



**Mary Taylor, CPA**  
Auditor of State



VILLAGE OF AMANDA  
FAIRFIELD COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Assets - Cash Basis - December 31, 2007.....	3
Statement of Activities - Cash Basis - For the Year Ended December 31, 2007 .....	4
Fund Financial Statements:	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds - December 31, 2007.....	5
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances - Governmental Funds - December 31, 2007 .....	6
Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budget Basis - General Fund - For the Year Ended December 31, 2007 .....	7
Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budget Basis – Street Construction, Maint. & Repair Fund - For the Year Ended December 31, 2007 .....	8
Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budget Basis - Street Levy Fund - For the Year Ended December 31, 2007 .....	9
Statement of Fund Net Assets - Cash Basis - Proprietary Funds - December 31, 2007.....	10
Statement of Cash Receipts, Disbursements and Changes in Fund Net Assets - Cash Basis - Proprietary Funds - For the Year Ended December 31, 2007 .....	11
Government-wide Financial Statements:	
Statement of Net Assets - Cash Basis - December 31, 2006.....	12
Statement of Activities - Cash Basis - For the Year Ended December 31, 2006 .....	13

VILLAGE OF AMANDA  
FAIRFIELD COUNTY

TABLE OF CONTENTS  
(Continued)

TITLE	PAGE
Fund Financial Statements:	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds - December 31, 2006.....	14
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances - Governmental Funds - December 31, 2006 .....	15
Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budget Basis - General Fund - For the Year Ended December 31, 2006.....	16
Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budget Basis – Street Construction, Maint. & Repair Fund - For the Year Ended December 31, 2006.....	17
Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budget Basis - Street Levy Fund - For the Year Ended December 31, 2006.....	18
Statement of Fund Net Assets - Cash Basis - Proprietary Funds - December 31, 2006.....	19
Statement of Cash Receipts, Disbursements and Changes in Fund Net Assets - Cash Basis - Proprietary Funds - For the Year Ended December 31, 2006 .....	20
Notes to the Basic Financial Statements .....	21
Independent Accountants' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	35
Schedule of Findings.....	37
Schedule of Prior Audit Findings.....	39



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Village of Amanda  
Fairfield County  
116 East Main Street  
P.O. Box 250  
Amanda, Ohio 43102-0250

To the Village Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Amanda, Fairfield 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 Government 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Amanda, Fairfield 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, Street Const. Maint. and Repair, and Street Levy Funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 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.

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 not required to be part of the financial statements.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

December 31, 2008

VILLAGE OF AMANDA  
FAIRFIELD COUNTY

*Statement of Net Assets - Cash Basis*  
*December 31, 2007*

---

---

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$123,588	\$217,684	\$341,272
<i>Total Assets</i>	<u>\$123,588</u>	<u>\$217,684</u>	<u>\$341,272</u>
<b>Net Assets</b>			
Restricted for:			
Debt Service	\$0	\$75,389	75,389
Other Purposes	74,447	0	74,447
Unrestricted	49,141	142,295	191,436
<i>Total Net Assets</i>	<u>\$123,588</u>	<u>\$217,684</u>	<u>\$341,272</u>

