



Dave Yost • Auditor of State

VILLAGE OF ROGERS
COLUMBIANA COUNTY

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Dave Yost • Auditor of State

ACCOUNTANTS' REPORT

Village of Rogers
Columbiana County
P.O. Box 227
Rogers, Ohio 44455-0227

To the Village Council:

We have selectively tested certain accounts, financial records, files, and reports of the Village of Rogers, Columbiana County, Ohio, (the Village) as of and for the years ended December 31, 2011 and 2010 following Ohio Admin. Code Section 117-4-02.

There are reportable findings and conditions as a result of performing these procedures. Our reportable findings and conditions follow the financial presentation. Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, and we express no opinion on them.

This report is intended solely for the information and use of 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.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 3, 2013

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**VILLAGE OF ROGERS
COLUMBIANA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts			
Property and Other Local Taxes	\$8,488	\$4,266	\$12,754
Intergovernmental	18,802	12,120	30,922
Fines, Licenses and Permits	5,096		5,096
Miscellaneous	11,376	159	11,535
<i>Total Cash Receipts</i>	<u>43,762</u>	<u>16,545</u>	<u>60,307</u>
Cash Disbursements			
Current:			
Security of Persons and Property	9,568		9,568
Transportation	1,194	13,951	15,145
General Government	22,048	51	22,099
Capital Outlay	8,180		8,180
<i>Total Cash Disbursements</i>	<u>40,990</u>	<u>14,002</u>	<u>54,992</u>
<i>Total Receipts Over (Under) Disbursements</i>	<u>2,772</u>	<u>2,543</u>	<u>5,315</u>
Other Financing Receipts (Disbursements)			
Other Financing Sources	41	39	80
<i>Total Other Financing Receipts (Disbursements)</i>	<u>41</u>	<u>39</u>	<u>80</u>
<i>Excess if Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</i>	2,813	2,582	5,395
<i>Fund Cash Balances, January 1</i>	<u>(3,399)</u>	<u>13,212</u>	<u>9,813</u>
Fund Cash Balances, December 31			
Restricted		15,794	15,794
Unassigned (Deficit)	(586)		(586)
<i>Fund Cash Balances, December 31</i>	<u>(586)</u>	<u>\$15,794</u>	<u>\$15,208</u>

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

VILLAGE OF ROGERS
COLUMBIANA COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND CASH BALANCES -
ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Fiduciary Fund Type</u>
	<u>Agency</u>
Operating Cash Receipts	
Fines, Licenses and Permits	<u>\$7,073</u>
<i>Total Operating Cash Receipts</i>	<u>7,073</u>
Operating Cash Disbursements	
Supplies and Materials	240
Other	<u>9,165</u>
<i>Total Operating Cash Disbursements</i>	<u>9,405</u>
<i>Operating Income/(Loss)</i>	<u>(2,332)</u>
<i>Fund Cash Balances, January 1</i>	<u>6,770</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$4,438</u></u>

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

**VILLAGE OF ROGERS
COLUMBIANA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property and Local Taxes	\$7,315	\$6,038	\$13,353
Intergovernmental	19,560	11,436	30,996
Fines, Licenses and Permits	9,866		9,866
Miscellaneous	15,226	127	15,353
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	51,967	17,601	69,568
	<hr/>	<hr/>	<hr/>
Cash Disbursements:			
Current:			
Security of Persons and Property	15,549	1,815	17,364
Leisure Time Activities		81	81
Transportation	8,741	10,822	19,563
General Government	37,546	2,312	39,858
Capital Outlay	2,213		2,213
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	64,049	15,030	79,079
	<hr/>	<hr/>	<hr/>
Total Receipts Over/(Under) Disbursements	(12,082)	2,571	(9,511)
	<hr/>	<hr/>	<hr/>
Other Financing Receipts / (Disbursements):			
Other Financing Sources	16	358	374
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts / (Disbursements)	16	358	374
	<hr/>	<hr/>	<hr/>
<i>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</i>	(12,066)	2,929	(9,137)
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	8,667	10,283	18,950
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	(\$3,399)	\$13,212	\$9,813
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

