



**VILLAGE OF WILMOT
STARK COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001-2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

VILLAGE OF WILMOT
STARK COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Village of Wilmot
Stark County
207 Massillon Street
P.O. Box 192
Wilmot, Ohio 44689

To the Village Council:

We have audited the accompanying financial statements of the Village of Wilmot, Stark County, Ohio (the Village) as of and for the years ended December 31, 2001 and 2000. 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, 2001 and 2000, 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 October 8, 2002 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.

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

Jim Petro
Auditor of State

October 8, 2002

**VILLAGE OF WILMOT
STARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	
Cash Receipts:				
Property Tax and Other Local Taxes	\$106,798			\$106,798
Intergovernmental	14,484	\$11,499		25,983
Fines, Licenses, and Permits	3,184	290		3,474
Earnings on Investments	2,531	261		2,792
Miscellaneous	2,514			2,514
Total Cash Receipts	129,511	12,050	\$0	141,561
Cash Disbursements:				
Current:				
Security of Persons and Property	62,213			62,213
Public Health Services	878			878
Leisure Time Activities	907			907
Community Environment	5,484			5,484
Basic Utility Services	673			673
Transportation		27,333		27,333
General Government	38,589			38,589
Debt Service:				
Principal Payments			13,095	13,095
Interest Payments			8,831	8,831
Total Cash Disbursements	108,744	27,333	21,926	158,003
Total Receipts Over/(Under) Disbursements	20,767	(15,283)	(21,926)	(16,442)
Other Financing Receipts and (Disbursements):				
Transfers-In		6,572	21,926	28,498
Transfers-Out	(21,362)			(21,362)
Total Other Financing Receipts/(Disbursements)	(21,362)	6,572	21,926	7,136
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(595)	(8,711)	0	(9,306)
Fund Cash Balances, January 1	32,127	16,553	5,857	54,537
Fund Cash Balances, December 31	\$31,532	\$7,842	\$5,857	\$45,231
Reserves for Encumbrances, December 31	\$9,037	\$86	\$0	\$9,123

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

**VILLAGE OF WILMOT
STARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Proprietary Fund Types	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Agency	
Operating Cash Receipts:			
Charges for Services	\$73,023	\$0	\$73,023
Operating Cash Disbursements:			
Personal Services	17,671		17,671
Employee Fringe Benefits	2,836		2,836
Contractual Services	18,003		18,003
Supplies and Materials	4,208		4,208
Capital Outlay	9,655		9,655
Miscellaneous	2,550	3,569	6,119
Total Operating Cash Disbursements	54,923	3,569	58,492
Operating Income/(Loss)	18,100	(3,569)	14,531
Non-Operating Cash Receipts:			
Intergovernmental	3,587		3,587
Fines, Licenses and Permits		4,632	4,632
Total Non-Operating Cash Receipts	3,587	4,632	8,219
Non-Operating Cash Disbursements:			
Other Non-Operating Cash Disbursements		940	940
Excess of Receipts Over Disbursements Before Interfund Transfers	21,687	123	21,810
Transfers-In	3,076		3,076
Transfers-Out	(10,212)		(10,212)
Net Receipts Over Disbursements	14,551	123	14,674
Fund Cash Balances, January 1	39,357	40	39,397
Fund Cash Balances, December 31	\$53,908	\$163	\$54,071
Reserve for Encumbrances, December 31	\$2,033	\$0	\$2,033

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

**VILLAGE OF WILMOT
STARK 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**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	
Cash Receipts:				
Property Tax and Other Local Taxes	\$110,354			\$110,354
Intergovernmental	14,358	\$15,373		29,731
Fines, Licenses, and Permits	6,562	485		7,047
Earnings on Investments	4,095	492		4,587
Total Cash Receipts	135,369	16,350	\$0	151,719
Cash Disbursements:				
Current:				
Security of Persons and Property	68,333			68,333
Public Health Services	852			852
Leisure Time Activities	971			971
Community Environment	100			100
Basic Utility Services	653			653
Transportation		12,768		12,768
General Government	30,854			30,854
Debt Service:				
Principal Payments			12,352	12,352
Interest Payments			9,574	9,574
Total Cash Disbursements	101,763	12,768	21,926	136,457
Total Receipts Over/(Under) Disbursements	33,606	3,582	(21,926)	15,262
Other Financing Receipts and (Disbursements):				
Transfers-In		6,010	21,926	27,936
Transfers-Out	(19,712)			(19,712)
Advances-Out	(15,000)			(15,000)
Total Other Financing Receipts/(Disbursements)	(34,712)	6,010	21,926	(6,776)
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(1,106)	9,592	0	8,486
Fund Cash Balances, January 1	33,233	6,961	5,857	46,051
Fund Cash Balances, December 31	\$32,127	\$16,553	\$5,857	\$54,537
Reserves for Encumbrances, December 31	\$6,049	\$5,043	\$0	\$11,092