See accompanying notes to the basic financial statements



**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

	General	Street Const. Maint. & Repair Fund	Street Levy Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$49,141	\$17,499	\$41,907	\$15,041	\$123,588
<i>Total Assets</i>	<u>\$49,141</u>	<u>\$17,499</u>	<u>\$41,907</u>	<u>\$15,041</u>	<u>\$123,588</u>
<b>Fund Balances</b>					
Reserved:					
Reserved for Encumbrances	\$6,163	\$908	\$0	\$0	\$7,071
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	42,978	0	0	0	42,978
Special Revenue Funds	0	16,591	41,907	15,041	73,539
Debt Service Fund	0	0	0	0	0
<i>Total Fund Balances</i>	<u>\$49,141</u>	<u>\$17,499</u>	<u>\$41,907</u>	<u>\$15,041</u>	<u>\$123,588</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD 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. & Repair Fund	Street Levy Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>					
Property and Other Local Taxes	\$30,766	\$3,218	\$32,220	\$0	\$66,204
Charges for Services	62,332	0	0	0	62,332
Licenses, Permits and Fees	454	0	0	0	454
Intergovernmental	19,748	38,140	0	0	57,888
Interest	1,193	1,310	0	0	2,503
Other	51,624	58	0	0	51,682
<i>Total Receipts</i>	<u>166,117</u>	<u>42,726</u>	<u>32,220</u>	<u>0</u>	<u>241,063</u>
<b>Disbursements</b>					
Current:					
General Government	47,455	492	0	0	47,947
Security of Persons & Property	10,087	0	0	0	10,087
Leisure Time Activities	1,593	0	0	243	1,836
Basic Utility Services	60,994	0	0	0	60,994
Transportation	3,511	68,874	17,720	0	90,105
<i>Total Disbursements</i>	<u>123,640</u>	<u>69,366</u>	<u>17,720</u>	<u>243</u>	<u>210,969</u>
<i>Net Change in Fund Balances</i>	42,477	(26,640)	14,500	(243)	30,094
<i>Fund Balances Beginning of Year</i>	<u>6,664</u>	<u>44,139</u>	<u>27,407</u>	<u>15,284</u>	<u>93,494</u>
<i>Fund Balances End of Year</i>	<u>\$49,141</u>	<u>\$17,499</u>	<u>\$41,907</u>	<u>\$15,041</u>	<u>\$123,588</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Receipts</b>				
Property and Other Local Taxes	\$33,415	\$33,415	\$30,766	(\$2,649)
Charges for Services	58,000	58,000	62,332	4,332
Licenses, Permits and Fees	1,000	1,000	454	(546)
Intergovernmental	27,758	27,758	19,748	(8,010)
Interest	2,500	2,500	1,193	(1,307)
Other	5,500	5,500	51,624	46,124
<i>Total receipts</i>	<u>128,173</u>	<u>128,173</u>	<u>166,117</u>	<u>37,944</u>
<b>Disbursements</b>				
Current:				
Security of Persons and Property	13,535	13,535	10,087	3,448
Leisure Time Activities	3,300	2,767	1,593	1,174
Basic Utility Services	55,000	55,000	60,995	(5,995)
Transportation	19,674	9,674	9,674	0
General Government	47,922	47,455	47,454	1
<i>Total Disbursements</i>	<u>139,431</u>	<u>128,431</u>	<u>129,803</u>	<u>(1,372)</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(11,258)</u>	<u>(258)</u>	<u>36,314</u>	<u>36,572</u>
<i>Net Change in Fund Balance</i>	(11,258)	(258)	36,314	36,572
<i>Fund Balance Beginning of Year</i>	4,908	4,908	4,908	0
Prior Year Encumbrances Appropriated	<u>1,756</u>	<u>1,756</u>	<u>1,756</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>(\$4,594)</u></u>	<u><u>\$6,406</u></u>	<u><u>\$42,978</u></u>	<u><u>\$36,572</u></u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

***Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Street Const. Maint. & 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>		
<b>Receipts</b>				
Property and Other Local Taxes	\$25,500	\$25,500	\$3,218	(\$22,282)
Intergovernmental	11,165	11,165	38,140	26,975
Interest	0	0	1,310	1,310
Other	0	0	59	59
<i>Total receipts</i>	<u>36,665</u>	<u>36,665</u>	<u>42,727</u>	<u>6,062</u>
<b>Disbursements</b>				
Current:				
Transportation	58,048	70,035	69,782	253
General Government	2,000	493	493	0
<i>Total Disbursements</i>	<u>60,048</u>	<u>70,528</u>	<u>70,275</u>	<u>253</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(23,383)</u>	<u>(33,863)</u>	<u>(27,548)</u>	<u>6,315</u>
<i>Net Change in Fund Balance</i>	(23,383)	(33,863)	(27,548)	6,315
<i>Fund Balance Beginning of Year</i>	43,231	43,231	43,231	0
Prior Year Encumbrances Appropriated	<u>908</u>	<u>908</u>	<u>908</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$20,756</u></u>	<u><u>\$10,276</u></u>	<u><u>\$16,591</u></u>	<u><u>\$6,315</u></u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$0	\$0	\$32,220	\$32,220
<i>Total receipts</i>	0	0	32,220	32,220
<b>Disbursements</b>				
Current:				
Transportation	0	20,000	17,720	2,280
<i>Total Disbursements</i>	0	20,000	17,720	2,280
<i>Net Change in Fund Balance</i>	0	(20,000)	14,500	34,500
<i>Fund Balance Beginning of Year</i>	27,407	27,407	27,407	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$27,407</u>	<u>\$7,407</u>	<u>\$41,907</u>	<u>\$34,500</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

**Statement of Fund Net Assets - Cash Basis  
Proprietary Funds  
December 31, 2007**

	Water Fund	Sewer Fund	Total Enterprise Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$112,011	\$105,673	\$217,684
<i>Total Assets</i>	<u>\$112,011</u>	<u>\$105,673</u>	<u>\$217,684</u>
<b>Net Assets</b>			
Restricted for Debt Services	\$0	\$75,389	\$75,389
Unrestricted	112,011	30,284	142,295
<i>Total Net Assets</i>	<u>\$112,011</u>	<u>\$105,673</u>	<u>\$217,684</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