VILLAGE OF ROGERS
COLUMBIANA COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Fiduciary Fund Type</u>
	<u>Agency</u>
Operating Cash Receipts:	
Fines, Licenses and Permits	<u>\$18,736</u>
Total Operating Cash Receipts	<u>18,736</u>
Operating Cash Disbursements:	
Other	<u>17,452</u>
Total Operating Cash Disbursements	<u>17,452</u>
<i>Operating Income/(Loss)</i>	<u>1,284</u>
Fund Cash Balances, January 1	<u>5,486</u>
Fund Cash Balances, December 31	<u>\$6,770</u>

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

**VILLAGE OF ROGERS
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Rogers, Columbiana County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides park operations and police services. The Village contracts with the Negley Volunteer Fire Association to provide fire protection services.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

C. Deposits and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale 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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose 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 ROGERS
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)**

1. Summary of Significant Accounting Policies – (Continued)

3. Fiduciary Funds

Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency funds account for:

Mayor's Court Fund – This fund accounts for the receipts and disbursements of the Mayor's Court.

Mayor's Computer Fund – This fund accounts for the receipts and disbursements of the Village's Mayor's Court to pay for the court computer and for any updates or maintenance required.

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 individual commitments are made. 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 2011 and 2010 budgetary activity appears in Note 3.

VILLAGE OF ROGERS
COLUMBIANA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)

1. Summary of Significant Accounting Policies – (Continued)

F. Fund Balance

For December 31, 2011, Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. **Nonspendable**

The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. **Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. **Committed**

Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. **Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

5. **Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. Property, Plant, and Equipment

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**VILLAGE OF ROGERS
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)**

2. Equity in Pooled Deposits and Investments

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

	2011	2010
Demand deposits	\$16,614	\$13,443
Savings Accounts	3,031	3,140
	\$19,645	\$16,583

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2011 and 2010 follows:

2011 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$39,675	\$43,803	\$4,128
Special Revenue	16,324	16,584	260
Total	\$55,999	\$60,387	\$4,388

2011 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$42,594	\$40,990	\$1,604
Special Revenue	24,825	14,002	10,823
Total	\$67,419	\$54,992	\$12,427

2010 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$58,052	\$51,983	(\$6,069)
Special Revenue	32,361	17,959	(14,402)
Total	\$90,413	\$69,942	(\$20,471)

2010 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$43,500	\$64,049	(\$20,549)
Special Revenue	8,385	15,030	(6,645)
Total	\$51,885	\$79,079	(\$27,194)

**VILLAGE OF ROGERS
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)**

3. Budgetary Activity – (Continued)

Contrary to Ohio law, funds whose appropriations exceeded estimated resources during 2011 in the General Fund, State Highway Fund, Permissive Motor Vehicle License Tax Fund, COPS Fast Grant Fund and Fire Fund. During 2010, expenditures exceeded appropriation authority in the General Fund and COPS Fast Grant Fund. Also contrary to Ohio law, at December 31, 2011, the General Fund had a cash deficit balance of \$587 and the Street Construction Maintenance and Repair Fund had a negative fund balance of \$192. At December 31, 2010 the General Fund had a negative fund balance of \$3,399 and the Park and Recreation Fund had a negative fund balance of \$83.

Also contrary to Ohio law a Finding for Adjustment for transfers made from Mayor's Court Computer Fund to Mayor's Court Checking without authorization from Council.

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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. Retirement Systems

The Village's part-time Police Officer and all other employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2011 and 2010, OPERS Law Enforcement participants contributed 10% of their wages. For 2011 and 2010, the Village contributed to OPERS an amount equal to 14% of police members' wages. For 2011 and 2010, all other OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2011.

**VILLAGE OF ROGERS
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)**

6. Risk Management

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.
- Sexual Abuse or Molestation Coverage

7. Subsequent Events

On November 1, 2011 the Village received an approval from the Ohio EPA for a Ohio Water Pollution Control Fund (WPCLF) Application of Assistance. The application of assistance is for a study to determine if it is feasible to create a wastewater collection system. The amount or total Grant/Loan is for \$25,200 of which \$12,000 will be forgiven. In the initial grant papers the \$13,200 will be the loan portion which will need to be paid back as two payments per annum on January 1 and July 1. However, the Columbiana County Community Development has awarded the Village \$12,000 from the 2012 Formula Grant so no debt will exist for the Village. The Village has received and has disbursed this grant money in 2012 in the amount of \$24,000.



