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INDEPENDENT ACCOUNTANTS REPORT ON APPLYING AGREED-UPON PROCEDURES

Warren Price, Director of Public Service
City of Canton
218 Cleveland Avenue SW
Canton, Ohio 44702

Per your request, the Auditor of State's Office performed the procedures enumerated below, to which the City of Canton (the City) agrees. The purpose is to assist you in calculating amounts of payments for employees retiring from the City and maintaining their current positions. The City of Canton is responsible for providing the Auditor of State relevant city, statutory, and contractual provisions. The City of Canton is responsible for, and will provide to the Auditor of State in writing the City's interpretation of the provisions in question. The City of Canton is responsible for identifying to the Auditor of State, employees who may have received these payments and for identifying the proper classification of each employee involved. This agreed upon procedures engagement will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the City of Canton. 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 purposes.

1. Local 2937 and Ohio Council 8

For the following Local 2937 union employees (Douglas Babb, Jeffery Bradley, Leon Campbell, James Denny, Michael Dirrocco, Thomas Jones, Leroy Lynch, William Michaels, Leslie Randle, Ray Skotnick, Randall Sutton, Joseph Valle, Leroy Williams, David Yekel) we will perform the following procedures:

- A. The Auditor of State will verify the PERS retirement date (retirement) to pension records maintained by the City.

AOS obtained copies of the PERS retirement forms completed by the above listed employees and verified the date of retirement with the form provided. See Appendix A Column A for the date.

- B. The Auditor of State will obtain the pay rate for the listed employees as of their retirement date as listed in the union agreement and the City's Banner Payroll System. Also, the Auditor of State will obtain the rate of pay for each year after retirement through January 13, 2012.

For the above listed employees we obtained the pay rates per union agreement and the City's Banner Payroll System as of the retirement date and each year after retirement through January 13, 2012.

- C. The Auditor of State will determine the amount of longevity pay received by employees from the year after retirement through January 13, 2012 utilizing the City's Banner Payroll System and compare it to the amount that would have been paid per the union agreement for a new employee.

For the above listed employees we determined the amount of longevity pay received. We did so by reviewing the Banner Payroll System. We then compared the amount received for each above listed employee to the amount that should have been received per the union agreement. See Appendix A Column C for longevity payments which exceed the amounts allowed per the union agreement.

- D. The Auditor of State will determine the amount of "pension pick-up" paid on behalf of employees as reported in the City's Banner Payroll System and verify the amount complies with the union agreement from retirement through January 13, 2012.

For the above listed employees we determined the amount of "pension pick-up" paid. We did so by obtaining a printout from the Banner Payroll System which indicated the amount of pay and the pick-up amount. We then reviewed the union agreement and verified the amount complies with the union agreement from retirement through January 13, 2012.

- E. The City has asserted to the Auditor of State they pay \$646.25 per month for union employees for health, life and AFSCME care (healthcare). The Auditor of State will read the union agreement to ensure it indicates new employees have a three month waiting period for health care and calculate the amount paid on their behalf for the three months following their retirement.

We read the union agreement to determine if it indicates new employees have a three month waiting period for health care. We were unable to find such language within the agreement. We contacted the City's Law Department which indicated union employees fall under Codified Ordinance Chapter 151 for the first 90 days of employment. We read Codified Ordinance Chapter 151 and noted it indicated a three month waiting period for health care. We then calculated the amount paid on above listed employee's behalf for the three months following their retirement. We noted health insurance payments made on behalf of the above listed employees in excess of the amounts allowed a new employee. See Appendix A Column E for amounts.

- F. To identify the value of vacation leave the Auditor of State will:
- Use amounts the City's Banner Payroll System reports to determine the vacation leave balance for these employees at the time of their retirement;
 - Agree the amount of vacation leave that should have been accrued by a new employee from retirement through January 13, 2012 utilizing the union agreement and verify the actual amount accrued to the Banner system;
 - Utilize the City's Banner Payroll System to determine the amount of vacation leave used by pay period from the date of retirement for a period of at least one year (or as determined necessary), and by calendar year thereafter through January 13, 2012;
 - Calculate the amount of vacation leave used over and above that allowed for a new employee during the period between the retirement date through January 13, 2012.

For the above listed employees we determined the vacation leave balance at the time of retirement, the amount of vacation leave that should have been accrued by a new employee from the retirement date until either January 13, 2012 or their last day of work prior to January 13, 2012, if applicable, and determined the amount of leave used from their retirement date until January 13, 2012, or their last date of work prior to January 13, 2012. From this we determined the amount of leave used over and above that allowed for a new employee. See Appendix A column F for amount of vacation leave used over and above that allowed for a new employee.

