

**VILLAGE OF GLENMONT
HOLMES COUNTY
AGREED-UPON PROCEDURES
FOR THE YEARS ENDED
DECEMBER 31, 2009 AND 2008**

**Willoughby & Company, Inc.
Certified Public Accountants**



Dave Yost • Auditor of State

Village Council
Village of Glenmont
P.O. Box 476
Glenmont, Ohio 44628

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Village of Glenmont, Holmes County, prepared by Willoughby & Company, Inc., for the period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

May 9, 2011



WILLOUGHBY & COMPANY, INC.

Certified Public Accountants

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February 6, 2011

Village of Glenmont
Holmes County
Glenmont, Ohio 44615

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of Village of Glenmont (the Village) and the Auditor of State agreed, solely to assist the Council and Mayor in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2009 and 2008, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management, the Mayor, and/or the Council are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2009 and December 31, 2008 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2008 beginning fund balances recorded in the Cash Reconciliation Report to the December 31, 2007 balances in the prior year audited statements. The amounts did not agree.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2009 and 2008 fund cash balances reported in the Cash Reconciliation Report. The amounts agreed.
4. We confirmed the December 31, 2009 bank account balances with the Village's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2009 bank reconciliation without exception.

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Cash and Investments (continued)

5. We selected five outstanding checks haphazardly from the December 31, 2009 bank reconciliation:
 - a. We traced each check to the debit appearing in the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.

6. We tested investments held at December 31, 2009 and December 31, 2008 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 35.14. We noted no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2009 and one from 2008:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipts Journal. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code Section 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.

2. We scanned the Receipts Journal to determine whether it included the proper number of tax receipts for 2009 and 2008:
 - a. Two personal property tax receipts
 - b. Two real estate tax receipts

We noted the Receipts Journal did include the proper number of tax settlement receipts each year.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts (continued)

3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2009 and four from 2008. We also selected five receipts from the County Auditor's Distribution Lists (DTL) from 2009 and five from 2008.
 - a. We compared the amount from the DTL to the amount recorded in the Receipts Journal. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

4. We examined the amounts paid from Ergon Oil Purchasing, Inc. (per 1099) to the Village during 2008 with the Corporation. We found no exceptions.
 - a. We determined whether these receipts were allocated to the fund. We found no exception.
 - b. We determined whether the receipt was recorded in the proper year. We found no exception.

Water Fund – Charges for Services

1. We haphazardly selected ten Water Fund collection cash receipts from the year ended December 31, 2009 and ten collection cash receipts from the year ended 2008 recorded in the Deposits Detail Report and determined whether the:
 - a. Receipt amount per the Receipt Journal agreed to the amount recorded to the credit of the customer's account in the A/R Aging Summary report. The amounts agreed.
 - b. Amount charged for the related billing period complied with rates in force during the audit period.
 - c. Amount charged was posted as a receivable in the A/R Aging Summary report for the billing period.
 - d. Receipt was posted to the proper fund and was recorded in the proper year. We found no exceptions.

2. We read the A/R Aging Summary report.
 - a. We noted this report listed \$9,150 and \$3,810 of accounts receivable as of December 31, 2009 and 2008, respectively.
 - b. Of the total receivables reported in the preceding step, \$650 and \$1,278 were recorded as more than 90 days delinquent.

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Water Fund – Charges for Services (continued)

3. We read the Quickbooks expense account, Bad Debts.
 - a. We noted this report listed \$0 and \$1,234 of non-cash receipts adjustments for the years ended December 31, 2009 and 2008, respectively.
 - b. We selected all five non-cash adjustments from 2008 and noted that the Mayor had approved of these transactions. The Mayor is currently working with the Clerk to clear any future possible bad debt amounts.

Debt

1. We inquired of management, and scanned the Deposit Detail Report and Check Detail Report for evidence of bonded or note debt issued during 2009 or 2008 or outstanding as of December 31, 2009 or 2008. We noted no new debt issuances during 2009 or 2008.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2009 and one payroll check from five employees from 2008 from the Payroll Register Detail Report and determined whether the following information in the employees' personnel files and minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Departments and funds to which the check should be charged
 - d. Retirement system participation and payroll withholding
 - e. Federal, State & Local income tax withholding authorization and withholding
 - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to Steps a. – f. above.

2. We tested the checks we selected in Step 1, as follows:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and minute record or as required by statute. We also determined whether the payment was posted to the proper year. We found no exceptions.

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Payroll Cash Disbursements (continued)

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

<u>Withholding</u>	<u>Date Due</u>	<u>Date Paid</u>	<u>Amount Withheld</u>	<u>Amount Paid</u>
Federal income taxes	February 1, 2010	January 29, 2010	\$ 290.00	\$ 290.00
State income taxes	February 1, 2010	January 12, 2010	\$ 42.81	\$ 42.81
OPERS retirement (withholding plus employee share)	February 1, 2010	January 12, 2010	\$ 214.80	\$ 515.52

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Cash Journal for the year ended December 31, 2009 and ten from the year ended 2008 and determined whether:
- The disbursements were for a proper public purpose. We found no exceptions.
 - The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Cash Journal and to the names and amounts on the supporting invoices. We found no exceptions.
 - The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - The Clerk certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

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Compliance - Budgetary

1. We compared the total from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Profit & Loss Budget Overview Report for the General, Street Maintenance, and Water Funds for the years ended December 31, 2009 and 2008. The amounts agreed.
2. We scanned the appropriation measures adoption for 2009 and 2008 to determine whether, for the General, Street Maintenance, and Water Funds, the Council appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared the total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40, to the amounts recorded in the Profit & Loss Budget Overview Report for 2009 and 2008 for the following funds: General, Street Maintenance, and Water Funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Profit & Loss Budget Overview Report with no exceptions.
4. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street Maintenance, and Water Funds for the years ended December 31, 2009 and 2008. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2009 and 2008 for the General, Street Maintenance, and Water Funds, as recorded in the Profit & Loss Budget vs. Actual Report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Cash Receipts Journal for evidence of new restricted receipts requiring a new fund during December 31, 2009 and 2008. We also inquired of management regarding whether the Village received new restricted receipts. We noted no evidence to establish a new fund.

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Compliance – Budgetary (continued)

7. We scanned the 2009 and 2008 Cash Receipts Journal and General Ledger Report for evidence of interfund transfers which Ohio Rev. Code Sections 5705.14 – .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the General Ledger Report to determine whether the Village elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Village did not establish these accounts.

Compliance – Contracts & Expenditures

1. We inquired of management and scanned the Check Detail Report for the years ended December 31, 2009 and 2008 for material or labor procurements which exceeded \$25,000, and therefore required competitive bidding under Ohio Rev. Code Section 731.14.

We identified no purchases subject to the aforementioned bidding requirements.

2. We inquired of management and scanned the Check Detail Report for the years ended December 31, 2009 and 2008 to determine if the Village had road construction projects exceeding \$30,000 for which Ohio Rev. Code Sections 117.16(A) and 723.52 requires the Village engineer, or officer having a different title but the duties and functions of an engineer, to complete a force account project for (i.e. cost estimate). We identified no projects requiring the completion of the force account assessment form.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and the Auditor of State and is not intended to be, and should not be used by anyone other than these specified parties.

Respectfully Submitted,

Willoughby + Company, Inc.

Willoughby & Company, Inc. – Certified Public Accountants



Dave Yost • Auditor of State

VILLAGE OF GLENMONT

HOLMES 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
MAY 24, 2011**