

**VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO**

**FINANCIAL STATEMENTS
(AUDIT)**

DECEMBER 31, 2014 and 2013



Dave Yost • Auditor of State

Village Council
Village of Chesterville
75 Sandusky Street
PO Box 13
Chesterville, Ohio 43317

We have reviewed the *Independent Auditor's Report* of the Village of Chesterville, Morrow County, prepared by Maloney + Novotny LLC, for the audit period January 1, 2013 through December 31, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 Chesterville is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

December 10, 2015

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VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Combined statement of receipts, disbursements, and changes in fund balances (cash basis) – all governmental fund types – year ended December 31, 2014	3
Combined statement of receipts, disbursements, and changes in fund balances (cash basis) – proprietary fund type – year ended December 31, 2014	4
Combined statement of receipts, disbursements, and changes in fund balances (cash basis) – all governmental fund types – year ended December 31, 2013	5
Combined statement of receipts, disbursements, and changes in fund balances (cash basis) – proprietary fund type – year ended December 31, 2013	6
Notes to financial statements	7-13
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	14-15
Schedule of Findings	16-25
Schedule of Prior Audit Findings	26-27

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Independent Auditors' Report

Village of Chesterville
Morrow County
75 Sandusky Street
P.O. Box 13
Chesterville, OH 43317

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of the Village of Chesterville, Morrow County, Ohio (the Village) as of and for the years ended December 31, 2014 and 2013.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code (ORC) Section 117.38 and Ohio Administrative Code (OAC) Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free of material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Village's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Village prepared these financial statements using the accounting basis permitted by the financial reporting provisions of ORC Section 117.38 and OAC Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and GAAP, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2014 and 2013, or changes in its financial position or cash flows, thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Village of Chesterville, Morrow County, Ohio as of December 31, 2014 and 2013, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions ORC Section 117.38 and OAC Section 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2015, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Delaware, Ohio
August 25, 2015



VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND
BALANCES (CASH BASIS) – ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2014

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
CASH RECEIPTS			
Property and other local taxes	\$ 31,381	\$ 3,227	\$ 34,608
Intergovernmental	12,935	8,324	21,259
Fines, licenses and permits	1,908	-	1,908
Earnings on investments	<u>4</u>	<u>1</u>	<u>5</u>
Total cash receipts	<u>46,228</u>	<u>11,552</u>	<u>57,780</u>
CASH DISBURSEMENTS			
Current:			
Security of persons and property	8,902	-	8,902
Public health services	798	-	798
Leisure time activities	92	-	92
Community environment	2,052	-	2,052
Basic utility services	652	-	652
Transportation	1,445	2,163	3,608
General government	31,512	-	31,512
Capital outlay	<u>269</u>	<u>4,219</u>	<u>4,488</u>
Total cash disbursements	<u>45,722</u>	<u>6,382</u>	<u>52,104</u>
Total receipts over (under) disbursements	<u>506</u>	<u>5,170</u>	<u>5,676</u>
OTHER FINANCING RECEIPTS (DISBURSEMENTS)			
Transfers out	(15,226)	-	(15,226)
Other financing uses	<u>(261)</u>	<u>-</u>	<u>(261)</u>
Total other financing receipts (disbursements)	<u>(15,487)</u>	<u>-</u>	<u>(15,487)</u>
Net change in fund cash balances	(14,981)	5,170	(9,811)
FUND CASH BALANCES, BEGINNING OF YEAR	<u>32,976</u>	<u>20,117</u>	<u>53,093</u>
FUND CASH BALANCES			
Committed	-	19,857	19,857
Assigned	-	5,430	5,430
Unassigned	<u>17,995</u>	<u>-</u>	<u>17,995</u>
FUND CASH BALANCES, END OF YEAR	<u>\$ 17,995</u>	<u>\$ 25,287</u>	<u>\$ 43,282</u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND
BALANCES (CASH BASIS) – PROPRIETARY FUND TYPE

Year Ended December 31, 2014

	Proprietary Fund Type <u>Enterprise</u>
OPERATING CASH RECEIPTS	
Charges for services	\$ <u>106,441</u>
Total operating cash receipts	<u>106,441</u>
OPERATING CASH DISBURSEMENTS	
Personal services	13,502
Contractual services	43,564
Supplies and materials	<u>3,216</u>
Total operating cash disbursements	<u>60,282</u>
Operating income	<u>46,159</u>
NON-OPERATING CASH RECEIPTS (DISBURSEMENTS)	
Earnings on investments	2
Capital outlay	(5,312)
Principal retirement	(14,000)
Interest and other fiscal charges	<u>(34,380)</u>
Total non-operating cash receipts (disbursements)	<u>(53,690)</u>
Excess disbursements over receipts before interfund transfers	(7,531)
INTERFUND TRANSFERS	
Transfers in	48,353
Transfers out	<u>(33,127)</u>
Net interfund transfers	<u>15,226</u>
Net disbursements over receipts	7,695
FUND CASH BALANCES, BEGINNING OF YEAR	<u>905</u>
FUND CASH BALANCES, END OF YEAR	\$ <u><u>8,600</u></u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND
BALANCES (CASH BASIS) – ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2013