**Statement of Cash Receipts,  
Disbursements and Changes in Fund Net Assets - Cash Basis  
Proprietary Funds  
For the Year Ended December 31, 2007**

	Water Fund	Sewer Funds	Total Enterprise Funds
<b>Operating Receipts</b>			
Charges for Services	\$150,353	\$71,998	\$222,351
<i>Total Operating Receipts</i>	<u>150,353</u>	<u>71,998</u>	<u>222,351</u>
<b>Operating Disbursements</b>			
Current:			
Personal Services	21,956	9,246	31,202
Employee Fringe Benefits	2,667	1,258	3,925
Contractual Services	70,574	22,459	93,033
Supplies and Materials	25,064	6,343	31,407
Other	9,253	500	9,753
<i>Total Operating Disbursements</i>	<u>129,514</u>	<u>39,806</u>	<u>169,320</u>
<i>Operating Income</i>	<u>20,839</u>	<u>32,192</u>	<u>53,031</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Intergovernmental	315,441	0	315,441
Special Assessments	2,232	0	2,232
Capital Outlay	(1,852,724)	0	(1,852,724)
Debt Proceeds	1,749,501	0	1,749,501
Redemption of Principal	(212,218)	(13,500)	(225,718)
Interest and Other Fiscal Charges	0	(40,750)	(40,750)
Other Financing Sources	2,184	49	2,233
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>4,416</u>	<u>(54,201)</u>	<u>(49,785)</u>
<i>Change in Net Assets</i>	25,255	(22,009)	3,246
<i>Net Assets Beginning of Year</i>	<u>86,756</u>	<u>127,682</u>	<u>214,438</u>
<i>Net Assets End of Year</i>	<u><u>\$112,011</u></u>	<u><u>\$105,673</u></u>	<u><u>\$217,684</u></u>

See accompanying notes to the basic financial statements

VILLAGE OF AMANDA  
FAIRFIELD COUNTY

*Statement of Net Assets - Cash Basis*  
*December 31, 2006*

---

---

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$93,494	\$214,438	\$307,932
<i>Total Assets</i>	<u>\$93,494</u>	<u>\$214,438</u>	<u>\$307,932</u>
<b>Net Assets</b>			
Restricted for:			
Debt Service	\$0	\$92,824	\$92,824
Other Purposes	86,830	0	86,830
Unrestricted	6,664	121,614	128,278
<i>Total Net Assets</i>	<u>\$93,494</u>	<u>\$214,438</u>	<u>\$307,932</u>

See accompanying notes to the basic financial statements



**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

	General	Street Const. Maint. & Repair Fund	Street Levy Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$6,664	\$44,139	\$27,407	\$15,284	\$93,494
<i>Total Assets</i>	<u>\$6,664</u>	<u>\$44,139</u>	<u>\$27,407</u>	<u>\$15,284</u>	<u>\$93,494</u>
<b>Fund Balances</b>					
Reserved:					
Reserved for Encumbrances	\$1,756	\$908	\$0	\$0	\$2,664
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	4,908	0	0	0	4,908
Special Revenue Funds	0	43,231	27,407	15,284	85,922
<i>Total Fund Balances</i>	<u>\$6,664</u>	<u>\$44,139</u>	<u>\$27,407</u>	<u>\$15,284</u>	<u>\$93,494</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD 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. & Repair Fund	Street Levy Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>					
Property and Other Local Taxes	\$30,590	\$3,355	\$22,864	\$0	\$56,809
Charges for Services	61,585	0	0	0	61,585
Licenses, Permits and Fees	202	0	0	0	202
Intergovernmental	30,864	29,187	0	0	60,051
Special Assessments	0	0	0	0	0
Interest	2,333	0	0	0	2,333
Other	2,308	50	0	0	2,358
<i>Total Receipts</i>	<u>127,882</u>	<u>32,592</u>	<u>22,864</u>	<u>0</u>	<u>183,338</u>
<b>Disbursements</b>					
Current:					
General Government	51,451	750	307	0	52,508
Security of Persons & Property	10,180	0	0	0	10,180
Leisure Time Activities	4,684	0	0	0	4,684
Basic Utility Services	56,876	0	0	0	56,876
Transportation	6,748	30,527	4,372	0	41,647
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Disbursements</i>	<u>129,939</u>	<u>31,277</u>	<u>4,679</u>	<u>0</u>	<u>165,895</u>
<i>Net Change in Fund Balances</i>	<u>(2,057)</u>	<u>1,315</u>	<u>18,185</u>	<u>0</u>	<u>17,443</u>
<i>Fund Balances Beginning of Year</i>	<u>8,721</u>	<u>42,824</u>	<u>9,222</u>	<u>15,284</u>	<u>76,051</u>
<i>Fund Balances End of Year</i>	<u>\$6,664</u>	<u>\$44,139</u>	<u>\$27,407</u>	<u>\$15,284</u>	<u>\$93,494</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