G. To identify the value of banked vacation the Auditor of State will:

- Utilize the City's Banner Payroll System to determine the banked vacation leave balance for these employees at the time of their retirement;
- Utilize the City's Banner Payroll System to determine if employees cashed out or used banked vacation from retirement through January 13, 2012;
- Determine the years of service to ensure employees with banked vacation were eligible to receive payment for banked vacation.

For the above listed employees, we determined they were eligible for the payments they received for banked vacation.

H. To identify the value of additional sick leave earned and used the Auditor of State will:

- Utilize the City's Banner Payroll System to determine the sick leave balance for these employees at the time of their retirement;
- Agree the amount of sick leave that should have been accrued by a new employee between their retirement date and January 13, 2012 utilizing the union agreement and verify the actual amount accrued to the banner system;
- Utilize the City's Banner Payroll System to determine the amount of sick leave used per pay from retirement for a period of one year, and by calendar year thereafter and through January 13, 2012;
- Calculate the amount of sick leave used over and above that allowed for a new employee during the period between the retirement date through January 13, 2012.

For the above listed employees we determined the sick leave balance at the time of retirement using the Banner Payroll System. We agreed the amount of sick leave that should have been accrued by a new employee through the union agreement. We determined the amount of leave used from the date of retirement through January 13, 2012, using data from the Banner Payroll System. See Appendix A, column H, for amount of sick leave used over and above that allowed for a new employee.

I. To identify the value of additional comp time the Auditor of State will:

- Determine through the review of the union agreement if employees are eligible to earn comp time;
- Utilize the City's Banner Payroll System to determine the comp time balance for the employees at the time of retirement;
- Utilize the City's Banner Payroll System to determine the comp time earned for the employees from the time of retirement through January 13, 2012;
- Utilize the City's Banner Payroll System to determine the comp time used for the employees from the time of retirement through January 13, 2012;
- Calculate the amount of comp time used over and above the amount earned during the period between the retirement date through January 13, 2012.

We obtained the union agreement and determined employees were eligible to earn comp time. For the above listed employees we determined the comp time balance at the time of retirement using the Banner Payroll System. We determined the amount of time used by reviewing data from the Banner Payroll System. Per our calculations there was no comp time used over and above the amounts earned during the period between the retirement date through January 13, 2012 for the above listed employees.

- J. To identify the value of personal holidays the Auditor of State will:
- Determine through the review of the union agreement if employees are eligible for personal holidays;
 - Utilize the City's Banner Payroll System to determine the personal holiday balance for the employees at the time of retirement;
 - Utilize the City's Banner Payroll System to determine the personal holiday earned for the employees from the time of retirement through January 13, 2012, and verify the personal holiday earned to the union agreement;
 - Utilize the City's Banner Payroll System to determine the personal holiday time used for the employees from the time of retirement through January 13, 2012.

For the above listed employees we determined, through review of the union agreement the above listed employees are eligible for personal holidays. Through review of the Banner Payroll System we determined the balance of personal holidays at retirement. Through data from the Banner Payroll System we determined the amount earned and the amount used. We noted personal leave used was over and above that allowed for a new employee. See Appendix A, column J, for amounts.

- K. Utilize the City's Banner Payroll System to determine the personal holiday time used for the employees from the time of retirement through January 13, 2012

See results listed under Step J above.

- L. To identify the value of Good Attendance Bonus (bonus) days the Auditor of State will:
- Utilize the City's Banner Payroll System to determine the bonus leave balance for these employees at the time of their retirement;
 - Agree the amount of bonus leave that should have been accrued from retirement through January 13, 2012 utilizing the union agreement and verify the actual amount accrued to the banner system;
 - Utilize the City's Banner Payroll System to determine the amount of good attendance bonus leave used by pay period from the date of retirement for a period of one year, and by calendar year thereafter through January 13, 2012.

For the above listed employees we determined through the Banner System the good attendance bonus balance at the time of retirement. We also determined through data from the Banner System the amount of bonus leave that should have been accrued by a new employee and determined the amount of leave used. We noted Good Attendance bonus days paid over and above that allowed for a new employee. See Appendix A Column L for the amounts

- M. To identify the value of severance pay at retirement the Auditor of State will:
- Utilize the information obtained from the steps above and determine the amount of severance owed each employee at retirement.

For the above listed employees we utilized the leave balances at the time of retirement and the rate of pay at the time of retirement and determined the severance pay due at retirement see Appendix A, column M.

- N. To identify the net difference between compensation paid and leave accrued in the Banner Payroll System versus the amount that would have been paid and accrued by new employees, the Auditor of State will:
- Sum the amounts above calculated for excess leave (leave accrued and/or taken as identified above for which the employee was not entitled because of their retirement);
 - Deduct excess leave from the severance amount identified in Step M above.

