

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

---

AUDITED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2000 AND 1999





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**

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Village Council  
Village of Elida  
200 W. Main Street  
P.O. Box 3074  
Elida, Ohio 45807

We have reviewed the Independent Auditor's Report of the Village of Elida, Allen County, prepared by E. S. Evans & Company, for the audit period January 1, 1999 through December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Elida is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

July 5, 2001

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VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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ELECTED OFFICIALS  
December 31, 2000

<u>Official</u>	<u>Term Expires</u>
<b><i>Mayor</i></b>	
Ron Klopfenstein	12-31-2003
<b><i>Council Members</i></b>	
Kim Hardy	12-31-2001
Christine McNamara	12-31-2001
Jim Phillips	12-31-2001
Jim Stewart	12-31-2001
Pam Swickrath	12-31-2003
Jim Welker	12-31-2003
<b><i>Clerk/Treasurer</i></b>	
Kathryn E. Thomas	3-31-2004

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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INDEX OF FUNDS

GOVERNMENTAL FUND TYPES:

General Fund Type:

General Fund

Special Revenue Fund Types:

Street Construction, Maintenance and Repair Fund

State Highway Improvement Fund

State Permissive Motor Vehicle License Tax

County Permissive Motor Vehicle License Tax

PROPRIETARY FUND TYPE:

Enterprise Fund Types:

Water Operating Fund

Sewer Operating Fund

Refuse Operating Fund

Water Replacement and Improvement Fund

Sewer Replacement and Improvement Fund

Water Debt Service Fund

Sewer Debt Service Fund

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# **E.S. Evans and Company**

**Certified Public Accountants and Consultants**

205 West Elm Street • Lima, Ohio 45801 • Phone: (419) 223-3075

P.O. Box 298 • Lima, Ohio 45802 • Fax: (419) 222-8507 • E-mail: askus@esevans.com

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Robert E. Wendel, CPA • Dan F. Clifford, CPA • E.S. Evans, CPA, PFS (1930-1999)

June 20, 2001

## INDEPENDENT AUDITOR'S REPORT

Village of Elida  
Allen County, Ohio

and

Auditor of State of Ohio  
Columbus, Ohio

We have audited the accompanying combined financial statements of the Village of Elida, as of and for the years ended December 31, 2000 and 1999. These combined financial statements are the responsibility of the Village of Elida's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Village of Elida prepares its combined 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 combined financial statements referred to above present fairly, in all material respects, the combined cash, investments, and combined fund cash balances of the Village of Elida, as of December 31, 2000 and 1999, and its combined cash receipts and disbursements and its combined budgeted and actual receipts and budgeted and actual disbursements and encumbrances, for the years then ended on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated June 20, 2001 on our consideration of the Village of Elida's internal control over financial reporting and on our tests of its' compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Village of Elida  
Auditor of State of Ohio  
June 20, 2001  
Page 2

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

A handwritten signature in red ink, appearing to read "E. H. ...", is located in the upper right quadrant of the page.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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COMBINED STATEMENT OF CASH, INVESTMENTS,  
AND FUND CASH BALANCES - ALL FUND TYPES

December 31, 2000 and 1999

	<u>2000</u>	<u>1999</u>
<u>POOLED CASH AND INVESTMENTS</u>		
Cash	\$ <u>1,047,494</u>	\$ <u>1,045,414</u>

POOLED CASH AND INVESTMENT BALANCES BY FUND TYPE

Governmental Funds:

General Fund	\$ 181,449	\$ 158,699
Special Revenue Funds	54,341	44,739

Proprietary Funds:

Enterprise Funds	<u>811,704</u>	<u>841,976</u>
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Total	\$ <u>1,047,494</u>	\$ <u>1,045,414</u>
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The accompanying notes are an integral part  
of these financial statements.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL  
FUND TYPES AND SIMILAR FIDUCIARY FUNDS