**Statement of Receipts, Disbursements and Changes  
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		
<b>Receipts</b>				
Property and Other Local Taxes	\$33,415	\$33,415	\$30,590	(\$2,825)
Charges for Services	55,000	55,000	61,585	6,585
Licenses, Permits and Fees	0	0	202	202
Intergovernmental	39,100	39,100	30,864	(8,236)
Interest	2,500	2,500	2,333	(167)
Other	5,000	5,000	2,308	(2,692)
<i>Total receipts</i>	<u>135,015</u>	<u>135,015</u>	<u>127,882</u>	<u>(7,133)</u>
<b>Disbursements</b>				
Current:				
Security of Persons and Property	13,182	13,535	10,180	3,355
Leisure Time Activities	6,875	6,875	4,684	2,191
Community Environment	3,000	3,000	0	3,000
Basic Utility Services	37,876	56,876	56,876	0
Transportation	3,654	8,654	6,748	1,906
General Government	47,371	56,151	53,207	2,944
<i>Total Disbursements</i>	<u>111,958</u>	<u>145,091</u>	<u>131,695</u>	<u>13,396</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>23,057</u>	<u>(10,076)</u>	<u>(3,813)</u>	<u>6,263</u>
<i>Net Change in Fund Balance</i>	23,057	(10,076)	(3,813)	6,263
<i>Fund Balance Beginning of Year</i>	8,721	8,721	8,721	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$31,778</u>	<u>(\$1,355)</u>	<u>\$4,908</u>	<u>\$6,263</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

**Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Street Const. & Repair Fund  
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Property and Other Local Taxes	\$2,636	\$2,636	\$3,355	\$719
Intergovernmental	25,000	25,000	29,187	4,187
Other	1,000	1,000	50	(950)
<i>Total receipts</i>	<u>28,636</u>	<u>28,636</u>	<u>32,592</u>	<u>3,956</u>
<b>Disbursements</b>				
Current:				
Transportation	98,737	61,269	31,435	29,834
General Government	693	943	750	193
<i>Total Disbursements</i>	<u>99,430</u>	<u>62,212</u>	<u>32,185</u>	<u>30,027</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(70,794)</u>	<u>(33,576)</u>	<u>407</u>	<u>33,983</u>
<i>Net Change in Fund Balance</i>	(70,794)	(33,576)	407	33,983
<i>Fund Balance Beginning of Year</i>	42,824	42,824	42,824	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>(\$27,970)</u></u>	<u><u>\$9,248</u></u>	<u><u>\$43,231</u></u>	<u><u>\$33,983</u></u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$22,864	\$22,864	\$22,864	\$0
<i>Total receipts</i>	22,864	22,864	22,864	0
<b>Disbursements</b>				
Current:				
Transportation	4,372	4,372	4,372	0
General Government	307	307	307	0
<i>Total Disbursements</i>	4,679	4,679	4,679	0
<i>Net Change in Fund Balance</i>	18,185	18,185	18,185	0
<i>Fund Balance Beginning of Year</i>	9,222	9,222	9,222	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$27,407</u>	<u>\$27,407</u>	<u>\$27,407</u>	<u>\$0</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

**Statement of Fund Net Assets - Cash Basis  
Proprietary Funds  
December 31, 2006**

	Water Fund	Sewer Funds	Total Enterprise Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$86,756	\$127,682	\$214,438
<i>Total Assets</i>	<u>\$86,756</u>	<u>\$127,682</u>	<u>\$214,438</u>
<b>Net Assets</b>			
Restricted for Debt Service	\$0	\$92,824	\$92,824
Unrestricted	86,756	34,858	121,614
<i>Total Net Assets</i>	<u>\$86,756</u>	<u>\$127,682</u>	<u>\$214,438</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

**Statement of Cash Receipts,  
Disbursements and Changes in Fund Net Assets - Cash Basis  
Proprietary Funds  
For the Year Ended December 31, 2006**