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

**VILLAGE OF WILMOT
STARK COUNTY**

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

	Proprietary Fund Types	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Agency	
Operating Cash Receipts:			
Charges for Services	\$67,470		\$67,470
Interest	259		259
Total Operating Cash Receipts	<u>67,729</u>	<u>\$0</u>	<u>67,729</u>
Operating Cash Disbursements:			
Personal Services	17,968		17,968
Fringe Benefits	2,265		2,265
Contractual Services	20,076		20,076
Supplies and Materials	8,547		8,547
Capital Outlay	45,352		45,352
Miscellaneous	1,290		1,290
Total Operating Cash Disbursements	<u>95,498</u>	<u>0</u>	<u>95,498</u>
Operating (Loss)	<u>(27,769)</u>	<u>0</u>	<u>(27,769)</u>
Non-Operating Cash Receipts:			
Intergovernmental	33,416		33,416
Fines, Licenses and Permits		1,760	1,760
Total Non-Operating Cash Receipts	<u>33,416</u>	<u>1,760</u>	<u>35,176</u>
Non-Operating Cash Disbursements:			
Other Non-Operating Cash Disbursements		1,720	1,720
Excess of Receipts Over Disbursements Before Interfund Transfers and Advances	5,647	40	5,687
Transfers-In	1,988		1,988
Advances-In	15,000		15,000
Transfers-Out	<u>(10,212)</u>		<u>(10,212)</u>
Net Receipts Over Disbursements	12,423	40	12,463
Fund Cash Balances, January 1	<u>26,934</u>	<u>0</u>	<u>26,934</u>
Fund Cash Balances, December 31	<u>\$39,357</u>	<u>\$40</u>	<u>\$39,397</u>
Reserve for Encumbrances, December 31	<u>\$12,064</u>	<u>\$40</u>	<u>\$12,104</u>

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

**VILLAGE OF WILMOT
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Wilmot, Stark 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, police services and a Mayor's Court. The Village contracts with Wilmot Fire and Rescue to provide fire and rescue 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

Investments are included in the cash fund balance. 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.

The investment in STAR Ohio (the State of Ohio Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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 has 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 WILMOT
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Debt Service Funds

These funds are used to accumulate resources for the payment of bond indebtedness. The Village has the following significant debt service funds:

Debt Retirement Fund – This fund is used to accumulate resources for the payment of principal and interest on the Village’s debt issues.

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 has the following significant Enterprise Funds:

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

5. Agency Funds

Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village has the following significant agency fund:

State Reparations Agency Fund (Mayor’s Court) – This fund is used to record the collection and distribution of fines and court costs resulting from the operation of the Mayor’s Court.

E. Budgetary Process

The Ohio Revised Code requires that each 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 the appropriation measure 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.

VILLAGE OF WILMOT
STARK COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

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 2001 and 2000 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay 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 investment 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:

	2001	2000
Demand deposits	\$58,253	\$22,521
STAR Ohio	41,049	71,413
Total deposits and investments	<u>\$99,302</u>	<u>\$93,934</u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit.