For the Year Ended December 31, 2000

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
<u>Revenue Receipts:</u>			
Local Taxes	\$ 83,207	\$ -	\$ 83,207
Intergovernmental Revenues	63,883	73,152	137,035
Charges for Services	961	610	1,571
Fines, Licenses, and Permits	26,532	-	26,532
Interest Revenues	42,766	551	43,317
Miscellaneous	4,777	-	4,777
Total Revenue Receipts	<u>222,126</u>	<u>74,313</u>	<u>296,439</u>
<u>Expenditure Disbursements:</u>			
Current -			
Security of Persons and Property	88,033	-	88,033
Public Health and Welfare	6,944	-	6,944
Community Environment	3,395	-	3,395
Basic Utility Services	6,448	-	6,448
Transportation	1,844	27,026	28,870
General Government	92,712	-	92,712
Capital Outlay	-	37,685	37,685
Total Expenditure Disbursements	<u>199,376</u>	<u>64,711</u>	<u>264,087</u>
Total Revenue Receipts Over/(Under)			
Expenditure Disbursements	22,750	9,602	32,352
<u>Fund Cash Balance - January 1, 2000</u>	<u>158,699</u>	<u>44,739</u>	<u>203,438</u>
<u>Fund Cash Balance - December 31, 2000</u>	<u>\$ 181,449</u>	<u>\$ 54,341</u>	<u>\$ 235,790</u>

The accompanying notes are an integral part  
of these financial statements.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL  
FUND TYPES AND SIMILAR FIDUCIARY FUNDS

For the Year Ended December 31, 1999

	Governmental Fund Types		Totals
	General	Special Revenue	(Memorandum Only)
<u>Revenue Receipts:</u>			
Local Taxes	\$ 80,341	\$ -	\$ 80,341
Intergovernmental Revenues	72,347	68,257	140,604
Fines, Licenses, and Permits	29,158	-	29,158
Interest Revenues	28,204	1,129	29,333
Miscellaneous	789	15	804
Total Revenue Receipts	210,839	69,401	280,240
<u>Expenditure Disbursements:</u>			
Current -			
Security of Persons and Property	70,001	-	70,001
Public Health and Welfare	6,918	-	6,918
Community Environment	4,000	-	4,000
Basic Utility Services	746	-	746
Transportation	3,914	26,637	30,551
General Government	78,466	-	78,466
Capital Outlay	20,480	26,439	46,919
Total Expenditure Disbursements	184,525	53,076	237,601
Total Revenue Receipts Over/(Under)			
Expenditure Disbursements	26,314	16,325	42,639
<u>Fund Cash Balance - January 1, 1999</u>	132,385	28,414	160,799
<u>Fund Cash Balance - December 31, 1999</u>	\$ 158,699	\$ 44,739	\$ 203,438

The accompanying notes are an integral part  
of these financial statements.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCE - PROPRIETARY FUND TYPES

For the Years Ended December 31, 2000 and 1999

	Proprietary Fund Types	
	Enterprise	
	2000	1999
<u>Operating Receipts:</u>		
Charges for Services	\$ 968,605	\$ 991,777
Miscellaneous	3,422	3,983
Total Operating Receipts	972,027	995,760
<u>Operating Disbursements:</u>		
Personnel Services	152,403	146,465
Employee Fringe Benefits	47,518	49,089
Contractual Services	277,436	408,192
Material and Supplies	68,341	80,082
Capital Outlay	222,412	144,014
Intergovernmental Outlay	21,332	303,035
Miscellaneous	3,002	2,330
Total Operating Disbursements	792,444	1,133,207
Excess of Cash Operating Receipts Over/ (Under) Operating Disbursements	179,583	(137,447)
<u>Non-Operating Receipts/(Disbursements):</u>		
Intergovernmental Revenues	21,332	303,035
Fines, Licenses & Permits	35	20
Debt Service -		
Principal	(109,199)	(106,183)
Interest	(122,023)	(127,284)
Total Non-Operating Receipts/(Disbursements)	(209,855)	69,588
Excess of Net Cash Receipts Over/(Under) Disbursements	(30,272)	(67,859)
<u>Fund Cash Balance</u> - January 1,	841,976	909,835
<u>Fund Cash Balance</u> - December 31,	\$ 811,704	\$ 841,976