For the above listed employees we obtained the amount from item M above we then subtracted any excess amounts calculated in steps C through L (and documented in Appendix A). We identified the net difference of which positive amounts are owed to the employee, negative amounts are owed from the employee see Appendix A column N.

2. Local 3449 and Ohio Council 8

For the following Local 3449 union employees (Cindy Brand-Garber, Deborah Singleton, Theresa Thomas, and Kelly Wackerly) we will perform the following procedures:

- A. The Auditor of State will verify the PERS retirement date (retirement) to pension records maintained by the City.

AOS obtained copies of the PERS retirement forms completed by the above listed employees and verified the date of retirement with the form provided. See Appendix B Column A for the date.

- B. The Auditor of State will obtain the pay rate for the listed employees as of their retirement date as listed in the union agreement and/or the City's Banner Payroll System. Also, the Auditor of State will obtain the rate of pay for each year after retirement through January 13, 2012.

For the above listed employees we obtained the pay rates per union agreement and the City's Banner Payroll System as of the retirement date and each year after retirement through January 13, 2012.

- C. The Auditor of State will determine the amount of longevity pay received by employees from the year after retirement through January 13, 2012 utilizing the City's Banner Payroll System and compare it to the amount that would have been paid to a new employee per the union agreement.

For the above listed employees we determined the amount of longevity pay received. We did so by reviewing the Banner Payroll System. We then compared the amount received by the above listed employees to the amount that should have been received per the union agreement. See Appendix B Column C for the longevity payment in excess of the amount paid to a new employee.

- D. The Auditor of State will determine the amount of "pension pick-up" paid on behalf of employees as reported in the City's Banner Payroll System and verify the amount complies with the union agreement from retirement through January 13, 2012.

For the above listed employees we determined the amount of "pension pick-up" paid. We did so by obtaining a printout from the Banner System which indicated the amount of pay and the pick-up amount. We then reviewed the union agreement and verified the amount complies with the union agreement from retirement through January 13, 2012.

- E. The City has asserted to the Auditor of State they pay \$646.25 per month for union employees for health, life and AFSCME care (healthcare). The Auditor of State will read the union agreement to ensure it indicates new employees have a three-month waiting period for health care and calculate the amount paid on their behalf for the three months following their retirement.

We read the union agreement to determine if it indicates new employees have a three month waiting period for health care. We were unable to find such language within the agreement. We contacted the City's Law Department which indicated union employees fall under Codified Ordinance Chapter 151 for the first 90 days of employment. We read Codified Ordinance Chapter 151 and noted it indicated a three month waiting period for health care. We then calculated the amount paid on above listed employee's behalf for the three months following their retirement. We noted health

insurance payments made on behalf of the above listed employees in excess of the amounts allowed a new employee. See Appendix B Column E for the amounts.

- F. To identify the value of vacation leave the Auditor of State will:
- Use amounts the City's Banner Payroll System reports to determine the vacation leave balance for these employees at the time of their retirement;
 - Agree the amount of vacation leave that should have been accrued by a new employee from retirement through January 13, 2012 utilizing the union agreement and verify the actual amount accrued to the Banner Payroll System;
 - Utilize the City's Banner Payroll System to determine the amount of vacation leave used by pay period from the date of retirement for a period of at least one year (or as determined necessary), and by calendar year thereafter through January 13, 2012;
 - Calculate the amount of vacation leave used over and above that allowed for a new employee during the period between the retirement date through January 13, 2012.

For the above listed employees we determined the vacation leave balance at the time of retirement using the Banner Payroll System. We determined that the amount of vacation leave that should have been accrued by a new employee through the union agreement. We determined the amount of leave used from the date of retirement through January 13, 2012, using data from the Banner Payroll System. See Appendix B column F for amount of vacation leave used over and above that allowed for a new employee.

- G. To identify the value of banked vacation the Auditor of State will:
- Utilize the City's Banner Payroll System to determine the banked vacation leave balance for these employees at the time of their retirement;
 - Utilize the City's Banner Payroll System to determine if employees cashed out or used banked vacation from retirement through January 13, 2012;
 - Determine the years of service to ensure employees with banked vacation were eligible to receive payment for banked vacation.

For the above listed employees, we determined they were eligible for the payments they received for banked vacation.