	Business-Type Activities		
	Water Enterprise Fund	Sewer Enterprise Funds	Total Enterprise Funds
<b>Operating Receipts</b>			
Charges for Services	\$113,299	\$31,927	\$145,226
<i>Total Operating Receipts</i>	<u>113,299</u>	<u>31,927</u>	<u>145,226</u>
<b>Operating Disbursements</b>			
Current:			
Personal Services	20,586	7,555	28,141
Employee Fringe Benefits	3,663	1,714	5,377
Contractual Services	38,344	14,842	53,186
Supplies and Materials	18,232	7,516	25,748
Other	6,051	300	6,351
<i>Total Operating Disbursements</i>	<u>86,876</u>	<u>31,927</u>	<u>118,803</u>
<i>Operating Income</i>	<u>26,423</u>	<u>0</u>	<u>26,423</u>
<b>Non-Operating Receipts and (Disbursements)</b>			
Intergovernmental	0	0	0
Special Assessments	57,127	0	57,127
Principal Payments	(14,605)	0	(14,605)
Interest and Fiscal Charges	(41,453)	0	(41,453)
Other Financing Sources	1,544	0	1,544
<i>Total Non-Operating Receipts</i>	<u>2,613</u>	<u>0</u>	<u>2,613</u>
<i>Change in Net Assets</i>	29,036	0	29,036
<i>Net Assets Beginning of Year</i>	<u>57,720</u>	<u>127,682</u>	<u>185,402</u>
<i>Net Assets End of Year</i>	<u>\$86,756</u>	<u>\$127,682</u>	<u>\$214,438</u>

See accompanying notes to the basic financial statements

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**Note 1 – Reporting Entity**

The Village of Amanda, Fairfield 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 publicly elected three-member Board of Trustees. The Village also has an elected Village Fiscal Officer.

The reporting entity is comprised of the primary government and another organization that was included to ensure that the financial statements are not misleading.

**A. Primary Government**

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, water and sewer utilities, and maintenance of Village roads. The Village contracts with Amanda Township to provide fire protection services. The Fairfield County Sheriff provides security of persons and property.

**B. Component Units**

Component units are legally separate organizations for which the Village is financially accountable. The Village is financially accountable for an organization if the Village appoints a voting majority of the organization's governing board and (1) the Village is able to significantly influence the programs or services performed or provided by the organization; or (2) the Village is legally entitled to or can otherwise access the organization's resources; the Village is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Village is obligated for the debt of the organization. The Village is also financially accountable for any organizations that are fiscally dependent on the Village in that the Village approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Village, are accessible to the Village and are significant in amount to the Village. The Village had no component units at December 31, 2007 and 2006.

**C. Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools**

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Under the cash basis of accounting, the Village does not report assets for equity interests in joint ventures.

The Village participates in a jointly governed organization, the Fairfield County Regional Planning Commission, Note 12 to the financial statements provides additional information for this entity.

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

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**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. The Village does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the Village's accounting policies.

**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. The statements distinguish between those activities of the Village that are governmental and those that are considered business-type.

Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net assets presents the cash balance of the governmental and business-type activities of the Village at year end. The statement of activities compares disbursements with program receipts for each of the Village's governmental and business-type 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 or business-type activity is self-financing on a cash basis or draws from the Village's general receipts.

**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 and enterprise fund 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.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**Note 2 – Summary of Significant Accounting Policies** (Continued)

A. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Proprietary fund statements distinguish operating transactions from nonoperating transactions. 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. The fund statements report all other receipts and disbursements as nonoperating.

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 divided into two categories, governmental and proprietary.

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 only major governmental funds are the General, Street Const. Maint. & Repair, and the Street Levy Funds. 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 Const. Maint. & Repair Fund is used for construction, maintenance, and repair of the streets and storm sewers for the Village. The Street Levy Fund is used for street improvements. The other governmental funds of the Village account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds

The Village classifies funds financed primarily from user charges for goods or services as proprietary. Village proprietary funds are classified as enterprise.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Village's major enterprise funds are the water, and sewer funds.

Water Fund - The water fund accounts for the provision of water to the residents and commercial users located within the Village.

Sewer Fund - The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

C. Basis of Accounting

The Village's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, 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. Any such modifications made by the Village are described in the appropriate section in this note.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**Note 2 – Summary of Significant Accounting Policies** (Continued)

**C. Basis of Accounting** (Continued)

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.

**D. Budgetary Process**

All 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 and 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 Fiscal Officer. 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 of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

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 sales are recorded as receipts or negative receipts (contra revenue), respectively.

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

VILLAGE OF AMANDA  
FAIRFIELD COUNTY

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

---

**Note 2 – Summary of Significant Accounting Policies** (Continued)

E. Cash and Investments (Continued)

Interest earnings are allocated to Village funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General and Street Constr. Maint. & Repair Funds during 2007 was \$1,193 and \$1,310, respectively. Interest receipts credited to the General Fund during 2006 was \$2,333.