The accompanying notes are an integral part  
of these financial statements.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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COMBINED STATEMENT OF RECEIPTS - BUDGET AND ACTUAL

For the Years Ended December 31, 2000 and 1999

	2000		Variance Favorable (Unfavorable)
	Budget	Actual	
<u>Fund Types/Funds:</u>			
<u>Governmental:</u>			
General	\$ 501,898	\$ 222,126	\$ (279,772)
Special Revenue	150,003	74,313	(75,690)
<u>Proprietary:</u>			
Enterprise	<u>2,582,650</u>	<u>993,394</u>	<u>(1,589,256)</u>
<u>Total (Memorandum Only)</u>	<u>\$ 3,234,551</u>	<u>\$ 1,289,833</u>	<u>\$ (1,944,718)</u>
	1999		Variance Favorable (Unfavorable)
	Budget	Actual	
<u>Governmental:</u>			
General	\$ 350,617	\$ 210,839	\$ (139,778)
Special Revenue	96,481	69,401	(27,080)
<u>Proprietary:</u>			
Enterprise	<u>2,557,754</u>	<u>1,298,815</u>	<u>(1,258,939)</u>
<u>Total (Memorandum Only)</u>	<u>\$ 3,004,852</u>	<u>\$ 1,579,055</u>	<u>\$ (1,425,797)</u>

The accompanying notes are an integral part  
of these financial statements.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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COMBINED STATEMENT OF DISBURSEMENTS AND  
ENCUMBRANCES COMPARED WITH EXPENDITURE AUTHORITY

For the Years Ended December 31, 2000 and 1999

<u>Fund Types/Funds:</u>	<u>Prior Year Carryover Appropriation</u>	<u>2000 Appropriation</u>	<u>Total</u>
<u>Governmental:</u>			
General	\$ 2,746	\$ 308,921	\$ 311,667
Special Revenue	-	92,513	92,513
<u>Proprietary:</u>			
Enterprise	<u>21,511</u>	<u>1,711,756</u>	<u>1,733,267</u>
<u>Total (Memorandum Only)</u>	<u>\$ 24,257</u>	<u>\$ 2,113,190</u>	<u>\$ 2,137,447</u>

<u>Fund Types/Funds:</u>	<u>Prior Year Carryover Appropriation</u>	<u>1999 Appropriation</u>	<u>Total</u>
<u>Governmental:</u>			
General	\$ -	\$ 270,765	\$ 270,765
Special Revenue	-	85,600	85,600
<u>Proprietary:</u>			
Enterprise	<u>5,020</u>	<u>1,934,250</u>	<u>1,939,270</u>
<u>Total (Memorandum Only)</u>	<u>\$ 5,020</u>	<u>\$ 2,290,615</u>	<u>\$ 2,295,635</u>

The accompanying notes are an integral part  
of these financial statements.



<u>2000 Actual Disbursements</u>	<u>Encumbrances Outstanding at 12-31-00</u>	<u>Total</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 199,376	\$ 917	\$ 200,293	\$ 111,374
64,711	444	65,155	27,358
<u>1,023,666</u>	<u>14,716</u>	<u>1,038,382</u>	<u>694,885</u>
<u>\$ 1,287,753</u>	<u>\$ 16,077</u>	<u>\$ 1,303,830</u>	<u>\$ 833,617</u>

<u>1999 Actual Disbursements</u>	<u>Encumbrances Outstanding at 12-31-99</u>	<u>Total</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 184,525	\$ 2,746	\$ 187,271	\$ 83,494
53,076	-	53,076	32,524
<u>1,366,674</u>	<u>21,511</u>	<u>1,388,185</u>	<u>551,085</u>
<u>\$ 1,604,275</u>	<u>\$ 24,257</u>	<u>\$ 1,628,532</u>	<u>\$ 667,103</u>

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 1 - Summary of Significant Accounting Policies

Description of the Entity

The Village of Elida is a political and corporate body established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village operates under a council/mayor form of government and provides the following services: public safety, street maintenance, water and sewer facilities, and general administrative services.