- H. To identify the value of additional sick leave earned and used the Auditor of State will:
- Utilize the City's Banner Payroll System to determine the sick leave balance for these employees at the time of their retirement;
 - Agree the amount of sick leave that should have been accrued by a new employee between their retirement date and January 13, 2012 utilizing the union agreement and verify the actual amount accrued to the banner system;
 - Utilize the City's Banner Payroll System to determine the amount of sick leave used per pay from retirement for a period of one year, and by calendar year thereafter and through January 13, 2012;
 - Calculate the amount of sick leave used over and above that allowed for a new employee during the period between the retirement date through January 13, 2012.

For the above listed employees we determined the sick leave balance at the time of retirement using the Banner Payroll System. We agreed the amount of sick leave that should have been accrued by a new employee through the union agreement. We determined the amount of leave used from the date of retirement through January 13, 2012, using data from the Banner Payroll System. See Appendix B column H for amount of sick leave used over and above that allowed for a new employee.

- I. To identify the value of additional comp time the Auditor of State will:
- Determine through the review of the union agreement if employees are eligible to earn comp time;
 - Utilize the City's Banner Payroll System to determine the comp time balance for the employees at the time of retirement;
 - Utilize the City's Banner Payroll System to determine the comp time earned for the employees from the time of retirement through January 13, 2012;
 - Utilize the City's Banner Payroll System to determine the comp time used for the employees from the time of retirement through January 13, 2012;
 - Calculate the amount of comp time used over and above the amount earned during the period between the retirement date through January 13, 2012.

We obtained the union agreement and determined employees were eligible to earn comp time. For the above listed employees we determined the comp time balance at the time of retirement using the Banner Payroll System. We determined the amount of time used through data from the Banner Payroll System. See Appendix B column I for amount of comp time used over and above the time earned after the date of retirement through January 13, 2012.

- J. To identify the value of personal holidays the Auditor of State will:
- Determine through the review of the union agreement if employees are eligible for personal holidays;
 - Utilize the City's Banner Payroll System to determine the personal holiday balance for the employees at the time of retirement;
 - Utilize the City's Banner Payroll System to determine the personal holiday earned for the employees from the time of retirement through January 13, 2012, and verify the personal holiday earned to the union agreement;
 - Utilize the City's Banner Payroll System to determine the personal holiday time used for the employees from the time of retirement through January 13, 2012.

For the above listed employees we determined, through review of the union agreement the above listed employees are eligible for personal holidays. Through review of the Banner Payroll System we determined the balance at retirement. Through data from the Banner Payroll System we determined the amount earned and the amount used. See Appendix B column J for amount of personal holiday time used over and above that allowed for a new employee.

- K. Utilize the City's Banner Payroll System to determine the personal holiday time used for the employees from the time of retirement through January 13, 2012.

See results listed under Step J above.

- L. To identify the value of Good Attendance Bonus (bonus) days the Auditor of State will:
- Utilize the City's Banner Payroll System to determine the bonus leave balance for these employees at the time of their retirement;
 - Agree the amount of bonus leave that should have been accrued from retirement through January 13, 2012 utilizing the union agreement and verify the actual amount accrued to the banner system;
 - Utilize the City's Banner Payroll System to determine the amount of good attendance bonus leave used by pay period from the date of retirement for a period of one year, and by calendar year thereafter through January 13, 2012.

For the above listed employees we determined through the Banner Payroll System the good attendance bonus balance at the time of retirement. We also determined through data from the

Banner Payroll System the amount of bonus leave that should have been accrued by a new employee and determined the amount of leave used.

- M. To identify the value of severance pay at retirement the Auditor of State will:
- Utilize the information obtained from the steps above and determine the amount of severance owed each employee at retirement.

For the above listed employees we utilized the leave balances at the time of retirement and the rate of pay at the time of retirement and determine the severance pay due at retirement see Appendix B column M.

- N. To identify the net difference between compensation paid and leave accrued in the Banner Payroll System versus the amount that would have been paid and accrued by a new employee the Auditor of State will:
- Sum the amounts above calculated for excess leave (leave accrued and/or taken as identified above for which the employee was not entitled because of their retirement);
 - Deduct excess leave from the severance amount identified in Step M above.

For the above listed employees we obtained the amount from item M above we then subtracted any excess amounts calculated in steps C through L (and documented in Appendix B). We identified the net difference for which positive amounts are owed to the employee; negative amounts are owed from the employee see Appendix B, column N.

Per Appendix B the following employee had compensation in excess of eligible severance at the time of retirement, Kelly Wackerly which resulted in an over payment of \$2,135.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Kelly Wackerly and in favor of City of Canton's General Fund. The City Auditor signed the warrants resulting in improper payments. City Auditor Richard A. Mallonn II and his bonding company, EMC Insurance Company, will be jointly and severally liable in the amount of \$2,135 and in favor of the General Fund to the extent that recovery is not obtained from Kelly Wackerly.