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
CASH RECEIPTS			
Property and other local taxes	\$ 29,806	\$ 2,819	\$ 32,625
Intergovernmental	12,221	7,807	20,028
Charges for services	2,111	-	2,111
Fines, licenses and permits	2,056	-	2,056
Earnings on investments	<u>9</u>	<u>2</u>	<u>11</u>
Total cash receipts	<u>46,203</u>	<u>10,628</u>	<u>56,831</u>
CASH DISBURSEMENTS			
Current:			
Security of persons and property	6,792	-	6,792
Public health services	745	-	745
Leisure time activities	475	-	475
Community environment	1,580	-	1,580
Basic utility services	600	-	600
Transportation	512	7,979	8,491
General government	30,059	-	30,059
Capital outlay	<u>1,589</u>	<u>-</u>	<u>1,589</u>
Total cash disbursements	<u>42,352</u>	<u>7,979</u>	<u>50,331</u>
 Total receipts over (under) disbursements	 <u>3,851</u>	 <u>2,649</u>	 <u>6,500</u>
OTHER FINANCING RECEIPTS (DISBURSEMENTS)			
Transfers out	(7,920)	-	(7,920)
Other financing uses	<u>(3,853)</u>	<u>-</u>	<u>(3,853)</u>
Total other financing receipts (disbursements)	<u>(11,773)</u>	<u>-</u>	<u>(11,773)</u>
 Net change in fund cash balances	 (7,922)	 2,649	 (5,273)
 FUND CASH BALANCES, BEGINNING OF YEAR	 <u>40,898</u>	 <u>17,468</u>	 <u>58,366</u>
FUND CASH BALANCES			
Committed	-	15,482	15,482
Assigned	-	4,635	4,635
Unassigned	<u>32,976</u>	<u>-</u>	<u>32,976</u>
 FUND CASH BALANCES, END OF YEAR	 \$ <u>32,976</u>	 \$ <u>20,117</u>	 \$ <u>53,093</u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND
BALANCES (CASH BASIS) – PROPRIETARY FUND TYPE

Year Ended December 31, 2013

	Proprietary Fund Type <u>Enterprise</u>
OPERATING CASH RECEIPTS	
Charges for services	\$ 112,168
Total operating cash receipts	<u>112,168</u>
OPERATING CASH DISBURSEMENTS	
Personal services	14,866
Employee fringe benefits	329
Contractual services	46,228
Supplies and materials	<u>7,413</u>
Total operating cash disbursements	<u>68,836</u>
Operating income	<u>43,332</u>
NON-OPERATING CASH RECEIPTS (DISBURSEMENTS)	
Earnings on investments	2
Principal retirement	(12,000)
Interest and other fiscal charges	<u>(34,920)</u>
Total non-operating cash receipts (disbursements)	<u>(46,918)</u>
Excess disbursements over receipts before interfund transfers	(3,586)
INTERFUND TRANSFERS	
Transfers in	46,920
Transfers out	<u>(39,008)</u>
Net interfund transfers	<u>7,912</u>
Net disbursements over receipts	4,326
FUND CASH BALANCES, BEGINNING OF YEAR	<u>(3,421)</u>
FUND CASH BALANCES, END OF YEAR	\$ <u><u>905</u></u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

- A. Description of the Entity – The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Chesterville, Morrow County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government services, sewer utilities, security services and fire protection services. The Village contracts with the Morrow County Sheriff's department to provide security of persons and property. The Village contracts with Big Walnut Joint Fire District to provide fire protection services.

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

- B. Accounting Basis – These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code (ORC) Section 117.38 and Ohio Administrative Code (ORC) Section 1172-03(D) permit. This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved.)

These statements include adequate disclosure of material matters, as the financial reporting provisions of ORC Section 117.38 and OAC Section 117-2-03(D) permit.

