



**VILLAGE OF MONROEVILLE
HURON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**VILLAGE OF MONROEVILLE
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REPORT OF INDEPENDENT ACCOUNTANTS

Village of Monroeville
Huron County
2 South Main Street
P.O. Box 156
Monroeville, Ohio 44847-0156

To the Village Council:

We have audited the accompanying financial statements of the Village of Monroeville, Huron County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with generally accepted auditing standards 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 audits 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 audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2000 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

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Jim Petro
Auditor of State

July 25, 2000

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

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
Cash Receipts:			
Property Tax and Other Local Taxes	\$443,620	\$5,507	
Special Assessments			\$3,141
Intergovernmental Receipts	145,198	101,554	
Charges for Services	1,776		
Fines, Licenses, and Permits	78,934	3,531	
Miscellaneous	116,142	12,824	
	785,670	123,416	3,141
Cash Disbursements:			
Current:			
Security of Persons and Property	367,861	44,595	
Public Health Services	1,713		
Leisure Time Activities	30,154		
Community Environment	31,204	396	
Transportation	87,359	56,643	
General Government	133,045	127	
Capital Outlay		13,958	9,351
	651,336	115,719	9,351
Total Cash Disbursements	651,336	115,719	9,351
Total Receipts Over/(Under) Disbursements	134,334	7,697	(6,210)
Other Financing Receipts/(Disbursements):			
Transfers-In		600	80,000
Transfers-Out	(140,600)		
	(140,600)	600	80,000
Total Other Financing Receipts/(Disbursements)	(140,600)	600	80,000
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(6,266)	8,297	73,790
Fund Cash Balances, January 1	831,561	242,549	762
Fund Cash Balances, December 31	\$825,295	\$250,846	\$74,552
Reserves for Encumbrances, December 31	\$31,140		

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

<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
<u>Expendable Trust</u>	
	\$449,127
	3,141
	246,752
	1,776
	82,465
	<u>128,966</u>
	<u>912,227</u>
	412,456
	1,713
	30,154
	31,600
	144,002
	133,172
	<u>23,309</u>
	<u>776,406</u>
	<u>135,821</u>
	80,600
	<u>(140,600)</u>
	<u>(60,000)</u>
	75,821
<u>\$25,000</u>	<u>1,099,872</u>
<u>\$25,000</u>	<u>\$1,175,693</u>
	<u><u>\$31,140</u></u>

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**VILLAGE OF MONROEVILLE
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE
 FOR THE YEAR ENDED DECEMBER 31, 1999**

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$2,841,228
Miscellaneous	<u>220</u>
Total Operating Cash Receipts	<u>2,841,448</u>
Operating Cash Disbursements:	
Personal Services	388,067
Travel Transportation	5,029
Contractual Services	2,174,499
Supplies and Materials	100,963
Capital Outlay	<u>122,184</u>
Total Operating Cash Disbursements	<u>2,790,742</u>
Operating Income	<u>50,706</u>
Non-Operating Cash Receipts:	
Proceeds from Bonds	45,000
Other Non-Operating Receipts	<u>9,975</u>
Total Non-Operating Cash Receipts	<u>54,975</u>
Non-Operating Cash Disbursements:	
Debt Service	116,823
Other Non-Operating Cash Disbursements	<u>7,706</u>
Total Non-Operating Cash Disbursements	<u>124,529</u>
Excess of Disbursements Over Receipts Before Interfund Transfers and Advances	(18,848)
Transfers-In	<u>60,000</u>
Net Receipts Over Disbursements	41,152
Fund Cash Balances, January 1	<u>1,380,866</u>
Fund Cash Balances, December 31	<u><u>\$1,422,018</u></u>
Reserve for Encumbrances, December 31	<u><u>\$4,821</u></u>