The Village's management believes the financial statements included in this report represent all of the funds of the Village over which the Village has the ability to exercise direct operating control.

Basis of Accounting

The Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Consequently, revenues are recognized when received rather than when earned, and expenditures are recognized when paid rather than when the obligation is incurred. A general fixed asset group and long-term debt group of accounts are not recorded on the financial statements by the Village under the basis of accounting used. 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.

Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations or limitations. The Village uses the following major fund types:

Governmental Funds

General Fund

The General Fund accounts for all the revenues and expenditures of the Village that are not required to be accounted for in other funds.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Accounting - (continued)

Special Revenue Fund

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than capital projects and expendable trusts), the expenditures for which are legally restricted to for specific purposes.

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for the operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Budgets

The Village is required by state law to adopt annual budgets for all funds. Each budget is presented on the cash basis of accounting. The tax budget of estimated cash receipts and disbursements is required to be submitted to the County Auditor, as secretary of the County Budget Commission, by July 15 of each year, for the following year.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 1 - Summary of Significant Accounting Policies - (continued)

Estimated Resources

The County Budget Commission certifies its actions to the Village by September 1. As part of this certification, the Village receives the official certificate of estimated resources which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. Prior to December 31, the Village must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. Budget receipts as shown in the accompanying financial statements do not include January 1, 1999 or January 1, 2000 unencumbered fund balances. However, those fund balances are available for appropriations.

Appropriations

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January to March. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

Encumbrances

The Village is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated.

Property, Plant and Equipment

Fixed assets acquired or constructed for general governmental service are recorded as expenditures. Depreciation is not recorded for these fixed assets.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 1 - Summary of Significant Accounting Policies - (continued)

Total Columns on Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Interfund-type eliminations have not been made in the aggregation of this data.

Note 2 - Cash and Investments

The Village maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the Combined Statement of Cash and Investments as "Pooled Cash and Investments Balances By Fund Type".

Legal Requirements

Statutes require the classification of moneys held by the Village into three categories:

Category 1 - consists of "active" moneys, those moneys required to be kept in a "cash" or "near-cash" status for immediate use by the Village. Such moneys must be maintained either as cash in the Village's treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 - consists of "inactive" moneys, those moneys not required for use within the current two year period of designation of depositories. Inactive moneys may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 2 - Cash and Investments – (continued)

Legal Requirements – (continued)

Category 3 - consists of “interim” moneys, those moneys which are not needed for immediate use but which will be needed before the end of the current period of depositories. Interim moneys may be invested or deposited in the following securities:

1. Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency, or the Export-Import Bank of Washington;
3. Repurchase agreements in the securities enumerated above;
4. Interim deposits in the eligible institutions applying for interim moneys;
5. Bonds and other obligations of the State of Ohio; and
6. The State Treasurer’s investment pool.

Deposits

At December 31, 2000 and 1999, the carrying amount of the Village of Elida’s deposits were \$1,047,494 and \$1,045,414, and the bank balances were \$1,062,877 and \$1,068,995, respectively. The Village was insured for \$200,000 by the federal depository insurance. The remaining balance was covered by collateral deposit of securities with qualified trustee as pledged to the Village.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS

December 31, 2000 and 1999

Note 3 - Property Tax

Real property taxes become a lien on all non-exempt real property located in the county on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

The full tax rate applied to real property for the calendar years ended December 31, 2000 and 1999 was \$4.05 per \$1,000 of assessed valuation. After adjustment of the rate for inflationary increases in property values, the effective tax rate was \$2.73 per \$1,000 of assessed valuation for real property classified as residential/agricultural and \$2.77 per \$1,000 of assessed valuation for all other real property. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the Village by the State of Ohio, and are reflected in the financial statements as intergovernmental receipts.

Owners of tangible personal property are required to file a list of such property including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost. The tax rate applied to tangible personal property for the calendar years ended December 31, 2000 and 1999 was \$4.05 per \$1,000 of assessed valuation.