F. Restricted Assets

Cash and cash equivalents and investments 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 enabling legislation. The Village has no restricted assets at December 31, 2007 and 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.

H. 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.

I. 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 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

J. Long-Term Obligations

The Village's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

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 Debt Service and other purposes include resources restricted for expenditures for specified purposes.

The Village's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**Note 2 – Summary of Significant Accounting Policies** (Continued)

**L. Fund Balance Reserves**

The Village reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. The Village had fund balance reserves in the General Fund for \$6,163 and \$908 in the Street Const. Maint. & Repair Fund as of December 31, 2007 and in the General Fund for \$1,756 and the Street Const. Maint. & Repair Fund as of December 31, 2006.

**Note 3 – Compliance**

The Village's expenditures exceeded appropriations in the General Fund – Basic Utility Services Function in Fiscal Year 2007. Also, the Village did not encumber all commitments required by Ohio Law.

**Note 4 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General, Street Constr. Maint. & Repair, and Street Levy Funds prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year-end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis).

The encumbrances outstanding in 2007 amounted to:

General Fund	\$6,163
Street Const. Maint. Rep. Fund	\$908

The encumbrances outstanding in 2006 amounted to:

General Fund	\$1,756
Street Const. Maint. Rep. Fund	\$908

**Note 5 – Deposits**

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.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**Note 5 – Deposits (Continued)**

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).

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. Payment for investments may be made only upon delivery of the securities representing the investments to the Village or qualified trustee, or if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**Note 5 – Deposits (Continued)**

Deposits

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 2007 and 2006, \$220,773 and \$166,946 of the Village's bank balance of \$320,773 and \$266,946, respectively, was exposed to custodial credit risk 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 6 – Property Taxes**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Village. Real property tax receipts received in 2006 (2007) represent the collection of 2005 (2006) taxes. Real property taxes received in 2006 (2007) were levied after October 1, 2005 (2006), on the assessed values as of January 1, 2005 (2006), the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2006 (2007) represent the collection of 2005 (2006) taxes. Public utility real and tangible personal property taxes received in 2006 (2007) became a lien on December 31, 2005 (2006), were levied after October 1, 2005 (2006), and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2006 (2007) (other than public utility property) represent the collection of 2006 (2007) taxes. Tangible personal property taxes received in 2006 were levied after October 1, 2005 (2006), on the true value as of December 31, 2005 (2006). Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

**Note 6 – Property Taxes (Continued)**

The full tax rate for all Village operations for the year ended December 31, 2007 and 2006, was \$5.40 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which property tax receipts were based are as follows:

	2007	2006
Real Property		
Residential	\$8,671,740	\$8,015,970
Agricultural	42,160	39,350
Commercial/Industrial/Mineral	1,847,210	1,693,610
Tangible Personal Property	368,530	619,370
Public Utility	243,540	239,110
Total Assessed Value	\$11,173,180	\$10,607,410

**Note 7 – 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 and 2006, the Village contracted with Trimmer Insurance (EMC Insurance Companies).

Company	Type of Coverage	Amount of Coverage
Trimmer Insurance (EMC Insurance Companies)	Commercial Property	\$1,257,219
	General Liability	1,000,000
	Crime-Employee	50,000
	Dishonesty	
	Inland Marine	171,726
	Vehicle	1,000,000
	Public Officials	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 8 – Defined Benefit Pension Plan**

**A. Ohio Public Employees Retirement System**

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.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

---

**Note 8 – Defined Benefit Pension Plan (Continued)**

**A. Ohio Public Employees Retirement System (Continued)**

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.

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) 222-6705 or (800) 222-7377.

For the year ended December 31, 2007 and 2006, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 9.5 and 9.0 percent respectively of their annual covered salaries. The Village's contribution rate for pension benefits for 2007 and 2006 was 17.17 and 16.93. The Ohio Revised Code provides statutory authority for member and employer contributions.

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 \$10,003, \$9,170 and \$7,666 respectively. The full amount has been contributed for 2007, 2006 and 2005.

**B. Social Security (FICA)**

A Council Member, contributes to Social Security (FICA). For the years ended December 31, 2007 and 2006, the officials contributed 6.2% of his gross wages to FICA. The Village's contribution rate for pension benefits for 2007 and 2006 was 6.2%.

The Village's required contributions to FICA for the years ended December 31, 2007 and 2006 respectively were \$542, and \$527 respectively. 100 percent has been contributed for 2007 and 2006.