3. Civil Service and Fiduciary Employees

For the following Civil Service and Fiduciary employees (Donis Alpeter, Robert Budgake, Craig Chessler, Doug Foltz, Kim Harper, Carole Ledford, John Leiendecker, Daniel C. Millsap, Dave Novelli, Marianne Rowles, Nancy Smith, Bonnie Vincent, Jean Wackerly, Bruce Williams, Linda Patterson, Robert Pattison) we will perform the following procedures:

- A. The Auditor of State will verify the PERS retirement date (retirement) to pension records maintained by the City.

AOS obtained copies of the PERS retirement forms completed by the above listed employees and verified the date of retirement with the form provided. See Appendix C Column A for the date.

- B. The Auditor of State will obtain the pay rate for the listed employees as of their retirement date as listed in the City's Banner Payroll System and ensure the rate is within the range in the applicable salary ordinance report. Also, the Auditor of State will obtain the rate of pay for each year after retirement through January 13, 2012.

For the above listed employees we obtained the pay rates (or ranges) per City Ordinance and the City's Banner Payroll System.

- C. The Auditor of State will determine the amount of longevity pay received by employees from the year after retirement through January 13, 2012 utilizing the City's Banner Payroll System and compare it to the amount that would have been paid to a new employee per the Codified Ordinance Chapter 151 (Ordinance 151).

For the above listed employees we determined the amount of longevity pay received. We did so by using reviewing the Banner Payroll System. We then compared the amount received by the above listed employees to the amount that should have been received per Ordinance 151. See Appendix C Column C for the amount of longevity in excess of the amount paid to a new employee

- D. The Auditor of State will determine the amount of "pension pick-up" paid on behalf of employees as reported in the City's Banner Payroll System and verify the amount complies with Ordinance 151 from retirement through January 13, 2012.

For the above listed employees we determined the amount of "pension pick-up" paid. We did so by obtaining a printout from the Banner Payroll System which indicated the amount of pay and the pick-up amount from the state of retirement through January 13, 2012. We noted pension payments in excess of amounts allowed for the above listed employees. See Appendix C Column D for the amounts.

- E. The City has asserted to the Auditor of State they pay \$703.73 per month for nonunion employees for health, life, prescription, dental and vision (healthcare). The Auditor of State will read Ordinance 151 to ensure it indicates new employees have a three-month waiting period for health care and calculate the amount paid on their behalf for the three months following their retirement.

We read Ordinance 151 and ensured it indicated new employees have a three month waiting period for health care. We then calculated the amount paid on behalf of the above listed employees for the three months following their retirement. We noted health insurance payments made on behalf of the above listed employees in excess of the amounts allowed a new employee. See Appendix C Column E for the amounts.

- F. To identify the value of excess vacation leave the Auditor of State will:
- Use amounts the City's Banner Payroll System to determine the vacation leave balance for these employees at the time of their retirement;
 - Agree the amount of vacation leave that would have been accrued by a new employee from retirement through January 13, 2012 utilizing Ordinance 151 and verify the actual amount accrued to the Banner system;
 - Utilize the City's Banner Payroll System to determine the amount of vacation leave used by pay period from the date of retirement for a period of at least one year (or as determined necessary), and by calendar year thereafter through January 13, 2012;
 - Calculate the amount of vacation leave used over and above that allowed for a new employee during the period between the retirement date through January 13, 2012.

For the above listed employees we determined the vacation leave balance at the time of retirement through the Banner Payroll System. We determined the amount of vacation leave that should have been accrued by a new employee through review of Ordinance 151. We determined the amount of leave used from the date of retirement through January 13, 2012 through the Banner Payroll System and exported reports from the Banner Payroll System. See Appendix C Column F for amount of vacation leave used over and above that allowed for a new employee.

- G. To identify the value of banked vacation the Auditor of State will:
- Obtain legal interpretation from the City's legal counsel regarding employee eligibility to bank vacation;

- Utilize the City's Banner Payroll System to determine the banked vacation leave balance for these employees at the time of their retirement;
- Utilize the City's Banner Payroll System to determine if employees cashed out or used banked vacation from retirement through January 13, 2012.

For the above listed employees, we determined they were eligible for the payments they received for banked vacation.

H. To identify the value of additional sick leave the Auditor of State will:

- Utilize the City's Banner Payroll System to determine the sick leave balance for these employees at the time of their retirement;
- Agree the amount of sick leave that should have been accrued by a new employee between their retirement date and January 13, 2012 utilizing Ordinance 151 and verify the actual amount accrued to the banner system;
- Utilize the City's Banner Payroll System to determine the amount of sick leave used per pay from retirement for a period of one year, and by calendar year thereafter and through January 13, 2012;
- Calculate the amount of sick leave used over and above that allowed for a new employee during the period between the retirement date through January 13, 2012.

