



**VILLAGE OF WALDO
MARION COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007-2006



Mary Taylor, CPA
Auditor of State

VILLAGE OF WALDO
MARION COUNTY

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VILLAGE OF WALDO
MARION COUNTY

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Village of Waldo
Marion County
P.O. Box 202
Waldo, Ohio 43356

To the Village Council:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Village of Waldo, Marion County, Ohio (the Village), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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. The Village processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Village because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinions.

As discussed in note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Village of Waldo, Marion County, Ohio, as of December 31, 2007 and 2006, and the respective changes in cash financial position and the respective budgetary comparisons for the General and the Street Construction & Maintenance Funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

For the year ended December 31, 2006, the Village revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

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The Village has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although no required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2008, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

July 16, 2008

VILLAGE OF WALDO
MARION COUNTY

Statement of Net Assets - Cash Basis
December 31, 2007

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$234,393.06
<i>Total Assets</i>	<u><u>\$234,393.06</u></u>
Net Assets	
Restricted for:	
Other Purposes	51,122.11
Unrestricted	183,270.95
<i>Total Net Assets</i>	<u><u>\$234,393.06</u></u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

**Statement of Activities - Cash Basis
For the Year Ended December 31, 2007**

	Program Cash Receipts			Governmental Activities
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities				
Security of Persons and Property	\$5,673.42	\$0.00	\$0.00	(\$5,673.42)
Public Health Services	1,169.24	0.00	0.00	(1,169.24)
Community Environment	1,618.07	150.00	0.00	(1,468.07)
Basic Utility Services	25,000.00	0.00	0.00	(25,000.00)
Transportation	25,432.61	0.00	19,631.72	(5,800.89)
General Government	19,109.43	105.00	0.00	(19,004.43)
<i>Total Governmental Activities</i>	\$78,002.77	\$255.00	\$19,631.72	(\$58,116.05)
General Receipts				
Property Taxes for General Purposes				\$36,443.80
Other Taxes				1,930.13
Grants and Entitlements not Restricted to Specific Programs				17,647.41
Earnings on Investments				8,617.67
Miscellaneous				1,248.80
<i>Total General Receipts</i>				65,887.81
Change in Net Assets				7,771.76
<i>Net Assets Beginning of Year</i>				226,621.30
<i>Net Assets End of Year</i>				\$234,393.06

See accompanying notes to the basic financial statements

VILLAGE OF WALDO
MARION COUNTY

Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007

	GENERAL	STREET CONST. MAINT.REP.	OTHER CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Assets					
Equity in Pooled Cash and Cash Equivalents	\$157,550.05	\$38,355.47	\$25,720.90	\$12,766.64	\$234,393.06
<i>Total Assets</i>	<u>\$157,550.05</u>	<u>\$38,355.47</u>	<u>\$25,720.90</u>	<u>\$12,766.64</u>	<u>\$234,393.06</u>
Fund Balances					
Unreserved:					
Designated, Reported in:					
Capital Projects	\$0.00	\$0.00	25,720.90	\$0.00	\$25,720.90
Undesignated (Deficit), Reported in:					
General Fund	157,550.05	0.00	0.00	0.00	157,550.05
Special Revenue Funds	0.00	38,355.47	0.00	12,766.64	51,122.11
<i>Total Fund Balances</i>	<u>\$157,550.05</u>	<u>\$38,355.47</u>	<u>\$25,720.90</u>	<u>\$12,766.64</u>	<u>\$234,393.06</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

**Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2007**

	GENERAL	STREET CONST. MAINT.REP.	OTHER CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL
Receipts					
Property and Other Local Taxes	\$36,443.80	\$0.00	\$0.00	\$1,930.13	\$38,373.93
Intergovernmental	17,647.41	18,159.34	0.00	1,472.38	37,279.13
Fines, Licenses and Permits	255.00	0.00	0.00	0.00	255.00
Earnings on Investments	5,786.25	1,338.08	1,113.57	379.77	8,617.67
Miscellaneous	1,248.80	0.00	0.00	0.00	1,248.80
Total Receipts	61,381.26	19,497.42	1,113.57	3,782.28	85,774.53
Disbursements					
Current:					
Security of Persons and Property	5,673.42	0.00	0.00	0.00	5,673.42
Public Health Services	1,169.24	0.00	0.00	0.00	1,169.24
Leisure Time Activities	0.00	0.00	0.00	0.00	0.00
Community Environment	1,618.07	0.00	0.00	0.00	1,618.07
Basic Utility Services	25,000.00	0.00	0.00	0.00	25,000.00
Transportation	7,408.66	17,551.21	0.00	472.74	25,432.61
General Government	19,109.43	0.00	0.00	0.00	19,109.43
Total Disbursements	59,978.82	17,551.21	0.00	472.74	78,002.77
Excess of Receipts Over Disbursements	1,402.44	1,946.21	1,113.57	3,309.54	7,771.76
Fund Balances Beginning of Year	156,147.61	36,409.26	24,607.33	9,457.10	226,621.30
Fund Balances End of Year	<u>\$157,550.05</u>	<u>\$38,355.47</u>	<u>\$25,720.90</u>	<u>\$12,766.64</u>	<u>\$234,393.06</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

***Statement of Receipts, Disbursements and Change
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2007***

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$36,473.00	\$36,473.00	\$36,443.80	(\$29.20)
Intergovernmental	18,700.00	18,700.00	17,647.41	(1,052.59)
Fines, Licenses and Permits	100.00	100.00	255.00	155.00
Earnings on Investments	4,400.00	4,400.00	5,786.25	1,386.25
Miscellaneous	2,355.00	2,355.00	1,248.80	(1,106.20)
<i>Total receipts</i>	<u>62,028.00</u>	<u>62,028.00</u>	<u>61,381.26</u>	<u>(646.74)</u>
Disbursements				
Current:				
Security of Persons and Property	6,000.00	6,000.00	5,673.42	326.58
Public Health Services	1,500.00	1,500.00	1,169.24	330.76
Community Environment	1,700.00	1,700.00	1,618.07	81.93
Basic Utility Services	66,500.00	66,500.00	25,000.00	41,500.00
Transportation	7,000.00	7,000.00	7,408.66	(408.66)
General Government	31,215.00	31,215.00	19,109.43	12,105.57
<i>Total Disbursements</i>	<u>113,915.00</u>	<u>113,915.00</u>	<u>59,978.82</u>	<u>53,936.18</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(51,887.00)	(51,887.00)	1,402.44	53,289.44
<i>Unencumbered Cash Balance Beginning of Year</i>	155,717.19	155,717.19	155,717.19	0.00
Prior Year Encumbrances Appropriated	<u>430.42</u>	<u>430.42</u>	<u>430.42</u>	<u>0.00</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>\$104,260.61</u>	<u>\$104,260.61</u>	<u>\$157,550.05</u>	<u>\$53,289.44</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

***Statement of Receipts, Disbursements and Change
In Fund Balance - Budget and Actual -Budget Basis
Street Construction, Maintenance, and Repair Fund
For the Year Ended December 31, 2007***

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Intergovernmental	\$18,680.00	\$18,680.00	\$18,159.34	(\$520.66)
Earnings on Investments	1,320.00	1,320.00	1,338.08	18.08
<i>Total receipts</i>	<u>20,000.00</u>	<u>20,000.00</u>	<u>19,497.42</u>	<u>(502.58)</u>
Disbursements				
Current:				
Transportation	38,100.00	38,100.00	17,551.21	20,548.79
<i>Total Disbursements</i>	<u>38,100.00</u>	<u>38,100.00</u>	<u>17,551.21</u>	<u>20,548.79</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(18,100.00)	(18,100.00)	1,946.21	20,046.21
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>36,409.26</u>	<u>36,409.26</u>	<u>36,409.26</u>	<u>0.00</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>\$18,309.26</u>	<u>\$18,309.26</u>	<u>\$38,355.47</u>	<u>\$20,046.21</u>

See accompanying notes to the basic financial statements

VILLAGE OF WALDO
MARION COUNTY

Statement of Net Assets - Cash Basis
December 31, 2006

	Governmental Activities
Assets	
Equity in Pooled Cash & Cash Equivalents	\$226,621.30
<i>Total Assets</i>	<u><u>\$226,621.30</u></u>
Net Assets	
Restricted for:	
Other Purposes	45,866.36
Unrestricted	180,754.94
<i>Total Net Assets</i>	<u><u>\$226,621.30</u></u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