Dave Yost • Auditor of State

ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

Village of Rogers
Columbiana County
P.O. Box 227
Rogers, Ohio 44455-0227

To the Village Council:

We have selectively tested certain accounts, financial records, files, and reports of the Village of Rogers, Columbiana County, Ohio, (the Village) as of and for the years ended December 31, 2011 and 2010, following Ohio Admin. Code Section 117-4-02. Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, internal control over financial reporting, or compliance. We therefore express no opinion on these matters.

Internal Control Over Financial Reporting

During our procedures related to the internal control over financial reporting we noted matters that, in our judgment, could adversely affect the Village's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements. In addition, these matters could result in the occurrence of misstatements that are caused by error or fraud that would not be detected in a timely manner by employees when performing the assigned functions. These matters are described in the Schedule of Findings as items 2011-01, 2011-02, 2011-11 and 2011-14.

Compliance and Other Matters

We tested compliance with certain provisions of laws, regulations, contract, and grant agreements, applicable to the Village. Noncompliance with these requirements could impact the Village's ability to determine financial statement amounts. The results of our tests disclosed instances of noncompliance or other matters that are reported in the accompanying Schedule of Findings as items 2011-01 through 2011-13.

We also noted certain noncompliance or other matters that we reported to the Village's management in a separate letter dated September 3, 2013.

Village of Rogers
Columbiana County
Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and
Other Matters
Page 2

We intend this report solely for the information and use of management, Council, and others within the Village. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

September 3, 2013

VILLAGE OF ROGERS
COLUMBIANA COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2011 AND 2010

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

1. Duties of the Fiscal Officer

Finding Number	2011-01
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NONCOMPLIANCE

Ohio Revised Code Section 733.262(C) provides that a village fiscal officer appointed under this section shall perform the duties provided by law for the village clerk and treasurer and any other duties consistent with the nature of the office. **Ohio Revised Code Section 733.28** requires the village clerk keep the books of the village, exhibit accurate statements of all moneys received and expended, of all property owned by the village and income derived there from, and all taxes and assessments.

The Village utilizes the Uniform Accounting System (UAN) provided by the Auditor of State (AOS). Specific account codes maintained within the UAN system that are proscribed by the AOS are required to be used by the Village. These account codes are listed within the UAN Manual also provided by the AOS.

Throughout 2010 and 2011 the former Clerk Treasurer was inconsistent in posting revenue and expenditures to the UAN financial accounting system. During 2010 the former Clerk Treasurer expended monies from the Street Construction Maintenance and Repair Fund (Fund 2011), State Highway Fund (Fund 2021), and Permissive Motor Vehicle License Tax Fund (Fund 2101) for purposes not allowable for these funds which led to adjustments for calendar year 2010. Additionally, the former Clerk Treasurer improperly expended money from the Permissive Motor Vehicle License Tax Fund for purposes that legally should have been expended from the General Fund, Street Maintenance and Repair Fund and State Highway Fund.

For 2010 the services of Local Government Services (LGS) were needed to reconcile the books of the Village. Before LGS came in, the total Fund Balance of the Village according to UAN was \$36,575. After the LGS reconciliation and our (proposed) audit adjustments the total Fund Balance at December 31, 2010 was \$16,583. Also beginning balance for the General Fund did not match the ending balance. There was a difference of \$19,992 in overall fund balance at the end of 2010. The former Clerk Treasurer did not post any of the adjustments provided by LGS after performing the reconciliation for 2010, nor did she post any Mayor's Court transaction during 2010.