**Note 9 - Postemployment Benefits**

**A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2007 and 2006 local government employer contribution rate was 13.85 and 13.7 percent of covered payroll; 5.0 percent (January 1 through June 30) and 6.0 percent (July 1 through December 30) and 4.5 percent of covered payroll was the portion that was used to fund health care for 2007 and 2006 respectively.

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

**Note 9 - Postemployment Benefits (Continued)**

**A. Ohio Public Employees Retirement System (Continued)**

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care premiums were assumed to increase between 0.50 and 6.00 percent annually for the next eight years and 4.00 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 369,214. Actual employer contributions for 2006 which were used to fund postemployment benefits were \$3,573. The actual contribution and the actuarially required contribution amounts are the same. The actuarially accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

**Note 10 – Debt**

The Village's long-term debt activity for the year ended December 31, 2007, was as follows:

	Interest Rate	Balance December 31, 2006	Additions	Reductions	Balance December 31, 2007
<u>Business Type Activities</u>					
1992 Sewer Mortgage	5.5%	\$740,900	\$0	\$13,500	\$727,400
2003 OWDA Loan (3589)	5.74%	190,000	0	190,000	0
2004 OWDA Loan (3985)	5.01%	104,841	0	1,897	102,944
2004 OWDA Loan (4110)	4.98%	22,218	0	22,218	0
2007 OWDA Loan (4667)	1.50%	0	1,749,501	0	1,749,501
Totals		<u>\$1,057,959</u>	<u>\$1,749,501</u>	<u>\$227,615</u>	<u>\$2,579,845</u>

The Village's long-term debt activity for the year ended December 31, 2006, was as follows:

	Interest Rate	Balance December 31, 2005	Additions	Reductions	Balance December 31, 2006
<u>Business Type Activities</u>					
1992 Sewer Mortgage	5.5%	\$753,700	\$0	\$12,800	\$740,900
2003 OWDA Loan (3589)	5.74%	190,000	0	0	190,000
2004 OWDA Loan (3985)	5.01%	106,646	0	1,805	104,841
2004 OWDA Loan (4110)	4.98%	21,203	1,015	0	22,218
Totals		<u>\$1,101,782</u>	<u>\$1,015</u>	<u>\$14,605</u>	<u>\$1,057,959</u>

**VILLAGE OF AMANDA  
FAIRFIELD COUNTY**

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

**Note 10 – Debt (Continued)**

The FmHA Sewer Mortgage Revenue Bonds were obtained for the purpose of paying the costs of constructing the Village's sewer system. The loan will be repaid in over 40 years. The loan is secured by sewer receipts. The Village has agreed to set utility rates sufficient to cover debt service requirements.

The Ohio Water Development Authority (OWDA) loans (#3589 and #4110) relate to a water and sewer plant expansion design. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water and sewer receipts collateralize the loans. The Village has agreed to set utility rates sufficient to cover future OWDA debt service requirements.

OWDA Loan (#3985) relates to waterline construction. The OWDA approved \$109,999 in loans related to this project. The Village repays the loan in semiannual installments of \$3,563, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

OWDA Loan (#4667) relates to water system improvements. The OWDA approved \$1,966,000 in loans related to this project. This loan was also used to pay-off and repay the #3589 and #4110 OWDA loans. The Village will begin making payments on this loan July 1, 2009. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The following is a summary of the Village's future annual debt service requirements:

Year	OWDA Loans		USDA Bonds	
	Principal	Interest	Principal	Interest
2008	\$1,940	\$5,423	\$14,225	\$39,766
2009	2,045	5,317	14,998	38,992
2010	2,154	5,206	15,793	38,175
2011	2,275	5,029	16,681	36,879
2012	2,396	4,905	17,573	35,970
2013–2017	14,109	22,416	103,470	164,385
2018–2022	18,378	18,130	134,769	132,952
2023–2027	23,488	12,542	172,245	91,974
2028–2032	31,262	5,254	229,253	38,528
2033–2034	1,221	62	8,954	455
Totals	<u>\$99,267</u>	<u>\$84,283</u>	<u>\$727,960</u>	<u>\$618,074</u>

The Ohio Revised Code provides that net general obligation debt of the Village, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 5.5 percent of the tax valuation of the Village. The Revised Code further provides that total voted and unvoted net debt of the Village less the same exempt debt shall never exceed amount equal to 10.5 percent of its tax valuation. The effects of the debt limitations at December 31, 2007 and 2006, were an overall debt margin of \$1,173,184 and \$1,113,778 and an unvoted debt margin of \$614,525 and \$583,408.