**Statement of Activities - Cash Basis
For the Year Ended December 31, 2006**

	Program Cash Receipts			Governmental Activities
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities				
Security of Persons and Property	\$5,443.66	\$0.00	\$0.00	(\$5,443.66)
Public Health Services	1,144.66	0.00	0.00	(1,144.66)
Community Environment	1,508.02	50.00	0.00	(1,458.02)
Transportation	28,565.24	0.00	22,635.40	(5,929.84)
General Government	22,049.96	175.00	0.00	(21,874.96)
<i>Total Governmental Activities</i>	<u>\$58,711.54</u>	<u>\$225.00</u>	<u>\$22,635.40</u>	<u>(\$35,851.14)</u>
General Receipts				
Property Taxes for General Purposes				\$36,292.32
Grants and Entitlements not Restricted to Specific Programs				17,600.34
Earnings on Investments				6,209.48
Miscellaneous				8,288.79
<i>Total General Receipts</i>				<u>68,390.93</u>
Change in Net Assets				32,539.79
<i>Net Assets Beginning of Year</i>				<u>194,081.51</u>
<i>Net Assets End of Year</i>				<u>\$226,621.30</u>

See accompanying notes to the basic financial statements

VILLAGE OF WALDO
MARION COUNTY

Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2006

	GENERAL	STREET CONST. MAINT.REP.	OTHER CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Assets					
Equity in Pooled Cash & Cash Equivalents	\$156,147.61	\$36,409.26	\$24,607.33	\$9,457.10	\$226,621.30
<i>Total Assets</i>	<u>\$156,147.61</u>	<u>\$36,409.26</u>	<u>\$24,607.33</u>	<u>\$9,457.10</u>	<u>\$226,621.30</u>
Fund Balances					
Reserved:					
Reserved for Encumbrances	\$430.42	\$0.00	\$0.00	\$0.00	\$430.42
Unreserved:					
Designated, Reported in:					
Capital Projects	\$0.00	\$0.00	24,607.33	\$0.00	\$24,607.33
Undesignated (Deficit), Reported in:					
General Fund	155,717.19	0.00	0.00	0.00	155,717.19
Special Revenue Funds	0.00	36,409.26	0.00	9,457.10	45,866.36
<i>Total Fund Balances</i>	<u>\$156,147.61</u>	<u>\$36,409.26</u>	<u>\$24,607.33</u>	<u>\$9,457.10</u>	<u>\$226,621.30</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

**Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2006**

	GENERAL	STREET CONST. MAINT.REP.	OTHER CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL
Receipts					
Property and Other Local Taxes	\$36,292.32	\$0.00	\$0.00	\$0.00	\$36,292.32
Intergovernmental	17,600.34	18,976.32	0.00	3,659.08	40,235.74
Fines, Licenses and Permits	225.00	0.00	0.00	0.00	225.00
Earnings on Investments	4,342.73	909.66	717.69	239.40	6,209.48
Miscellaneous	8,288.79	0.00	0.00	0.00	8,288.79
Total Receipts	66,749.18	19,885.98	717.69	3,898.48	91,251.33
Disbursements					
Current:					
Security of Persons and Property	5,443.66	0.00	0.00	0.00	5,443.66
Public Health Services	1,144.66	0.00	0.00	0.00	1,144.66
Community Environment	1,508.02	0.00	0.00	0.00	1,508.02
Transportation	6,315.64	19,681.75	0.00	2,567.85	28,565.24
General Government	22,049.96	0.00	0.00	0.00	22,049.96
Total Disbursements	36,461.94	19,681.75	0.00	2,567.85	58,711.54
Excess of Receipts Over Disbursements	30,287.24	204.23	717.69	1,330.63	32,539.79
Fund Balances Beginning of Year	125,860.37	36,205.03	23,889.64	8,126.47	194,081.51
Fund Balances End of Year	<u>\$156,147.61</u>	<u>\$36,409.26</u>	<u>\$24,607.33</u>	<u>\$9,457.10</u>	<u>\$226,621.30</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