**Finding Number 2011-01
 (Continued)**

During Calendar 2010 the following adjustments, one-hundred thirteen in total, were made at the fund level (the table below only includes the funds to which adjustments were made):

Fund:	Audited Fund Balance	Unaudited Fund Balance	Adjustment
General Fund	(\$ 3,399)	\$ 11,015	(14,414)
Special Revenue Funds:			
Street Construction Maintenance & Repair Fund	1,401	7,895	(6,494)
State Highway Fund	2,966	2,971	(5)
Permissive Motor Vehicle License Tax Fund	2,307	1,695	612
Fire Fund	6,277	7,252	(975)
Agency Funds:			
Mayor's Court Fund	2,785	2,312	473
Mayor's Court Computer Fund	3,985	3,174	811
Total	\$ 16,322	\$ 36,314	(19,992)

During 2011 the former Clerk Treasurer and the current Fiscal Officer expended monies from the Street Construction Maintenance and Repair Fund (Fund 2011), State Highway Fund (Fund 2021), Permissive Motor Vehicle License Tax Fund (Fund 2101) and Fire Fund (Fund 2901) for purposes not allowable for these funds which led to adjustments for calendar year 2011. These adjustments are listed below, with no change in total cash balance.

During 2011, the current Fiscal Officer entered a "memo charge" of \$9,165 into the UAN financial accounting system to balance the books of the Mayor's Court. While this action did reconcile the bank statement amount of \$32 to the UAN financial accounting system amount of \$9,197, there was no support for the memo charge amount.

During Calendar 2011 the following adjustments, twenty-three in total, were made at the fund level (the table below only includes the funds to which adjustments were made):

Fund:	Audited Fund Balance	Unaudited Fund Balance	Adjustment
General Fund	(\$ 587)	\$ 3,398	(\$ 3,985)
Special Revenue Funds:			
Street Construction, Maintenance and Repair Fund	(192)	1,427	(1,619)
State Highway Fund	3,720	2,174	1,546
Permissive Motor Vehicle License Fund	3,438	955	2,483
Fire Fund	8,407	8,207	200
Agency Funds:			
Mayor's Court Computer Fund	4,406	3,031	1,375
Total	\$ 19,192	\$ 19,192	

**Finding Number 2011-01
 (Continued)**

The former Clerk Treasurer did not provide budgetary information timely to the County Auditor and in the case of the permanent appropriations not provided until the County Auditor sent out a letter requesting the information. The current appointed Fiscal Officer took over the position during April 2011 but did not provide for the 2011 permanent appropriations measure until December 2011.

We recommend the Village establish control procedures to assure the new appointed Fiscal Officer maintain accurate statements of all receipts and disbursements of the Village. Also, in performing reconciliations the Fiscal Officer should account for each receipt and disbursement of the Village. All checks clearing the bank should correspond directly with the check number in the UAN financial accounting system.

Official's Response: We did not receive a response from Officials to this finding.

2. Negative Fund Balances

Finding Number	2011-02
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NONCOMPLIANCE

Ohio Revised Code Section 5705.10(H) states that money paid into any fund shall be used only for the purposes for which such fund is established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund.

Numerous adjustments were required to be made to the Village's bank reconciliations during our audit, and as a result, Village fund balances also required adjustment.

The former Clerk Treasurer, who resigned effective April 11, 2011, did not perform bank reconciliations during 2010 nor for the first three months of 2011. The Auditor of State's Local Governmental Services Division (LGS) was called in to perform a proof-of-cash reconciliation for 2010. LGS determined the General Fund to have an unaudited deficit fund balance of negative (\$2,308) at December 31, 2010. The adjustments provided by LGS to reconcile the Village's books were not made by the former Clerk Treasurer. The new appointed Fiscal Officer took office during April 2011 and made the required LGS adjustments on October 31, 2011.

The Village utilizes the Uniform Accounting System (UAN) provided by the Auditor of State (AOS). Specific account codes maintained within the UAN system that are proscribed by the AOS are required to be used by the Village. These account codes are listed within the UAN Manual also provided by the AOS.

