



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Bowersville Village
Greene County
Bowersville, Ohio

We have performed the procedures enumerated below, with which the Village Council and Mayor, and the management of Bowersville Village have 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, 2013 and 2012, 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, 2013 and December 31, 2012 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2012 beginning fund balances recorded in the Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances to the December 31, 2011 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2013 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2012 balances in the Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances. We found no exceptions.
3. We agreed the 2013 and 2012 totals per the bank reconciliations to the total of the December 31, 2013 Fund Status Report and 2012 Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances, respectively. The amounts agreed.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balance to the amounts appearing in the December 31, 2013 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2013 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement(s). We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

Cash and Investments (Continued)

6. We tested investments held at December 31, 2012 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 135.14. 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 2013 and one from 2012:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Detail Report (2013) and the Receipt Register Report (2012). The amounts agreed. We determined whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipt Detail Report (2013) and the Receipt Register Report (2012) to determine whether it included two real estate tax receipts for 2013 and 2012. We noted the Receipt Detail Report (2013) and the Receipt Register Report (2012) included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2013 and five from 2012. We also selected five receipts from the Greene County Vendor Audit Trail Reports from 2013 and five from 2012.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Detail Report (2013) and the Receipt Register Report (2012). The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We confirmed the amounts paid from the Ohio Public Works Commission (OPWC) to the Village during 2012 with the OPWC. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Water Operating Fund

1. We haphazardly selected 10 Water Operating Fund collection cash receipts from the year ended December 31, 2013 and 10 Water Operating Fund collection cash receipts from the year ended 2012 recorded in the Receipt Detail Report (2013) and the Receipt Register Report (2012) and determined whether the:
 - a. Receipt amount per the respective Receipt Report agreed to the amount recorded to the credit of the customer's account in the Payments report. The amounts agreed.
 - b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the *Bowersville Water Tracking Program* for the billing period. We found no exceptions.
 - ii. Complied with rates in force during the audit period, plus any applicable late fees, and unpaid billings (if applicable). We found no exceptions.

Water Operating Fund (Continued)

- c. Receipt was posted to the proper fund(s), and was recorded in the year received. We found no exceptions.
- 2. We read the Disconnect List.
 - a. We noted this report listed \$783 and \$680 of accounts receivable as of December 31, 2013 and 2012, respectively.
 - b. We could not verify the total receivables reported in the preceding step that was more than 90 days delinquent as the system did not generate a delinquent report by date.

Debt

- 1. The prior audit disclosed no debt outstanding as of December 31, 2011.
- 2. We inquired of management, and scanned the Receipt Detail Report (2013), Receipt Register Report (2012), Payment Listing Report (2013), and Payment Register Report (2012) for evidence of debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012. We noted no new debt issuances, nor any debt payment activity during 2013 or 2012.

Payroll Cash Disbursements

- 1. We haphazardly selected one payroll check for five employees from 2013 from the Payment Listing Report and one payroll check for five employees from 2012 from the Payment Register Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payment Listing Report (2013), Payment Register Report (2012) to supporting documentation (timesheet, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.
- 2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2013 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2013. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2014	January 26, 2014	\$531	\$531
School District taxes	January 31, 2014	December 28, 2013	\$69	\$69
State income taxes	January 15, 2014	December 13, 2013	\$49	\$49
OPERS retirement	January 30, 2014	December 23, 2013	\$724	\$724

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Detail Report for the year ended December 31, 2013 and ten from the Payment Register Report for year ended 2012 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. 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 respective Payment Register and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. 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.
 - d. The fiscal officer 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.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources* required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Status Report for the General, Special Revenue and Enterprise funds for the years ended December 31, 2013 and 2012. The amounts agreed for 2013. For the year 2012, the amounts on the *Certificate* agreed to the amount recorded in the accounting system, except for the General Fund and Special Revenue Fund. For the General Fund, the Revenue Status Report recorded budgeted (i.e. certified) resources of \$26,783 for 2012. However, the final *Amended Official Certificate of Estimated Resources* reflected \$24,658. Additionally, for the Special Revenue Fund, the Revenue Status Report recorded budgeted (i.e. certified) resources of \$131,772 for 2013. However, the final *Amended Official Certificate of Estimated Resources* reflected \$131,672. The fiscal officer should periodically compare amounts recorded in the Revenue Status Report to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Council may be using inaccurate information for budgeting and to monitor spending.
2. We scanned the appropriation measures adopted for 2013 and 2012 to determine whether, for the General, Street Construction Maintenance and Water Operating 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 total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2013 and 2012 for the following funds: General, Street Construction Maintenance, and Water Operating funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report except for the General fund in 2013. The Appropriation Status Report recorded appropriations for the general fund of \$39,759. However, the final appropriations reflected \$40,959. The fiscal officer should periodically compare amounts recorded in the Appropriations Status Report to amounts approved by the Village Council to assure they agree. If the amounts do not agree, the Council may be using inaccurate information for budgeting and to monitor spending.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street Construction Maintenance, and Water Operating funds for the years ended December 31, 2013 and 2012. We noted no funds for which appropriations exceeded certified resources.

Compliance – Budgetary (Continued)

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, 2013 and 2012 for the General, Street Construction Maintenance and Water Operating funds, as recorded in the Appropriation Status 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 Receipt Detail Report (2013) and the Receipt Register Report (2012) for evidence of new restricted receipts requiring a new fund during December 31, 2013 and 2012. We also inquired of management regarding whether the Village received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Village to establish a new fund.
7. We scanned the 2013 Cash Summary by Fund Report and the 2012 Combining Statement for evidence of interfund transfers exceeding \$1,000 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 Appropriation Status Reports 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 reserves.
9. We scanned the Cash Summary by Fund Report (2013) and the Combining Summary of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances (2012) for the years ended December 31, 2013 and 2012 for any negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no funds having a negative cash fund balance.

Compliance – Contracts & Expenditures

We inquired of management and scanned the Payment Detail Report (2013) and the Payment Register Report (2012) for the years ended December 31, 2013 and 2012, respectively to determine if the Village proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project exceeding \$30,000) or to construct or reconstruct Village roads (cost of project \$30,000/per mile) 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 assessment form (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.

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 6, 2014



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VILLAGE OF BOWERSVILLE

GREENE 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
JUNE 24, 2014**