For the above listed employees we determined the sick leave balance at the time of retirement using the Banner Payroll System. We agreed the amount of sick leave that should have been accrued by a new employee through Ordinance 151. We determined the amount of leave used from the date of retirement through January 13, 2012, using data from the Banner Payroll System. See Appendix C column H for the amount of sick leave used over and above that allowed for a new employee.

I. To identify the value of additional comp time the Auditor of State will:

- Obtain legal interpretation from the City's legal counsel regarding employees eligibility to earn comp time;
- Utilize the City's Banner Payroll System to determine the comp time balance for the employees at the time of retirement;
- Utilize the City's Banner Payroll System to determine the comp time earned for the employees from the time of retirement through January 13, 2012;
- Utilize the City's Banner Payroll System to determine the comp time used for the employees from the time of retirement through January 13, 2012;
- Calculate the amount of comp time used over and above the amount earned during the period between the retirement date through January 13, 2012.

We obtained Ordinance 151 and determined employees were eligible to earn comp time. For the above listed employees we determined the comp time balance at the time of retirement using the Banner Payroll System. We determined the amount of comp time used through data from the Banner System. See Appendix C column I for amount of comp time used over and above the time earned after the date of retirement through January 13, 2012.

J. To identify the value of personal holidays the Auditor of State will:

- Obtain legal interpretation from the City's legal counsel regarding employees eligibility for personal holidays;
- Utilize the City's Banner Payroll System to determine the personal holiday balance for the employees at the time of retirement;
- Utilize the City's Banner Payroll System to determine the personal holiday earned for the employees from the time of retirement through January 13, 2012, and verify the personal holiday earned to Ordinance 151;

- Utilize the City's Banner Payroll System to determine the personal holiday time used for the employees from the time of retirement through January 13, 2012.

We obtained a legal interpretation regarding the payout of personal holidays which indicated employees were eligible to be paid. For the above listed employees we used data from the Banner Payroll System and determined the balance of personal holidays at retirement. Through the use of the Banner Payroll System we determined the amount earned and the used. We identified personal holiday time used over and above that allowed for a new employee. See Appendix C column J for amounts.

- K. Utilize the City's Banner Payroll System to determine the personal holiday time used for the employees from the time of retirement through January 13, 2012.

See results listed under Step J above.

- L. To identify the value of Good Attendance Bonus (bonus) days the Auditor of State will:
- Obtain legal interpretation from the City's legal counsel regarding employees eligibility for the bonus;
 - Utilize the City's Banner Payroll System to determine the bonus leave balance for these employees at the time of their retirement;
 - Agree the amount of bonus leave that would have been accrued from retirement through January 13, 2012 utilizing Ordinance 151 and verify the actual amount accrued to the banner system;
 - Utilize the City's Banner Payroll System to determine the amount of good attendance bonus leave used by pay period from the date of retirement for a period of one year, and by calendar year thereafter through January 13, 2012.

For the above listed employees we determined through the Banner Payroll System the good attendance bonus balance at the time of retirement. We also determined the amount of bonus leave that should have been accrued by a new employee and determined the amount of leave used.

- M. To identify the value of severance pay at retirement the Auditor of State will:
- Utilize the information obtained from the steps above and determine the amount of severance owed each employee at retirement.

For the above list employees we utilized the leave balances at the time of retirement and the rate of pay at the time of retirement and determined the severance pay due / (over paid) at retirement see Appendix C column M.

- N. To identify the net difference between compensation paid and leave accrued in the Banner System versus the amount that would have been paid and accrued by new employees, the Auditor of State will:
- Sum the leave accrued and/or taken as identified above for which the employee was not entitle because of their retirement;
 - Deduct leave per bullet above from the severance amount identified in Step M.

For the above listed employees we obtained the amount from item M above we then subtracted any excess amounts calculated in steps C through L (and documented in Appendix C). We identified the net difference for which positive amounts are owed to the employee, negative amounts are owed from the employee see Appendix C column N.

Per Appendix C the following employees had compensation in excess of eligible severance at the time of retirement: Marianne Rowles, Bonnie Vincent, Jean Wackerly, Linda Patterson, and Robert

Pattison which resulted in over payments in the following amounts: \$24,861; \$12,057; \$8,313; \$15,568; and \$65,280, respectively.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, Findings for Recovery for public monies illegally expended are hereby issued against Marianne Rowles (\$24,861); Bonnie Vincent (\$12,057); Jean Wackerly (\$8,313); Linda Patterson (\$15,568); and Robert Pattison (\$65,280) and in favor of City of Canton's General Fund in the amount of \$105,089; the City of Canton's Air Pollution Fund in the amount of \$16,320; and the City of Canton's Workers Compensation Fund in the amount of \$4,670.

