



**VILLAGE OF WEST MILLGROVE
WOOD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

VILLAGE OF WEST MILLGROVE
WOOD COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2000	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balances – Agency Fund – For the Year Ended December 31, 2000	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balances – Agency Fund – For the Year Ended December 31, 1999	6
Notes to the Financial Statements	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	11

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REPORT OF INDEPENDENT ACCOUNTANTS

Village of West Millgrove
Wood County
4516 East Sandusky Street
P.O. Box 8
West Millgrove, Ohio 43467-0008

To the Village Council:

We have audited the accompanying financial statements of the Village of West Millgrove, Wood County, Ohio, (the Village) as of and for the years ended December 31, 2000 and 1999. 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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, 2000 and 1999, 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 June 11, 2001 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. 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 audits.

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

Jim Petro
Auditor of State

June 11, 2001

**VILLAGE OF WEST MILLGROVE
WOOD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property Tax and Other Local Taxes	\$10,421	\$479	\$10,900
Special Assessments		2,369	2,369
Intergovernmental Receipts	11,192	7,330	18,522
Charges for Services	125		125
Fines, Licenses, and Permits	37,092		37,092
Miscellaneous	744		744
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	59,574	10,179	69,753
Cash Disbursements:			
Current:			
Security of Persons and Property	17,904	2,079	19,983
Public Health Services	57		57
Leisure Time Activities	1,173		1,173
Transportation		2,392	2,392
General Government	22,136		22,136
Capital Outlay	7,432		7,432
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	48,701	4,472	53,172
Total Receipts Over Disbursements	10,874	5,707	16,581
Fund Cash Balances, January 1	16,368	19,430	35,798
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$27,242	\$25,137	\$52,379
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Reserves for Encumbrances, December 31	\$1,239		\$1,239
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

VILLAGE OF WEST MILLGROVE
WOOD COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Agency</u>
Non-Operating Cash Receipts:	
Other Financing Sources	\$51,555
Non-Operating Cash Disbursements:	
Other Financing Uses	<u>52,612</u>
Net Disbursements Over Receipts	(1,057)
Cash Balances, January 1	<u>9,076</u>
Cash Balances, December 31	<u><u>\$8,019</u></u>
Reserve for Encumbrances, December 31	<u><u> </u></u>

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

**VILLAGE OF WEST MILLGROVE
WOOD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$9,648			\$9,648
Special Assessments		\$2,569		2,569
Intergovernmental Receipts	7,387	7,726		15,113
Fines, Licenses, and Permits	39,741			39,741
Miscellaneous	248			248
	<u>57,024</u>	<u>10,295</u>		<u>67,319</u>
Total Cash Receipts				
Cash Disbursements:				
Current:				
Security of Persons and Property	12,820	2,343		15,163
Public Health Services	54			54
Leisure Time Activities	1,522	3,129		4,651
Transportation		2,109		2,109
General Government	35,060			35,060
Debt Service:				
Principal Payments	338	412		750
Interest Payments	7	9		16
Capital Outlay	2,653	2,092		4,745
	<u>52,454</u>	<u>10,094</u>		<u>62,548</u>
Total Cash Disbursements				
Total Receipts Over Disbursements	<u>4,570</u>	<u>201</u>		<u>4,771</u>
Other Financing Receipts/(Disbursements):				
Transfers-In	17,637			17,637
Advances-In		8,337		8,337
Transfers-Out			(\$17,637)	(17,637)
Advances-Out	(8,337)			(8,337)
	<u>9,300</u>	<u>8,337</u>	<u>(17,637)</u>	
Total Other Financing Receipts/(Disbursements)				
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	13,870	8,538	(17,637)	4,771
Fund Cash Balances, January 1	<u>2,498</u>	<u>10,892</u>	<u>17,637</u>	<u>31,027</u>
Fund Cash Balances, December 31	<u>\$16,368</u>	<u>\$19,430</u>		<u>\$35,798</u>
Reserves for Encumbrances, December 31	<u>\$2,708</u>			<u>\$2,708</u>

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

VILLAGE OF WEST MILLGROVE
WOOD COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Agency</u>
Non-Operating Cash Receipts:	
Other Financing Sources	\$48,500
Non-Operating Cash Disbursements:	
Other Financing Uses	<u>43,854</u>
Net Receipts Over Disbursements	4,646
Cash Balances, January 1	<u>4,430</u>
Cash Balances, December 31	<u><u>\$9,076</u></u>
Reserve for Encumbrances, December 31	<u><u> </u></u>

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

**VILLAGE OF WEST MILLGROVE
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of West Millgrove, Wood 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 park operations (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

The Village has no investments and their checking account does not earn interest.

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:

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

Special Assessment Fund - This fund is used to account for the financing of street lighting services for Village residents against which special assessments are levied.

**VILLAGE OF WEST MILLGROVE
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. Fiduciary Funds (Agency Funds)

Funds for which the Village is acting in an agency capacity are classified as agency funds.

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.

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.

A summary of 2000 and 1999 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.

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>2000</u>	<u>1999</u>
Demand deposits:		
Village account	\$52,379	\$35,798
Mayor's Court account	<u>\$8,019</u>	<u>\$9,076</u>
Total deposits	<u><u>\$60,398</u></u>	<u><u>\$44,874</u></u>

Deposits are insured by the Federal Depository Insurance Corporation.

**VILLAGE OF WEST MILLGROVE
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$58,645	\$59,574	\$929
Special Revenue	10,100	10,179	79
Total	\$68,745	\$69,753	\$1,008

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$72,053	\$49,940	\$22,113
Special Revenue	14,250	4,472	9,778
Total	\$86,303	\$54,412	\$31,891

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$74,641	\$74,661	\$20
Special Revenue	17,087	10,295	(6,792)
Total	\$91,728	\$84,956	(\$6,772)

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$74,083	\$55,162	\$18,921
Special Revenue	17,923	10,094	7,829
Capital Projects	17,638	17,637	1
Total	\$109,644	\$82,893	\$26,751

**VILLAGE OF WEST MILLGROVE
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

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 payments, 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 employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides 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 2000 and 1999, members of PERS contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% and 10.84% of participants' gross salaries for 1999 and 2000, respectively. The Village has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.



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

Village of West Millgrove
Wood County
4516 East Sandusky Street
P.O. Box 8
West Millgrove, Ohio 43467-0008

To the Village Council:

We have audited the accompanying financial statements of the Village of West Millgrove, Wood County, Ohio, (the Village) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 11, 2001. We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 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 June 11, 2001.

Village of West Millgrove
Wood County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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.

Jim Petro
Auditor of State

June 11, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF WEST MILLGROVE

WOOD 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 19, 2001**