During our audit, we noted the former Clerk Treasurer and new Fiscal Officer used monies from restricted funds improperly. At December 31, 2011 the following funds were negative after required adjustments were made:

- General Fund (Fund 1000) was negative (\$586)
- Street Construction Maintenance and Repair Fund (Fund 2011) was negative (\$191)

**Finding Number 2011-02
 (Continued)**

The new appointed Fiscal Officer improperly expended money from the Permissive Motor Vehicle License Tax Fund and State Highway Fund for purposes that legally should have been expended from the General Fund and the Street Construction Maintenance and Repair Fund. This led to a decrease in the General Fund from \$3,397 to \$788. There were additional adjustments from the Mayor's Court Computer Fund that decreased the General Fund balance by \$1,375 to a negative (\$586.95); and in the Street Construction Maintenance and Repair Fund from \$1,427 to a negative (\$191.63). This also led to adjustments increasing the Permissive Motor Vehicle License Tax Fund from \$955 to \$3,437 and State Highway Fund increased from \$2,173 to \$3,720.

At December 31, 2010 the following funds were negative after performing auditing procedures which lead to adjustments:

- General Fund (Fund 1000) was negative (\$3,399.43)
- Park and Recreation Fund (Fund 2401) was negative (\$82.61)

An additional note for calendar year 2010: The former Clerk Treasurer improperly expended money from the Permissive Motor Vehicle License Tax Fund for purposes that legally should have been expended from the General Fund. This improper use of money leads to a decrease in the General Fund from a negative (2,308.10) to a negative (\$2,554.48). An additional adjustment in the Agency Funds had an effect on the General Fund and further decreased the General Funds balance to a negative (\$3,399.43). This also has led to adjustments increasing the Permissive Motor Vehicle License Tax Fund from \$1,694.52 to \$2,306.58.

The Village should review the current financial status of its funds on a consistent basis and should be cognizant of the revenue sources collected in comparison to the expenditures incurred in order to maintain the general services of the Village. We also recommend the Village Council require budgetary report, reconciliations and other information as they deem necessary so they can properly understand their financial position and review their budget activity to ensure there are no negative fund balances at any time during the year. In addition, we recommend the new appointed Fiscal Officer use the Permissive Motor Vehicle License Tax Fund and State Highway Fund properly as required by the Revised Code and discontinue expending money from those funds for any other purpose that is not expressly provided for by the Ohio Revised Code.

Official's Response: We did not receive a response from Officials to this finding.

3. Finding for Recovery Repaid Under Audit

<i>Finding Number</i>	2011-03
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate for the Mayor is \$150 per month. During 2010, the former Mayor, Delores Silverthorn, was approved to be paid \$1,800 for the year, but was actually paid \$1,950, resulting in an overpayment of \$150 to Ms. Silverthorn.

The former Village Clerk Treasurer, Katrina Moore, signed the warrant resulting in an improper payment of compensation.

**Finding Number 2011-03
(Continued)**

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Delores Silverthorn, former mayor of Rogers, in the amount of \$150 in favor of the Village of Rogers General Fund.

Official's Response: Delores Silverthorn paid \$150 to the Village of Rogers on November 20, 2012.

4. Finding for Recovery Repaid Under Audit

<i>Finding Number</i>	2011-04
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate for the Clerk Treasurer is \$300 per month. The former Clerk Treasurer, Katrina Moore resigned during March 2011. Council specifically did not accept the resignation in the March 2011 Minute Record but accepted Ms. Moore's resignation on April 11, 2011 in the Minute Record. Moore received payment of \$300 for the full month of April, when proportionately she should have only received \$110, resulting in an overpayment of \$190.

The Village Fiscal Officer, Dale Davis, signed the warrant resulting in an improper payment of compensation.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Katrina Moore in the amount of \$190 and in favor of the Village of Rogers General Fund.

Official's Response: Katrina Moore paid \$190 to the Village of Rogers on September 19, 2013.

5. Finding for Recovery Repaid Under Audit

<i>Finding Number</i>	2011-05
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate per council meeting is \$30 for each Council Member. Mrs Sharon Hebron was paid for an additional meeting during 2010 and one additional meeting during 2011. As a result, Mrs. Sharon Hebron was over paid by \$60.

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Sharon Hebron, current Village Mayor, in the amount of sixty dollars (\$60), and in favor of the Village of Rogers General Fund, in the amount of sixty dollars (\$60).