On October 30, 2012 Linda Patterson repaid the amount of \$15,568.

The City Auditors signed the warrants resulting in improper payments. City Auditor Richard A. Mallonn II and his bonding company, EMC Insurance Company, will be jointly and severally liable in the amounts of \$24,861; \$12,057; \$8,313; and \$39,168 and in favor of the General Fund in the amount of \$74,607; and the Air Pollution Fund in the amount of \$9,792; to the extent that recovery is not obtained from Marianne Rowles, Bonnie Vincent, Jean Wackerly, and Robert Pattison. City Auditor Kim R. Perez and his bonding company Kagle and Solomon Insurance will be jointly and severally liable in the amount of \$26,112 and in favor of the General Fund in the amount of \$19,584 and the Air Pollution Fund in the amount of \$6,528 to the extent recovery is not obtained from Robert Pattison.

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

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the City's calculation of amounts of payments for employees retiring from the City and maintaining their current positions. Accordingly, we do not express such 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 use of the managements of the City of Canton and is not intended to be, and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style with a large loop at the end of the last name.

Dave Yost
Auditor of State

October 31, 2012

Appendix A
Local 2937

	PERS Retirement Date	Excess Longevity	Excess Health	Excess Vacation	Excess Sick	Excess Personal	Good Attendance	Severance	Difference
	A	C	E	F	H	J	L	M	N
Babb	1/31/2010	\$1,800.00	\$1,938.75	\$11,658.68	\$0.00	\$0.00	\$0.00	\$22,217.31	\$6,819.88
Bradley	12/13/2010	\$1,800.00	\$1,938.75	\$9,928.00	\$0.00	\$0.00	\$0.00	\$43,919.04	\$30,252.29
Campbell	11/30/2010	\$1,800.00	\$1,938.75	\$9,813.76	\$0.00	\$0.00	\$0.00	\$35,596.32	\$22,043.81
Denny	1/31/2011	\$0.00	\$1,938.75	\$5,542.56	\$155.79	\$368.32	\$368.32	\$37,356.40	\$28,982.66
Dirrocco	5/31/2010	\$1,800.00	\$1,938.75	\$11,864.35	\$315.04	\$157.52	\$0.00	\$39,370.79	\$23,295.13
Jones	3/31/2010	\$1,800.00	\$1,938.75	\$15,460.68	\$0.00	\$167.68	\$335.36	\$42,020.60	\$22,318.13
Lynch	5/31/2011	\$0.00	\$1,938.75	\$1,403.28	\$0.00	\$0.00	\$0.00	\$42,936.47	\$39,594.44
Michaels	2/28/2011	\$0.00	\$1,938.75	\$6,073.28	\$0.00	\$373.12	\$373.12	\$47,407.68	\$38,649.41
Randle	6/31/11	\$0.00	\$1,938.75	\$3,821.68	\$0.00	\$332.32	\$332.32	\$39,047.60	\$32,539.45
Skotnicky	11/20/2010	\$1,800.00	\$1,938.75	\$7,604.64	\$0.00	\$0.00	\$0.00	\$28,380.00	\$17,036.61
Sutton	12/31/2010	\$1,800.00	\$1,938.75	\$8,186.91	\$0.00	\$0.00	\$0.00	\$37,866.42	\$25,940.76
Valle	11/30/2010	\$1,800.00	\$1,938.75	\$8,299.20	\$0.00	\$0.00	\$0.00	\$30,400.80	\$18,362.85
Williams	6/30/2011	\$0.00	\$1,938.75	\$6,374.32	\$186.23	\$0.00	\$0.00	\$40,321.28	\$31,821.98
Yekel	7/31/2010	\$1,800.00	\$1,938.75	\$7,269.10	\$0.00	\$165.52	\$0.00	\$30,613.34	\$19,439.97
		\$16,200.00	\$27,142.50	\$113,300.44	\$657.06	\$1,564.48	\$1,409.12	\$517,454.05	\$357,097.37

Note: Columns correspond to the steps within the AUP report.