- C. Deposits and Investments – The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.
- D. Fund Accounting – The Village uses fund accounting to segregate cash that is restricted as to use. The Village classifies its funds into the following types:

General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The Village had the following significant Special Revenue Fund:

Street, Construction, Maintenance and Repair Fund – This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village streets.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued) –

Enterprise Funds

These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Funds:

Sewer Operating Fund – This fund receives charges for services from residents to cover sewer service costs.

Sewer Operation and Maintenance Fund – The purpose of this fund is to accumulate monies for ongoing operations and maintenance expenditures in connection with the wastewater treatment plant.

Sewer Operations and Maintenance Emergency Fund – The purpose of this fund is to accumulate monies for emergency operation and maintenance expenditures in connection with the wastewater treatment plant.

Sewer Loan Payment Fund – The purpose of this fund is to accumulate monies to satisfy the annual debt service requirements in connection with the wastewater treatment plant outstanding debts.

E. Budgetary Process – The Ohio Revised Code (ORC) requires each fund to be budgeted annually.

Appropriations – Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. The County Budget Commission must also approve the annual appropriation measure.

Estimated Resources – Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

Encumbrances – The ORC requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are cancelled, and reappropriated in the subsequent year.

A summary of 2014 and 2013 budgetary activity appears in Note 3.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

- F. Fund Balance – Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental fund resources. The classifications are as follows.

Nonspendable – The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted – Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed – Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

- G. Property, Plant and Equipment – The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2. Equity in Pooled Cash

The Village maintains a cash deposit pool used by all funds. The ORC prescribes allowable deposits. The carrying amount of cash at December 31 was as follows:

	<u>2014</u>	<u>2013</u>
Demand deposits	\$ 43,079	\$ 45,199
Certificate of deposit	<u>8,803</u>	<u>8,799</u>
	<u>\$ 51,882</u>	<u>\$ 53,998</u>

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Note 3. Budgetary Activity

Budgetary activity for the years ended December 31, 2014 and 2013 follows:

<u>Fund Type</u>	<u>2014 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 47,076	\$ 46,228	\$ (848)
Special Revenue	15,300	11,552	(3,748)
Enterprise	<u>120,000</u>	<u>154,796</u>	<u>34,796</u>
Total	<u>\$ 182,376</u>	<u>\$ 212,576</u>	<u>\$ 30,200</u>

<u>Fund Type</u>	<u>2014 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 53,750	\$ 61,209	\$ (7,459)
Special Revenue	16,800	6,382	10,418
Enterprise	<u>122,750</u>	<u>147,101</u>	<u>(24,351)</u>
Total	<u>\$ 193,300</u>	<u>\$ 214,692</u>	<u>\$ (21,392)</u>

<u>Fund Type</u>	<u>2013 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 60,123	\$ 46,203	\$ (13,920)
Special Revenue	10,073	10,628	555
Enterprise	<u>102,772</u>	<u>159,090</u>	<u>56,318</u>
Total	<u>\$ 172,968</u>	<u>\$ 215,921</u>	<u>\$ 42,953</u>

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 3. Budgetary Activity (Continued)

<u>Fund Type</u>	<u>2013 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation</u>	<u>Budgetary</u>	<u>Variance</u>
	<u>Authority</u>	<u>Expenditures</u>	
General	\$ 58,600	\$ 54,125	\$ 4,475
Special Revenue	13,200	7,979	5,221
Enterprise	133,750	154,764	(21,014)
Total	\$ <u>205,550</u>	\$ <u>216,868</u>	\$ <u>(11,318)</u>

Note 4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

Note 5. Debt Obligations

Debt outstanding at December 31, 2014 and 2013, was as follows:

	<u>Interest</u>	<u>Principal Balance</u>	
	<u>Rate</u>	<u>2014</u>	<u>2013</u>
USDA Rural Development	4.5%	\$ 750,000	\$ 764,000

The United States Department of Agriculture, Rural Development (USDA) loan relates to a wastewater plant expansion project that was mandated by the Ohio Environmental Protection Agency. The USDA loan proceeds were used to repay Ohio Water Development Authority (OWDA) debt outstanding as of December 31, 2014. The Village is to repay the loan over 40 years in annual payments of fixed principal and interest to be determined annually by USDA. An approximate payment schedule is included below. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover USDA debt service requirements. The Village opened three new accounts in a financial institution, as required by USDA. The Village funds these accounts to accumulate reserves for operating and maintenance, emergency, and debt service purposes.