Official's Response: Sharon Hebron paid \$60 to the Village of Rogers in two installments of \$30 on September 10, 2012 and October 28, 2012.

6. Finding for Recovery Repaid Under Audit

<i>Finding Number</i>	2011-06
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate per council meeting is \$30 for each Council Member. Mr. Jerry Hoon was paid for an additional meeting during 2010 and one additional meeting during 2011. As a result, Mr. Hoon was over paid by \$60.

The former Village Clerk Treasurer, Katrina Moore, signed the warrant in 2010 resulting in an improper payment of compensation equal to \$30. The current Village Fiscal Officer, Dale Davis signed the warrant in 2011 resulting in an improper payment of \$30.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Jerry Hoon, Councilman of Rogers, in the amount of \$60 in favor of the Village of Rogers General Fund.

Official's Response: Jerry Hoon paid \$60 to the Village of Rogers on December 17, 2012.

7. Finding for Recovery Repaid Under Audit

<i>Finding Number</i>	2011-07
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate per council meeting is \$30 for each Council Member. Mr. Mark Gordon was paid for an additional meeting during 2010 and one additional meeting during 2011. As a result, Mr. Mark Gordon was over paid by \$60.

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Mark Gordon, current Council Member, in the amount of sixty dollars (\$60), and in favor of the Village of Rogers General Fund, in the amount of sixty dollars (\$60).

Official's Response: Mr. Gordon paid \$60 to the Village of Rogers on October 8, 2012.

8. Finding for Recovery Repaid Under Audit

<i>Finding Number</i>	2011-08
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate per council meeting is \$30 for each Council Member. Delsey McDade was paid for an additional meeting during 2011. As a result, Ms. McDade was over paid by \$30.

**Finding Number 2011-08
(Continued)**

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Delsey McDade, former Council Member, in the amount of thirty dollars (\$30), and in favor of the Village of Rogers General Fund, in the amount of thirty dollars (\$30).

Official's Response: Delsey McDade paid \$30 to the Village of Rogers on September 10, 2012.

9. Finding for Recovery Repaid Under Audit

<i>Finding Number</i>	2011-09
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate per council meeting is \$30 for each Council Member. Mrs. Jayne Balmenti was paid for an additional meeting during 2010. As a result, Mrs. Jayne Balmenti was over paid by \$30.

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Jayne Balmenti, former Council Member, in the amount of thirty dollars (\$30), and in favor of the Village of Rogers General Fund, in the amount of thirty dollars (\$30).

Official's Response: Mrs. Jayne Balmenti paid \$30 to the Village of Rogers on September 9, 2012.

10. Finding for Recovery Repaid Under Audit

Finding Number	2011-10
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NONCOMPLIANCE AND FINDING FOR RECOVERY REPAID UNDER AUDIT

The Council-established rate per council meeting is \$30 for each Council Member. Mrs. Marilyn Locke was paid for an additional meeting during 2011. As a result, Mrs. Marilyn Locke was over paid by \$30.

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Marilyn Locke, former Council Member, in the amount of thirty dollars (\$30), and in favor of the Village of Rogers General Fund, in the amount of thirty dollars (\$30).

Official's Response: Mrs. Marilyn Locke paid \$30 to the Village of Rogers on September 14, 2012.

11. Budgetary – Appropriations Exceeded Estimated Resources

<i>Finding Number</i>	2011-11
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NONCOMPLIANCE

Ohio Revised Code Section 5705.36 allows all subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources. **Ohio Revised Code Section 5705.39** provides in part that the total appropriations from each fund shall not exceed the total estimated revenue. No appropriation measure is to become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate.

The following funds had variances between the estimated resources and the appropriations:

Fund	Estimated Resources	Appropriations	Variance
Calendar 2011:			
General Fund	\$ 39,675	\$ 51,453	(\$ 11,778)
State Highway Fund	865	3,500	(2,635)
Permissive Tax Fund	1,752	3,000	(1,248)
COPS Fast Grant	0	103	(103)
Fire Fund	2,200	4,400	(2,200)
Calendar 2010:			
General Fund	58,052	62,769	(4,717)
COPS Fast Grant	0	103	(103)

We recommend Council submit The Official Certificate of Estimate Resources to the County Budget Commission in a timely manner each year. We also recommend that management monitor the budgetary cycle throughout the year to ensure that appropriations do not exceed the amounts on the certificate of estimated resources and any amendments thereto and actual revenue received.