**Appendix B
Local 3449**

	PERS Retirement Date	Excess Longevity	Excess Health	Excess Vacation	Excess Sick	Excess Comp Time	Excess Personal	Severance	Difference
	A	C	E	F	H	I	J	M	N
Brand-Garber	1/31/2011	\$0.00	\$1,938.75	\$3,038.00	\$495.63	\$35.75	\$302.72	\$11,362.11	\$5,551.26
Singleton	4/30/2011	\$0.00	\$1,938.75	\$2,616.00	\$169.68	\$23.76	\$384.00	\$32,926.65	\$27,794.46
Thomas	12/31/2010	\$1,800.00	\$1,938.75	\$4,607.66	\$0.00	\$0.00	\$0.00	\$27,835.80	\$19,489.39
K. Wackerly	10/31/2008	\$5,220.00	\$1,938.75	\$11,295.30	\$139.12	\$0.00	\$0.00	\$16,457.37	(\$2,135.80)
		\$7,020.00	\$7,755.00	\$21,556.96	\$804.43	\$59.51	\$686.72	\$88,581.93	\$50,699.31

Note: Columns correspond to the steps within the AUP report.

Appendix C
Civil Service and Fiduciary

	PERS Retirement Date	Excess Longevity	Excess Pension	Excess Health	Excess Vacation	Excess Sick	Excess Comp Time	Excess Personal	Severance	Difference
	A	C	D	E	F	H	I	J	M	N
Alpeter	4/30/2010	\$1,800.00	\$6,459.39	\$2,111.19	\$11,585.62	\$230.32	\$0.00	\$230.32	\$45,245.10	\$22,828.26
Budgake	12/31/2010	\$1,800.00	\$4,263.69	\$2,111.19	\$7,622.63	\$0.00	\$0.00	\$0.00	\$56,339.71	\$40,542.20
Chessler	2/28/2011	\$0.00	\$1,445.96	\$2,111.19	\$2,161.20	\$235.57	\$549.17	\$0.00	\$59,359.16	\$52,856.07
Foltz	11/30/2009	\$3,300.00	\$8,420.05	\$2,111.19	\$10,227.83	\$0.00	\$127.52	\$0.00	\$39,012.20	\$14,825.61
Harper	2/28/2011	\$0.00	\$1,624.25	\$2,111.19	\$3,012.96	\$264.59	\$0.00	\$0.00	\$39,081.07	\$32,068.07
Ledford	11/30/2009	\$3,420.00	\$5,366.37	\$2,111.19	\$6,851.07	\$0.00	\$0.00	\$0.00	\$27,443.28	\$9,694.65
Leiendecker	12/31/2010	\$960.00	\$3,170.39	\$2,111.19	\$6,200.58	\$0.00	\$201.34	\$0.00	\$48,779.49	\$36,135.99
Millsap	6/30/2008	\$5,400.00	\$15,365.91	\$2,111.19	\$16,024.26	\$0.00	\$0.00	\$0.00	\$44,503.77	\$5,602.42
Novelli	8/31/2010	\$1,800.00	\$4,925.74	\$2,111.19	\$6,414.66	\$501.94	\$0.00	\$250.97	\$47,443.72	\$31,439.22
Rowles	9/28/2007	\$7,200.00	\$13,663.25	\$2,111.19	\$13,928.82	\$0.00	\$0.00	\$0.00	\$12,041.74	(\$24,861.52)
Smith	3/31/2010	\$1,800.00	\$8,909.93	\$2,111.19	\$16,676.16	\$0.00	\$2,796.71	\$0.00	\$34,199.59	\$1,905.60
Vincent	8/31/2008	\$5,400.00	\$9,296.02	\$2,111.19	\$10,365.23	\$0.00	\$0.00	\$0.00	\$15,114.99	(\$12,057.45)
J. Wackerly	3/31/2009	\$3,600.00	\$10,998.94	\$2,111.19	\$14,130.97	\$0.00	\$332.10	\$0.00	\$22,859.35	(\$8,313.85)
Williams	6/30/2009	\$3,600.00	\$10,598.97	\$2,111.19	\$12,452.09	\$7,740.01	\$7.20	\$230.31	\$47,330.49	\$10,590.72
Patterson	5/30/2007	\$840.00	\$4,908.84	\$2,111.19	\$4,066.59	\$0.00	\$248.97	\$0.00	(\$3,393.04)	(\$15,568.64)
Pattison	5/31/2002	\$10,080.00	\$0.00	\$2,111.19	\$40,052.83	\$310.94	\$0.00	\$0.00	(\$12,725.53)	(\$65,280.48)
		\$51,000.00	\$109,417.70	\$33,779.04	\$181,773.50	\$9,283.37	\$4,263.01	\$711.60	\$522,635.09	\$132,406.87

Note: Columns correspond to the steps within the AUP report.

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Dave Yost • Auditor of State

CITY OF CANTON

STARK COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
NOVEMBER 20, 2012