	<u>2000/1999</u>
Real Property - Valuation	
Residential/Agricultural	\$ 23,644,050
Commercial/Industrial	2,716,340
Public Utilities	8,580
Tangible Personal Property	
Public Utilities	1,017,830
General - Valuation	<u>2,635,497</u>
	<u>\$ 30,022,297</u>

The Allen County Treasurer collects property tax on behalf of all taxing districts within the County. The Allen County Auditor periodically remits to the taxing districts their portions of the taxes collected.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 4 - Debt Obligations

Debt outstanding at December 31, 2000 and 1999 consisted of the following:

	Principal Balance	
	2000	1999
Ohio Water Development Authority	\$ 456,001	\$ 482,104
Ohio Water Development Authority	509,050	533,927
Ohio Water Development Authority	54,226	56,904
Ohio Public Works Commission	99,335	106,976
Ohio Public Works Commission	39,150	42,050
Water General Obligation Refunding Bonds	500,000	535,000
Sewer Improvement General Obligation Bonds	395,000	405,000
Total	\$ 2,052,762	\$ 2,161,961

Water General Obligation Refunding Bonds were issued in 1993 by the Village of Elida relating to the construction of the original water plant. Bonds are retired annually ranging from \$30,000 to \$65,000. The interest rates range from 3.5% to 6.4%. Final payment is due February 15, 2010.

Sewer Improvement General Obligation Bonds were issued in 1994 by the Village of Elida in regards to a sewer relief phase II project mandated by the EPA. Bonds are retired annually ranging from \$10,000 to \$35,000. The interest rates range from 4.15% to 6.625%. Final payment is due December 1, 2019.

The Village of Elida received an interest free loan from the Ohio Public Works Commission in 1993 to assist in a sewer relief project mandated by the EPA. Payments are \$1,450 semiannually with the final payment due January 1, 2014.

The Village of Elida received an interest free loan from the Ohio Public Works Commission in 1992 in regards to a detention pond/wastewater collection system. Payments are \$1,821 semiannually with the final payment due January 1, 2014



VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS

December 31, 2000 and 1999

Note 4 - Debt Obligations - (continued)

The Village of Elida received a loan from the Ohio Water Development Authority in 1994 for a sewer relief project mandated by the EPA. Payments are \$3,091 semiannually at an interest rate of 6.16%. The final payment is due January 1, 2014.

The Village of Elida received a loan from the Ohio Water Development Authority in 1988 to assist in a sewer project mandated by the EPA. Payments are \$31,419 semiannually at an interest rate of 7.11%. The final payment is due July 1, 2013.

The Village of Elida received a water pollution control loan from the Ohio Water Development Authority in 1993 relating to a detention pond project mandated by the EPA. Payments are \$24,467 semiannually at an interest rate of 4.80%. The final payment is due July 1, 2013.

The annual requirements to amortize all debt outstanding as of December 31, 2000, including interest payments of \$1,006,840 are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Water</u> <u>Bonds</u>	<u>OWDA</u> <u>Loans</u>	<u>OPWC</u> <u>Loans</u>	<u>Sewer</u> <u>Bonds</u>
2001	\$ 66,635	\$ 117,954	\$ 6,542	\$ 35,548
2002	69,720	117,954	6,542	34,948
2003	67,600	117,954	6,542	39,438
2004	65,420	117,954	6,542	38,584
2005	67,880	117,954	6,542	37,714
Thereafter	402,680	887,746	105,775	517,434
	<u>\$ 739,935</u>	<u>\$ 1,477,516</u>	<u>\$ 138,485</u>	<u>\$ 703,666</u>

Note 5 - Pension and Retirement Plans

Public Employees Retirement System (PERS)

The Public Employees Retirement System of Ohio (PERS) is a state operated cost sharing, multiple employer public employee retirement system. Full-time permanent employees of the Village of Elida belong to Public Employees Retirement System. Public Employees Retirement System provides retirement benefits to employees who are eligible to retire based upon years of service. Public Employees Retirement System also provides survivor and disability benefits to vested employees.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 5 - Pension and Retirement Plans – (continued)