***Statement of Receipts, Disbursements and Change
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2006***

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$36,473.00	\$36,473.00	\$36,292.32	(\$180.68)
Intergovernmental	13,033.00	13,033.00	17,600.34	4,567.34
Fines, Licenses and Permits	10.00	10.00	225.00	215.00
Earnings on Investments	100.00	100.00	4,342.73	4,242.73
Miscellaneous	9,883.00	9,883.00	8,288.79	(1,594.21)
<i>Total receipts</i>	<u>59,499.00</u>	<u>59,499.00</u>	<u>66,749.18</u>	<u>7,250.18</u>
Disbursements				
Current:				
Security of Persons and Property	6,000.00	6,000.00	5,541.46	458.54
Public Health Services	1,600.00	1,600.00	1,344.66	255.34
Community Environment	2,300.00	2,300.00	1,508.02	791.98
Basic Utility Services	67,000.00	67,000.00	0.00	67,000.00
Transportation	7,000.00	7,000.00	6,388.26	611.74
General Government	33,249.00	33,249.00	22,109.96	11,139.04
<i>Total Disbursements</i>	<u>117,149.00</u>	<u>117,149.00</u>	<u>36,892.36</u>	<u>80,256.64</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(57,650.00)	(57,650.00)	29,856.82	87,506.82
<i>Fund Balance Beginning of Year</i>	122,956.70	122,956.70	122,956.70	0.00
Prior Year Encumbrances Appropriated	<u>2,903.67</u>	<u>2,903.67</u>	<u>2,903.67</u>	<u>0.00</u>
<i>Fund Balance End of Year</i>	<u>\$68,210.37</u>	<u>\$68,210.37</u>	<u>\$155,717.19</u>	<u>\$87,506.82</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

***Statement of Receipts, Disbursements and Change
In Fund Balance - Budget and Actual -Budget Basis
Street Construction, Maintenance, and Repair Fund
For the Year Ended December 31, 2006***

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Intergovernmental	\$14,940.00	\$14,940.00	\$18,976.32	\$4,036.32
Earnings on Investments	1,060.00	1,060.00	909.66	(150.34)
<i>Total receipts</i>	<u>16,000.00</u>	<u>16,000.00</u>	<u>19,885.98</u>	<u>3,885.98</u>
Disbursements				
Current:				
Transportation	34,250.00	34,250.00	19,681.75	14,568.25
<i>Total Disbursements</i>	<u>34,250.00</u>	<u>34,250.00</u>	<u>19,681.75</u>	<u>14,568.25</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(18,250.00)	(18,250.00)	204.23	18,454.23
<i>Fund Balance Beginning of Year</i>	36,185.03	36,185.03	36,185.03	0.00
Prior Year Encumbrances Appropriated	<u>20.00</u>	<u>20.00</u>	<u>20.00</u>	<u>0.00</u>
<i>Fund Balance End of Year</i>	<u>\$17,955.03</u>	<u>\$17,955.03</u>	<u>\$36,409.26</u>	<u>\$18,454.23</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WALDO
MARION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

Note 1 – Reporting Entity

The Village of Waldo, Marion County, Ohio (the Village), is a body politic and corporate 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 six-member Council elected at large for four year terms. The Mayor is elected to a four-year term, serves as the President of Council and votes only to break a tie.

The reporting entity is comprised of the primary government on the financial statements and no component units or other organizations existed.

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Village. The Village provides general government services, maintenance of Village roads and bridges.

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

A. Basis of Presentation

The Village's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" receipts and disbursements. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash and cash equivalents of the governmental activities of the Village at year end. The statement of activities compares disbursements with program receipts for each of the Village's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Village is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function activity is self-financing on a cash basis or draws from the Village's general receipts.

**VILLAGE OF WALDO
MARION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation (Continued)

Fund Financial Statements

During the year, the Village segregates transactions related to certain Village functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Village at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating disbursements include costs of sales and services and administrative costs.

B. Fund Accounting

The Village uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Village are all categorized as governmental.