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

**VILLAGE OF MONROEVILLE
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPE
 FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
Cash Receipts:			
Property Tax and Other Local Taxes	\$390,495	\$5,395	
Special Assessments			762
Intergovernmental Receipts	129,854	76,143	
Fines, Licenses, and Permits	39,654	1,691	
Miscellaneous	131,706	51,360	
	<u>691,709</u>	<u>134,589</u>	<u>762</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
Security of Persons and Property	376,152	7,135	
Public Health Services	1,717		
Leisure Time Activities	29,589		
Community Environment	29,194	60	
Transportation	71,650	49,507	
General Government	109,838	124	
Capital Outlay			30,788
	<u>618,140</u>	<u>56,826</u>	<u>30,788</u>
Total Cash Disbursements			
Total Receipts Over/(Under) Disbursements	<u>73,569</u>	<u>77,763</u>	<u>(30,026)</u>
Other Financing Receipts/(Disbursements):			
Transfers-In		797	30,793
Sale Of Fixed Assets	6,000		
Transfers-Out	(31,590)		
Other Sources	33,953	690	
Other Uses			(5)
	<u>8,363</u>	<u>1,487</u>	<u>30,788</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	81,932	79,250	762
Fund Cash Balances, January 1	<u>749,629</u>	<u>163,299</u>	
Fund Cash Balances, December 31	<u>\$831,561</u>	<u>\$242,549</u>	<u>\$762</u>
Reserves for Encumbrances, December 31	<u>\$516</u>	<u>\$87</u>	

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

<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
<u>Expendable Trust</u>	
	\$395,890
	762
	205,997
	41,345
	<u>183,066</u>
	<u>827,060</u>
	383,287
	1,717
	29,589
	29,254
	121,157
	109,962
	<u>30,788</u>
	<u>705,754</u>
	<u>121,306</u>
	31,590
	6,000
	(31,590)
	34,643
	<u>(5)</u>
	<u>40,638</u>
	161,944
<u>\$25,000</u>	<u>937,928</u>
<u>\$25,000</u>	<u>\$1,099,872</u>
	<u><u>\$603</u></u>

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**VILLAGE OF MONROEVILLE
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE
 FOR THE YEAR ENDED DECEMBER 31, 1998**

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$2,707,618
Miscellaneous	<u>31,369</u>
Total Operating Cash Receipts	<u>2,738,987</u>
Operating Cash Disbursements:	
Personal Services	393,573
Travel Transportation	2,018
Contractual Services	1,966,676
Supplies and Materials	80,409
Capital Outlay	<u>285,247</u>
Total Operating Cash Disbursements	<u>2,727,923</u>
Operating Income	<u>11,064</u>
Non-Operating Cash Receipts:	
Proceeds from Notes and Bonds	55,000
Other Non-Operating Receipts	<u>11,729</u>
Total Non-Operating Cash Receipts	<u>66,729</u>
Non-Operating Cash Disbursements:	
Debt Service	104,053
Other Non-Operating Cash Disbursements	<u>10,688</u>
Total Non-Operating Cash Disbursements	<u>114,741</u>
Excess of Disbursements Over Receipts Before Interfund Transfers and Advances	(36,948)
Net Receipts (Under) Disbursements	(36,948)
Fund Cash Balances, January 1	<u>1,417,814</u>
Fund Cash Balances, December 31	<u><u>\$1,380,866</u></u>
Reserve for Encumbrances, December 31	<u><u>\$38,122</u></u>

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

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**VILLAGE OF MONROEVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Monroeville, Huron County, (the Village) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including water, sewer and electric utilities, leisure time activities, and police services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer. Amounts on deposit with Huron County are valued at the County Treasurer's carrying amount.

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

D. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

1. General Fund

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

2. Special Revenue Fund

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

VILLAGE OF MONROEVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

Street Construction, Maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

Law Enforcement Fund - This fund receives federal revenue for a COPS Grant which is used for the payment of salaries.

3. Capital Project Funds

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project fund:

Sidewalk Fund - This fund receives proceeds from special assessments paid by certain Village residents for replacement and maintenance of sidewalks.

4. 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:

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

5. Fiduciary Funds (Trust and Agency Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Village to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had the following significant fiduciary funds:

F.S. Clark Trust Fund - To account for money donated to the Village for the purpose of creating a park.

E. Budgetary Process

The Ohio Revised Code requires that each fund 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 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.