Public Employees Retirement System (PERS) – (continued)

Employees contribute 8.5 percent of gross salary. The employer matching share was 13.55 percent from January 1, 1999 through June 30, 2000, and was 8.13 percent from July 1, 2000 through December 31, 2000. The pension contribution requirement for the Village, for the year ended December 31, 2000, was \$44,375 which consisted of \$19,323 from employees and \$25,052 from the employer, and for the year ended December 31, 1999, the Village contribution was \$47,462 which consisted of \$18,296 from employees and \$29,166 from the employer. The Village has paid all required contributions through December 31, 2000.

Police and Firemen's Disability and Pension Fund

The Village of Elida uniformed police employees participating in the police and firemen's disability and pension fund is a multi-employer cost sharing public employees retirement system created by the State of Ohio. The fund provides pension disability and health care to qualified police personnel and survivors and death benefits to qualified spouses, children and dependent parents.

Employees contribute 10.0 percent of gross salaries and the employer contributes 19.5 percent of gross salaries. The required contribution for the Village for the year ended December 31, 2000 was \$8,112 which consisted of \$2,750 from the employees and \$5,362 from the employer. For the year ended December 31, 1999, the required contribution was \$5,605 of which \$1,900 was from the employees and \$3,705 was from the employer. The Village has paid all required contributions through December 31, 2000.

Note 6 - Accrued Vacation and Sick Pay

Accumulated unpaid vacation and sick pay is not accrued under the cash basis of accounting described in Note 1. At December 31, 2000 and 1999, management estimated that the accrued vacation and sick pay was \$10,676 and \$9,617, respectively. All leave will either be absorbed by time off from work, or within certain limitations, be paid to employees. It is not practical to determine the actuarial value of the benefits at December 31, 2000 or 1999.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2000 and 1999

Note 7 - Risk Management

The Village maintains comprehensive insurance coverage with private insurers for all real and personal property, including automobile coverage for the following risks: general liability, auto liability, uninsured motorists, property coverage, law enforcement liability, wrongful acts coverage, inland marine, crime, and a boiler policy.

The Village has medical and life insurance coverage for full-time employees through a commercial insurer.

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# ***E.S. Evans and Company***

**Certified Public Accountants and Consultants**

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Robert E. Wendel, CPA • Dan F. Clifford, CPA • E.S. Evans, CPA, PFS (1930-1999)

June 20, 2001

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

Village of Elida  
Allen County, Ohio

and

Auditor of State of Ohio  
Columbus, Ohio

We have audited the combined financial statements of the Village of Elida, Allen County, Ohio as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 20, 2001. We conducted our audit 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.

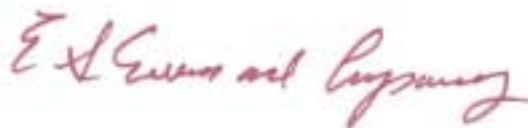
### Compliance

As part of obtaining reasonable assurance about whether the Village of Elida'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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance, which we have reported to management of Village of Elida in a separate letter dated June 20, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of Elida'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, which we have reported to management of Village of Elida in a separate letter dated June 20, 2001.

This report is intended solely for the information and use of the audit committee, management, Council of the Village of Elida, and Auditor of State of Ohio and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in red ink, appearing to read "E. J. ...", is located in the lower right quadrant of the page.

VILLAGE OF ELIDA  
ALLEN COUNTY, OHIO

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SCHEDULE OF PRIOR AUDIT FINDINGS  
December 31, 2000 and 1999

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected: Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
1998-30202-001	Ohio Revised Code Section 5705.41(D) requires a certificate of the fiscal officer to be attached to all expenditures of money.	Yes	Fully Corrected in 1999 and 2000. Found no problems in regards to the certificate of the fiscal officer.

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STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**VILLAGE OF ELIDA**

**ALLEN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 26, 2001**