Governments

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Gloria Glens Park
Medina County
P.O. Box 457
Chippewa Lake, Ohio 44215

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of the Village of Gloria Glens Park (the "Village") and the Auditor of State have 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, 2012 and 2011 and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management, the Mayor, and / or 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, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2010 documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2011 balances in the Cash Summary by Fund Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2012 bank account balances with the Village's financial institution. We found no exceptions. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation:

- a. We traced each debit to the subsequent January and February bank statements. We found no exceptions.
- b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

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 2012 and one from 2011:
 - a. We traced the gross receipts from the Statement to the amount recorded in the Receipt Register Report. We also traced the 2011 advances noted on the Statement to the Receipt Register Report. The amounts agreed, except for in 2011. First Half Real Estate Advance #3 General Fund real estate receipts were overstated \$186 and the General Fund office supplies and materials disbursements were overstated \$186, Police Protection Services Fund real estate receipts were overstated \$89 and the Police Protection Services contractual services disbursements were overstated \$89, and Fire Levy real estate receipts were overstated \$37 and the Fire Levy fund other contractual services disbursements were overstated \$37. In addition, 2011 final first half real estate settlement, General Fund real estate tax receipts were understated \$276 and the General Fund auditor and treasurer fees were understated \$276, Police Protection Services Fund real estate receipts were understated \$92 and the Police Protection Services Fund auditor and treasurer fees were understated \$92, and the Fire Levy fund real estate receipts were understated \$39 and the Fire Levy fund auditor and treasurer fees were understated \$39. In addition, all auditor and treasurer fees should be charged to the respective funds auditor and treasurer fees disbursement budget and actual line item.
 - 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 Receipt Register Report to determine whether it included two real estate tax receipts for 2012 and two real estate tax receipts plus 3 advances for 2011. We noted the Receipts Register Report included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2012 and five from 2011. We also selected five receipts from the County Auditor's Transaction History Listing Report from 2012 and five from 2011.
 - a. We compared the amounts from the above reports to the amounts recorded in the Receipt Register Report. 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.
4. We confirmed the amounts paid from the Ohio Public Works Commission to the Village during 2012 with the Commission. We found no exceptions except for the Village overstated its General Fund - Intergovernmental Receipts and General Fund Capital Outlay Disbursements in the amount of \$8,700.

- a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
- b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2010.
2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances, nor any debt payment activity during 2012 or 2011.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 from the Employee Detail Adjustment Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Employee Detail Adjustment Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found one instance in 2012 and one instance in 2011 where the attorney was paid \$25 more than the monthly amount approved per Village ordinances. We brought this to management's attention, and they retroactively approved the higher rate, as the ordinance contained a clerical error. Because we did not test all attorney payments, our report provides no assurance whether or not similar errors occurred.
 - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the Village minute and ordinance records. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2012 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2012. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2013	December 24, 2012	\$206.59	\$206.59
State income taxes	January 15, 2013	December 26, 2012	\$125.32	\$125.32
School district income tax	January 31, 2013	December 26, 2012	\$45.01	\$45.01
OPERS retirement	January 30, 2013	December 26, 2012	\$866.88	\$866.88

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2012 and ten from the year ended 2011 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 Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
- 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 ten instances in 2011 and ten instances in 2012 where disbursements requiring certification were not certified (signed) and three instances in 2011 and one instance in 2012, where the certification date was after the vendor invoice date, and there was also no evidence that a Then and Now Certificate was issued. Ohio Rev. Code Section 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a Then and Now Certificate is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance - Budgetary

1. We compared the total estimated receipts from the Amended Official Certificate of Estimated Resources required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Status Report for the General, Street Construction, Maintenance and Repair and Fire Levy funds for the years ended December 31, 2012 and 2011. The amounts on the Certificate agreed to the amount recorded in the accounting system, except for the General and Fire Levy Funds for 2012 and 2011. The Revenue Status Report recorded budgeted (i.e. certified) resources for the General Fund of \$78,507 for 2012. However, the Amended Certificate of Estimated Resources reflected \$71,201. The Revenue Status Report recorded budgeted (i.e. certified) resources for the Fire Levy Fund of \$11,200 for 2012. However, the Amended Certificate of Estimated Resources reflected \$10,600. The Revenue Status Report recorded budgeted (i.e. certified) resources for the General Fund of \$83,107 for 2011. However, the Amended Certificate of Estimated Resources reflected \$126,648. The Revenue Status Report recorded budgeted (i.e. certified) resources for the Fire Levy Fund of \$11,200 for 2011. However, the Amended Certificate of Estimated Resources reflected \$10,701. The fiscal officer should periodically compare amounts recorded in the Revenue Status Report to amounts recorded on the Amended 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 2012 and 2011 to determine whether, for the General, Street Construction, Maintenance and Repair and Fire Levy 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 Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2012 and 2011 for the following funds: General, Police Security Protection, and Fire Levy funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report for 2012 except for the General Fund, the appropriation resolution total for the General Fund was \$137,411; however, the amounts recorded in the Appropriation Status Report was \$166,484. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report for 2011.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street Construction, Maintenance and Repair and Fire Levy funds for the years ended December 31, 2012 and 2011. We noted no funds for which appropriations exceeded certified resources.
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, 2012 and 2011 for the General, Street Construction, Maintenance and Repair and Fire Levy funds, as recorded in the Appropriation Status Report. 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 Receipt Register Report for evidence of new restricted receipts requiring a new fund during December 31, 2012 and 2011. We also inquired of management regarding whether the Village received new restricted receipts. The Village established the OPWC Grant CIX11 fund during 2012 to segregate Ohio Public Works Commission receipts and disbursements in compliance with Section 5705.09.
7. We scanned the 2012 and 2011 Revenue Status Reports and Appropriation Status Reports 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 Status Reports 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

We inquired of management and scanned the Payment Register Detail Report for the years ended December 31, 2012 and 2011 to determine if the Village proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project exceeding \$30,000) or to construct or reconstruct Village roads (cost of project \$30,000/per mile) 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.

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.

Village of Gloria Glens Park
Medina County
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Page 6

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

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Julian & Grube, Inc.
March 6, 2013



Dave Yost • Auditor of State

VILLAGE OF GLORIA GLENS PARK

MEDINA 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
MAY 9, 2013