Governmental Funds

The Village classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Village's major governmental funds are the General Fund, Street Construction, Maintenance, and Repair Fund and the Other Capital Projects Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio. The Street Construction, Maintenance, and Repair Fund is restricted for road and bridge construction, maintenance, and repair. The Other Capital Projects Fund contains funds set aside for future capital projects. The other governmental funds of the Village account for grants and other resources whose use is restricted to a particular purpose.

C. Basis of Accounting

The Village's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Village's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

**VILLAGE OF WALDO
MARION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Village Council may appropriate.

The appropriations ordinance is the Village Council's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Village Council. The legal level of control has been established at the fund, function, object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Village Clerk. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the Village Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Village Council during the year.

E. Cash and Investments

To improve cash management, cash received by the Village is pooled and invested. Individual fund integrity is maintained through Village records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

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 negative receipts, respectively.

During 2007 and 2006, the Village invested in nonnegotiable certificates of deposit. The nonnegotiable certificates of deposits are reported at cost.

F. Restricted Assets

Cash and cash equivalents are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets represent capital projects including future sewer installation and road construction and maintenance cost. The Village had no restricted assets in 2007 or 2006.

G. Capital Assets

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

VILLAGE OF WALDO
MARION COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

H. Interfund Receivables/Payables

The Village reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

I. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Village's cash basis of accounting.

J. Employer Contributions to Cost-Sharing Pension Plans

The Village recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 9 and 10, the employer contributions include portions for pension benefits and for postretirement healthcare benefits.

K. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for road construction and maintenance.

Note 3 – Change in Basis of Accounting and Restatement of Fund Equity

At December 31, 2005, the Village reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. At December 31, 2006, the Village has implemented the cash basis of accounting described in note 2. The fund financial statements now present each major fund in a separate column with nonmajor funds aggregated and presented in a single column, rather than a column for each fund type.

Note 4 – Compliance

During 2007 and 2006, the Village failed to certify funds as available for purchases as required by ORC 5705.41 (D).

During 2007, the Village's General Fund had expenditures exceed appropriations at the legal level of control, Transportation, in the amount of \$409.

Note 5 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, and disbursements. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund and Street Construction, Maintenance and Repair Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**VILLAGE OF WALDO
MARION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 6 – Investments

Monies held by the Village are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Village treasury. Active monies must be maintained either as cash in the Village treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Village can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

**VILLAGE OF WALDO
MARION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 6 - Investments (Continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Village, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Custodial credit risk is the risk that in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2007, \$139,878 of the Village's bank balance of \$239,878 was exposed to custodial credit risk. Also, at December 31, 2006, \$132,449 of the Village's bank balance of \$232,449 was exposed to custodial credit risk. In both 2007 and 2006 the exposure was because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Village's name.

The Village has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Village or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Note 7 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Village. Property tax receipts received in 2007 and 2006 for real and public utility property taxes represents collections of the 2006 and 2005 taxes. Property tax payments received during 2007 and 2006 for tangible personal property (other than public utility property) is for 2007 and 2006 taxes.

2007 and 2006 real property taxes are levied after October 1, 2007 and October 1, 2006 on the assessed values as of January 1, 2007 and January 1, 2006, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 2007 and 2006 real property taxes are collected in and intended to finance 2008 and 2007.

Real property taxes are payable annually or semi-annually. 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. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2007 and 2006 public utility property taxes which became a lien on December 31, 2006 and December 31, 2005, are levied after October 1, 2007 and October 1, 2006, and are collected in 2008 and 2007 with real property taxes.

2007 and 2006 tangible property taxes are levied after October 1, 2006 October 1, 2005, on the value as of December 31, 2006 and December 31, 2005. Collections are made in 2007 and 2006. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008, and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 3, with the remainder due September 20.

**VILLAGE OF WALDO
MARION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 7 – Property Taxes (Continued)

The full tax rate for all Village operations for the year ended December 31, 2007 and December 31, 2006, was \$5.90 per \$1,000 of assessed value for both years. The assessed values of real and personal property upon which 2007 and 2006 property tax receipts were based are as follows:

	<u>2006</u>	<u>2007</u>
Real Property	\$4,710,640	\$4,744,560
Public Utility Property	392,500	387,600
Tangible Personal Property	743,040	183,965
Total Assessed Values	\$5,846,180	\$5,316,125

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Village. The County Auditor periodically remits to the Village its portion of the taxes collected.