**Note 11 – Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

VILLAGE OF AMANDA  
FAIRFIELD COUNTY

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

---

**Note 12 – Jointly Governed Organization**

Fairfield Regional Planning Commission

The Village appoints a member of Council to represent the Village on the 47 member board of the Fairfield Regional Planning Commission. The Village pays a small membership fee annually based on the per capita of the Village. There is no ongoing financial responsibility by the Village.

**THIS PAGE INTENTIONALLY LEFT BLANK**



# 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 Amanda  
Fairfield County  
116 East Main Street  
P.O. Box 250  
Amanda, Ohio 43102-0250

To the Village Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Amanda, Fairfield 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 December 31, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

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.

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2007-001.

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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe the significant deficiency described above as finding number 2007-001 is also a material weakness.

We also noted certain internal control matters that we reported to the Village's management in a separate letter dated December 31, 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 that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2007-002.

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 December 31, 2008.

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



**Mary Taylor, CPA**  
Auditor of State

December 31, 2008

VILLAGE OF AMANDA  
FAIRFIELD 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

**Financial Statement Presentation – Significant Deficiency/Material Weakness**

A monitoring system by the Fiscal Officer and Village Council should be in place to prevent or detect material misstatements for the accurate presentation to the Village's financial statements.

The Fiscal Officer did not always accurately post receipts to the Village's accounting system. The following posting errors were noted:

- An Ohio Public Works Commission (OPWC) loan in FY 2007, in the amount of \$315,150 and an Ohio Water Development Authority (OWDA) loan in FY 2007, in the amount of \$1,749,501 was not posted to the accounting records in accordance with Auditor of State Bulletin 2000-008.
- \$46,150 of an OWDA loan in FY 2007 was misposted to Miscellaneous revenue.

Not posting revenues accurately to the ledgers resulted in the financial statements requiring audit adjustments and reclassification entries. The Village has posted the necessary adjustments to the financial statements.

Further, as noted in Finding Number 2007-001, the UAN system was not always properly updated to reflect the current investment balance.

We recommend the Village's Fiscal Officer take steps to ensure the accurate posting of transactions. Transactions should be posted in accordance with procedures and posting guidelines established in the Uniform Accounting Network chart of accounts. By exercising accuracy in recording financial activity, the Village can reduce posting errors and increase the reliability of financial data throughout the year and at year end. The Village Council should be regularly monitoring the receipts, expenditures, and approved budget limits. This will enable the Council to make sound financial decisions.

FINDING NUMBER 2007-002

**Certification of Funds – Material Non-Compliance**

**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. Further, contracts and orders for expenditures lacking prior certification should be null and void.

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.

VILLAGE OF AMANDA  
FAIRFIELD COUNTY

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

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

FINDING NUMBER 2007-002 (Continued)

**Certification of Funds – Material Non-Compliance (Continued)**

**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’s Fiscal Officer can authorize the drawing of a warrant for the payment of the amount due. The Village Council 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 Fiscal Officer.

**2. Blanket Certificate** – Fiscal Officer’s 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. 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.

The Village issues regular blanket purchase orders; however, some are issued several days later when the expenditure is made for the purchase commitment. As a result, the Village did not certify the availability of funds prior to the purchase commitment for forty seven percent of expenditures tested. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village’s funds exceeding budgetary spending limitations, we recommend that the Fiscal Officer certify that the funds are or will be available prior to obligation by the Village. When prior certification is not possible, “then and now” certification should be used.

We recommend that the Village’s Fiscal Officer 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 Fiscal Officer should sign the certification at the time the Village incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The Fiscal Officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

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

**VILLAGE OF AMANDA  
FAIRFIELD 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><b>Explain</b></i>
2005-001	Ohio Rev. Code 5705.41(D) – Prior Certification	No	Repeated as Finding Number 2007-002
2005-002	Ohio Rev. Code 5705.10 – Properly posting revenue from a levy to a special fund	Yes	
2005-003	Ohio Rev. Code 5705.39	No	Repeated as Finding Number 2007-003
2005-004	Ohio Rev. Code 5705.04 – requires taxes received to be credited to specific funds	Yes	
2005-005	Ordinance 92-9 – establishing a reserve fund	Yes	
2005-006	Ohio Rev. Code 5705.36 – Certifying Village Balances timely to the County Budget Commission	Yes	
2005-007	Complete and Accurate monthly reconciliations should be prepared and reviewed	No	Partially Corrected –Reissued as a Management Letter Comment
2005-008	Council should closely monitor the financial activities of the Village	Yes	





Mary Taylor, CPA  
Auditor of State

VILLAGE OF AMANDA

FAIRFIELD 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  
FEBRUARY 24, 2009