**VILLAGE OF MONROEVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

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. The Village did not encumber all commitments required by Ohio law.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$208,396	\$251,667
Certificates of deposit	1,658,687	1,580,493
Cash on Hand	200	200
On deposit with Huron County	17,012	18,829
Total deposits	1,884,295	1,851,189
STAR Ohio	713,416	629,549
Total deposits and investments	\$2,597,711	\$2,480,738

Deposits: Amounts on deposit with Huron County are included in the County Treasurer's cash and investment pool. Other deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

VILLAGE OF MONROEVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$721,000	\$785,670	\$64,670
Special Revenue	132,008	124,016	(7,992)
Capital Projects	1,500	83,141	81,641
Enterprise	2,900,000	2,956,423	56,423
Fiduciary			
Total	\$3,754,508	\$3,949,250	\$194,742

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$807,781	\$823,076	(\$15,295)
Special Revenue	198,219	115,719	82,500
Capital Projects	80,500	9,351	71,149
Enterprise	3,642,997	2,920,092	722,905
Fiduciary	25,000	25,000	25,000
Total	\$4,754,497	\$3,868,238	\$886,259

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$660,000	\$731,662	\$71,662
Special Revenue	118,649	136,076	17,427
Capital Projects		31,555	31,555
Enterprise	2,767,250	2,805,716	38,466
Fiduciary			
Total	\$3,545,899	\$3,705,009	\$159,110

VILLAGE OF MONROEVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$758,846	\$650,246	\$108,600
Special Revenue	204,229	56,913	147,316
Capital Projects	30,000	30,793	(793)
Enterprise	3,368,186	2,880,786	487,400
Fiduciary	25,000	25,000	-
Total	\$4,386,261	\$3,618,738	\$767,523

4. PROPERTY TAX

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

Public utilities are also taxed on personal and real property located within the Village.

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

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

5. DEBT

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
Ohio Water Development Authority Loan	\$435,423	5.66-6.25%
General Obligation Notes	45,000	4.25%
Ohio Public Works Commission	81,323	0%
Total	\$561,746	

The Ohio Water Development Authority (OWDA) loan relates to a water and sewer plant expansion projects that was mandated by the Ohio Environmental Protection Agency. The loan is collateralized by water and sewer receipts.

The Ohio Public Works Commission (OPWC) loan relates to a water line replacement project. The loan is collateralized by the Village's local government fund revenues.

**VILLAGE OF MONROEVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

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

Year ending December 31:	OWDA Loan	General Obligation Notes	OPWC Loan
2000	\$44,762	\$46,913	\$6,256
2001	34,669		6,256
2002	34,669		6,256
2003	34,669		6,256
2004	34,669		6,256
Subsequent	602,460		50,043
Total	<u>\$785,898</u>	<u>\$46,913</u>	<u>\$81,323</u>

6. RETIREMENT SYSTEMS

The Village's law enforcement officers belong to the Police and Firemen's Disability and Pension Funds (PFDPF). Other full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PFDPF contributed 10% of their wages to the PFDPF. The Village contributed an amount equal to 19.5% of their wages. PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 1999.

7. RISK MANAGEMENT

The Village is a member of the Ohio Municipal League Joint Self Insurance Pool (the Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

- General liability and casualty
- Public official's liability
- Vehicle

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

8. CORRECTION OF PRIOR PERIOD FUND BALANCE

The Village posted the activity for the Police Disability and Pension Fund as an Expendable Trust Fund rather than a Special Revenue Fund. The adjustment is as follows:

**VILLAGE OF MONROEVILLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

	Special Revenue Fund	Expendable Trust Fund
	<u> </u>	<u> </u>
Fund Balance at 12/31/97	\$162,665	\$25,634
Adjustment	<u> 634</u>	<u> (634)</u>
Restated Fund Balance at 12/31/97	<u><u> \$163,299</u></u>	<u><u> \$25,000</u></u>

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

Village of Monroeville
Huron County
2 South Main Street
P.O. Box 156
Monroeville, Ohio 44847-0156

To the Village Council:

We have audited the accompanying financial statements of the Village of Monroeville, Huron County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated July 25, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-30539-001, 1999-30539-002, 1999-30539-003 and 1999-30539-004. We also noted a certain immaterial instance of noncompliance that we have reported to management of the Village in a separate letter dated July 25, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated July 25, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large loop at the end.