Note 8 – Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2007, the Village contracted with several companies for various types of insurance coverage as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Verne Hart Insurance Agency	Public Officials Liability	\$25,000 1,000,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

Note 9 – Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

Plan Description - The Village participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional plan.

**VILLAGE OF WALDO
MARION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 9 – Defined Benefit Pension Plans (Continued)

A. Ohio Public Employees Retirement System (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007 and December 31, 2006, members in state and local classifications contributed 9.5 and 9.0 percent of covered payroll. The Village contributed this for full time employees and also 13.7 percent for 2006 and 13.85 percent for 2007 of gross salaries for all.

The Village's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$1,703.28, \$1,664.68, and \$1,475.10 respectively. The full amount has been contributed for 2007, 2006 and 2005.

Note 10 - Postemployment Benefits

A. Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit postemployment healthcare plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment healthcare. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for postemployment healthcare coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Healthcare coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide healthcare benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The postemployment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund postemployment healthcare through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postemployment healthcare.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007, local government employers contributed 5.00% from January 1 through June 30, 2007 and 6.00% from July 1 through December 31, 2007 of covered payroll. For 2006, 4.50 percent of covered payroll was the portion that was used to fund health care. Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment healthcare benefits. The amount of the employer contributions which was allocated to fund postemployment healthcare was 5 percent of covered payroll from January 1 through June 30, 2007, and 6 percent from July 1 to December 31, 2007.

VILLAGE OF WALDO
MARION COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)

Note 10 - Postemployment Benefits (Continued)

A. Ohio Public Employees Retirement System (Continued)

The retirement board is also authorized to establish rules for the payment of a portion of the healthcare benefits by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment healthcare plan.

The Village's contributions allocated to fund postemployment healthcare benefits for the years ended December 31, 2007, 2006, and 2005 were \$804.02, \$546.79 and \$489.89 respectively. The full amount has been contributed for 2007, 2006 and 2005.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the healthcare plan.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Village of Waldo
Marion County
220 West Main Street
P.O. Box 202
Waldo, Ohio 43356

To the Village Council:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Village of Waldo, Marion County, Ohio, (the Village) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Village's basic financial statements and have issued our report thereon dated July 16, 2008, wherein we noted the Village uses a comprehensive accounting basis other than generally accepted accounting principles. We also noted the Village uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Village. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the Village's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Village's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Village's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Village's internal control will not prevent or detect a material financial statement misstatement

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal controls over financial reporting that we consider material, as defined above.

We noted certain matters that we reported to the Village's management in a separate letter dated July 16, 2008.

Compliance and Other Matters

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2007-001.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated July 16, 2008.

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



Mary Taylor, CPA
Auditor of State

July 16, 2008

VILLAGE OF WALDO
MARION COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006

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

FINDING NUMBER 2007-001

Noncompliance Citation
Certification of Expenditures

Ohio Rev. Code Section 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. (Prior to September 26, 2003, blanket certificates were limited to \$5,000 and three months.) The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

3. Super Blanket Certificate – The Village may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

Seventy-three percent of the transactions tested during the audit period were not certified by the Clerk/Treasurer prior to the commitment being incurred, nor were they certified using a then and now certificate. This procedure is not only required by Ohio law, but is a key internal control procedure in the disbursement process to assure purchase commitments receive prior approval, and to help reduce the possibility of the Village's funds being over-expended or exceeding budgetary spending limitations.

VILLAGE OF WALDO
MARION COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)

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

FINDING NUMBER 2007-001 (Continued)

Noncompliance Citation
Certification of Expenditures (Continued)

We recommend the Village certify purchases to which section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The Clerk/Treasurer should sign the certification prior to the time the Village incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The approved purchase commitments should be posted to the proper appropriation code to reduce the available appropriation. When prior certification is not possible, "then and now" certification should be used.

Officials' Response

We did not receive a response from Officials to the finding reported above.

VILLAGE OF WALDO
MARION COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 And 2006

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-001	Appropriations exceeded total estimated resources.	Yes	



Mary Taylor, CPA
Auditor of State

VILLAGE OF WALDO

MARION 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
OCTOBER 9, 2008**