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

**VILLAGE OF WILMOT
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31 follows:

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$125,969	\$129,511	\$3,542
Special Revenue	20,580	18,622	(1,958)
Debt Service	21,926	21,926	0
Enterprise	64,757	79,686	14,929
Agency	2,000	4,632	2,632
Total	\$235,232	\$254,377	\$19,145

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$157,329	\$139,143	\$18,186
Special Revenue	28,796	27,419	1,377
Debt Service	21,926	21,926	0
Enterprise	86,622	67,168	19,454
Agency	2,000	4,509	(2,509)
Total	\$296,673	\$260,165	\$36,508

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$172,849	\$135,369	(\$37,480)
Special Revenue	13,760	22,360	8,600
Debt Service	21,926	21,926	0
Enterprise	90,656	118,133	27,477
Agency	1,720	1,760	40
Total	\$300,911	\$299,548	(\$1,363)

**VILLAGE OF WILMOT
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$150,806	\$142,524	\$8,282
Special Revenue	21,442	12,768	8,674
Debt Service	21,926	21,926	0
Enterprise	136,960	117,774	19,186
Agency	1,400	1,760	(360)
Total	\$332,534	\$296,752	\$35,782

During 2001 and 2000, the Village did not certify the availability of funds for various expenditures which is contrary to Ohio Rev. Code Section 5705.41(D).

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. LOCAL INCOME TAX

The Village levies a municipal income tax of 1.5 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**VILLAGE OF WILMOT
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

6. DEBT

Debt outstanding at December 31, 2001 was as follows:

	Principal	Interest Rate
Water System Improvement Bond	\$75,569	5.88%
Town Hall Remodeling Bond	57,120	6.18%
Total	\$132,689	

The Village issued general obligation bonds in 1997 for the purpose of making improvements to the Village water system. These bonds are being repaid in annual installments over 15 years. The Village also issued general obligation bonds in 1998 for the purpose of financing the renovation of a building that has become the Village Hall. These bonds are being repaid in annual installments over 10 years.

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

	Water System Improvement Bonds	Town Hall Bonds
Year ending December 31:		
2002	\$10,212	\$11,714
2003	10,212	11,714
2004	10,212	11,714
2005	10,212	11,714
2006	10,212	11,714
2007-2011	51,060	16,874
Total	\$102,120	\$75,444

7. RETIREMENT SYSTEMS

All but one employee belongs to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The 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. PERS members contributed 8.5% of their wages. The Village contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13%, effective July 1, 2000 through December 31, 2000. The Village has paid all contributions required through December 31, 2001.

As of December 31, 2001, one employee has elected to participate in the social security system. The Village's liability is 6.2% of wages paid.

**VILLAGE OF WILMOT
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

8. RISK MANAGEMENT

Risk Pool Membership

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association with over 600 governmental entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages 100%, rather than using a risk pool of member funds to pay individual and collective losses. Therefore, the individual members are only responsible for their self-retention (deductible) amounts which vary from member to member.

9. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

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

Village of Wilmot
Stark County
207 Massillon Street
P.O. Box 192
Wilmot, Ohio 44689

To the Village Council:

We have audited the accompanying financial statements of the Village of Wilmot, Stark County, Ohio (the Village) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated October 8, 2002. 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2001-31276-001.

We also noted immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated October 8, 2002.

Internal Control Over Financial Reporting

In planning and performing our audits, 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 October 8, 2002.

This report is intended solely for the information and use of management and 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, looping initial "J" and a horizontal line extending to the right.

Jim Petro
Auditor of State

October 8, 2002

VILLAGE OF WILMOT
STARK COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2001 AND 2000

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

FINDING NUMBER 2001-31276-001

Noncompliance Citation

Ohio Rev. Code Section 5705.41(D) requires that no subdivision or taxing unit make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purposes and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section also provides for two "exceptions" to the above requirements:

1. Then and Now Certificates - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, Village Council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
2. If the amount involved is less than \$1,000, the Clerk-Treasurer may authorize payment through a Then and Now Certificate without affirmation of Village Council, if such expenditure is otherwise valid

During the audit period, we noted that approximately 27 percent of expenditures tested were not certified by the Clerk-Treasurer prior to incurring the obligation. It was also found that neither of the two exceptions above were utilized for the items found to be in non-compliance.

The Village should inform all Village employees of the requirements of Ohio Rev. Code Section 5705.41(D). The Village should implement the use of so called Then and Now certificates and Blanket Certificates as further permitted by Ohio Rev. Code Section 5705.41.



STATE OF OHIO
OFFICE OF THE AUDITOR

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VILLAGE OF WILMOT

STARK 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
NOVEMBER 7, 2002**