Jim Petro
Auditor of State

July 25, 2000

**VILLAGE OF MONROEVILLE
SCHEDULE OF FINDINGS
DECEMBER 31, 1999 AND 1998**

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

FINDING NUMBER 1999-30539-001

Finding Repaid Under Audit

Based on Ordinance 98-06, the Clerk-Treasurers compensation due was \$26,000. Per the 1998 W-2, the Clerk-Treasurer compensated herself \$26,836 which resulted in overcompensation of \$836. We also determined that the Clerk-Treasurer was not paid for longevity in accordance with Ordinance 92-04 in the amount of \$509. The amount due by the Clerk-Treasurer less the longevity paid was \$327. This overcompensation occurred due to the Clerk-Treasurer calculating her salary at 26 pays rather than the 27 pays which occurred during 1998.

In accordance with the forgoing facts, and pursuant to Ohio Revised Code § 117.28, a Finding for Recovery for public money that has been illegally expended is hereby issued against Bonita Parsons, Clerk-Treasurer and the Ohio Municipal League Pool, her bonding company, jointly and severally, in the amount of three hundred twenty-seven dollars (\$327) and in favor of the General Fund.

On July 26, 2000, the Village of Monroeville received a check in the amount of \$327 from Bonita Parsons to repay this finding.

FINDING NUMBER 1999-30539-002

Finding Repaid Under Audit

Based on Ordinance 98-06, the Assistant Clerks compensation due was \$18,600. Per the 1998 W-2 less vacation cashed in, the Assistant Clerk was compensated \$19,258 which resulted in overcompensation of \$658. This overcompensation occurred due to the Clerk-Treasurer calculating the Assistant Clerk salary at 26 pays rather than the 27 pays which occurred during 1998.

In accordance with the forgoing facts, and pursuant to Ohio Revised Code § 117.28, a Finding for Recovery for public money that has been illegally expended is hereby issued against Susan Long, Assistant Clerk and the Ohio Municipal League Pool, her bonding company, Bonita Parsons, Clerk-Treasurer, jointly and severally, in the amount of six hundred fifty-eight dollars (\$658) and in favor of the following funds equally: Electric Fund - two hundred nineteen dollars and thirty-three cents (\$219.33), Water Fund - two hundred and nineteen dollars and thirty-three cents (\$219.33) and Sewer Fund - two hundred nineteen dollars and thirty-four cents (\$219.34).

On July 26, 2000, the Village of Monroeville received a check in the amount of \$219.34 from Susan Long to repay this finding.

FINDING NUMBER 1999-30539-003

Finding for Recovery

Based on Ordinance 98-06, the Village Administrators compensation due was \$26,500. Per the 1998 W-2, the Village Administrator was compensated \$27,445 which resulted in overcompensation of \$945. This overcompensation occurred due to the Clerk-Treasurer calculating the Village Administrators salary at 26 pays rather than the 27 pays which occurred during 1998.

In accordance with the forgoing facts, and pursuant to Ohio Revised Code § 117.28, a Finding for Recovery for public money that has been illegally expended is hereby issued against Robert Scheel, Village Administrator and the Ohio Municipal League Pool, his bonding company, Bonita Parsons, Clerk-Treasurer, jointly and severally, in the amount of nine hundred forty-five dollars (\$945) and in favor of the General Fund.

FINDING NUMBER 1999-30539-004

Noncompliance Citation

Ohio Revised Code § 5705.41(D) states that no subdivision or taxing unit shall make any expenditure of money unless it has been appropriated. Also, no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasurer or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall 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 requirement:

- A. Then an Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was appropriated and free of any encumbrances, the Board may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within thirty days from the receipts of such certificate, if such certificate is otherwise valid.
- B. If the amount involved is less than one thousand dollars, the fiscal officer may authorize it to be paid without the affirmation of the Board.

The Clerk-Treasurer did not sign certificates prior to expenditure and then and now certificates were not used in thirty-eight percent of the items tested. This procedure is not only required by Ohio law, but it is also a key control in the disbursement process to help assure that purchase commitments receive prior approval and to help reduce the possibility of the Village funds being over-expended.



STATE OF OHIO
OFFICE OF THE AUDITOR

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VILLAGE OF MONROEVILLE

HURON 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
AUGUST 24, 2000**