Official's Response: We did not receive a response from Officials to this finding.

12. Transfers

<i>Finding Number</i>	2011-12
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NONCOMPLIANCE

Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16 discuss when it is allowable by a government subdivision to transfer funds from one fund to any other fund. Money may be transferred from the general fund to any other fund of the subdivision by resolution of the taxing authority. No other funds may transfer money to another fund unless it meets the guidelines set forth in the code sections.

**Finding Number 2011-12
 (Continued)**

Except in the case of transfers from the general fund, transfers can be made only by resolution of the taxing authority passed with the affirmative vote of two thirds of the members. Transfers from the general fund require a resolution passed by a simple majority of the board members (i.e., a two thirds vote is not required for general fund transfers though a resolution is required).

During our audit we noted that within the Agency Funds there were electronic transfers from the Mayor's Court Computer Account to the Mayor's Court Checking Account totaling \$530 in 2011 and \$845 in 2010. These amounts were shown as expenditures and receipts on the Villages books at the end of 2011. These monies were used to pay for expenditures not allowable by the Mayor's Court Computer Fund. The appropriate adjustments were made by the Village.

We recommend Council only make transfers and/or advances in accordance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16. In addition, we recommend Council create a Mayor's Court Computer Fund as a Special Revenue Fund.

Official's Response: The adjustments were made.

13. Mayor's Court - Payments to the Treasurer of State

Finding Number	2011-13
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NONCOMPLIANCE

Ohio Revised Code Sections 1907.24(C), 2303.201(C), 2743.70 (A), 2949.091(A) (all courts) & (B), and 3109.14 require that all moneys collected during a month and owed to the state shall be transmitted on or before the twentieth day of the following month by the clerk of the court to the treasurer of the state.

During 2010 the payment to the Treasurer of State was late each month. During 2011 the payments for January and February were late and there is no evidence payment was made to the Treasurer for April through December.

We recommend the Village Mayor's Court immediately remit the monies owed to the Treasurer of State for April, May and June 2011 of \$780. We also recommend the Village remit all monies owed to the state in accordance with the Ohio Revised Code Sections listed above. This matter will be referred to the Treasurer of State.

Official's Response: We did not receive a response from Officials to this finding.

14. Mayor's Court Receipts

Finding Number	2011-14
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During our testing of Mayor's Court receipts, we requested all traffic citation tickets for 2010 and 2011. No tickets were provided to us for 2011, even after numerous requests, and of the 133 tickets given to us for 2010, 49 tickets had manually written citation numbers. The Minute Record for 2011 indicated some tickets were unaccounted for. The level of missing tickets is not known, nor is the level of materiality that is represented by the missing tickets known.

**Finding Number 2011-14
(Continued)**

The tickets obtained for 2010 are all on the Daily Cash Control Report and roll up with the Mayor's Monthly Statement to Council. While there are ticket numbers on the Daily Cash Control Report for 2011, we were not able to reconcile these to the tickets since we were not given any. During 2011 Fines, Licenses and Permits accounted for \$5,096 (or 12%) of the total \$43,762 cash receipts in the General Fund. During 2010 Fines, Licenses and Permits accounted for \$9,886 (or 19 %) of the total \$51,966 cash receipts in the General Fund.

The lack of controls over the traffic citations and lack of support could result in the Village not getting all the revenue that is due to them.

We recommend the Mayor account for all activity for Mayor's Court properly, maintain all required records, and ensure the Police Chief is using pre-numbered tickets.

Official's Response: We did not receive a response from Officials to this finding.

VILLAGE OF ROGERS
COLUMBIANA COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2011 AND 2010

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2009-001	ORC 733.262 and 733.28 Non-performance of duties by Fiscal Officer	No	Repeated 2011-001

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Dave Yost • Auditor of State

VILLAGE OF ROGERS

COLUMBIANA 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
DECEMBER 3, 2013**