As of December 31, 2014 amortization of the debt on the preceding page, including interest, is scheduled as follows for the years ending December 31:

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 5. Debt Obligations (Continued)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 14,000	\$ 33,750	\$ 47,750
2016	14,000	33,120	47,120
2017	14,000	32,490	46,490
2018	16,000	31,860	47,860
2019	16,000	31,140	47,140
2020-2024	86,000	144,630	230,630
2025-2029	110,000	123,210	233,210
2030-2034	140,000	95,760	235,760
2035-2039	172,000	61,740	233,740
2040-2043	<u>168,000</u>	<u>19,170</u>	<u>187,170</u>
Total	\$ <u>750,000</u>	\$ <u>606,870</u>	\$ <u>1,356,870</u>

Note 6. Retirement Systems

The Village's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio or Social Security. PERS is a cost-sharing, multiple-employer plan. The ORC prescribes the plans' retirement benefits, including postretirement healthcare and survivor and disability benefits.

The ORC also prescribes contribution rates for PERS. For 2014 and 2013, participants contributed 10% of their gross salaries. The Village contributed an amount equal to 14% of participants' gross salaries for 2014 and 2013. The Village has paid all contributions required for PERS and Social Security through December 31, 2014.

Note 7. Risk Management

The Government belongs to the Ohio Plan Risk Management, Inc. (OPRM) – formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of ORC, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 7. Risk Management (Continued)

responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 767 and 744 members as of December 31, 2012 and 2013, respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan. Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Plan's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2012 and 2013.

	<u>2012</u>	<u>2013</u>
Assets	\$ 13,100,381	\$ 13,774,304
Liabilities	<u>(6,687,193)</u>	<u>(7,968,395)</u>
Net position	<u>\$ 6,413,188</u>	<u>\$ 5,805,909</u>

Audited financial statements for OPRM are available at the Plan's website, www.ohioplan.org.

Note 8. Subsequent Events

Subsequent events have been evaluated through the date of the audit report, which is the date the financial statements were available to be issued.

Note 9. Compliance and Contingencies

Contrary to Ohio law:

- Material reclassifications to the financial statements were necessary to be fairly stated.
- Appropriations did not agree to the Uniform Accounting Network (UAN).
- The Certificate of Estimated Resources included inaccurate balances and did not agree to the UAN.
- All funds were not encumbered prior to expenditure.
- Budgetary expenditures exceeded appropriation authority in the General Fund by \$7,459 and in the Sewer Loan Payment Fund by \$48,396 for 2014. Budgetary expenditures exceeded appropriation authority in the Sewer Loan Payment Fund by \$46,928 for 2013.
- Final appropriations exceeded available resources in the Sewer Operating Fund by \$12,452 in 2014 and by \$21,963 in 2013.
- Final appropriations exceeded estimated resources in the Sewer Operating Fund by \$31,029 in 2013.
- Training on Ohio's Public Records Laws was not completed and no exemption certificate for investment training was obtained from the Treasurer of State.
- The public records policy was not updated as required by ORC Section 149.43. Deposits were not made into Sewer System Fund accounts as provided by Village Council ordinance.

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Donald J. Wolf, CPA
William D. Rogers, CPA
G. Michael Dickey, CPA

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

Village of Chesterville
P.O. Box 13
Chesterville, Ohio 43317

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Village of Chesterville, Morrow County (the Village) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated August 25, 2015, wherein we noted the Village followed accounting financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying Schedule of Findings we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect and timely correct misstatements. A material weakness is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A significant deficiency is a deficiency, or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider Findings Number 2014-01 to 2014-05 and 2014-10 described in the accompanying Schedule of Findings to be material weaknesses. We identified deficiencies in internal control, described in the accompanying Schedule of Findings as Finding Numbers 2014-07 to 2014-09 that we consider to be significant deficiencies.

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, opining 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as Findings Number 2014-01 to 2014-08 and 2014-10 to 2014-14.

Village's Response to Findings

The Village's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. The Village's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Delaware, Ohio
August 25, 2015

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-01
Material weakness/noncompliance

Ohio Revised Code (ORC) Section 5705.36 states that on or about the first day of each fiscal year, the fiscal officer should certify to the county auditor the total amount from all sources available for expenditure from each fund in the tax budget along with any unencumbered balances that existed at the end of the preceding year.

The Certificates of Estimated Resources that the Village prepared for 2014 and 2013 were based on inaccurate beginning cash balances by fund. Fund balances did not agree to audited fund balances by fund as of December 31, 2012. The tables below reflect the actual audited cash balances (less encumbrances) by fund versus available cash balances by fund reported in the Certificate of Estimated Resources. The 2014 beginning audited balances also include adjustments made to 2013 transactions during the current audit.

<u>2013</u>	<u>Available Beginning Cash Balance</u>	<u>Certificate of Estimated Resources</u>	<u>Difference</u>
General Fund	\$ 40,898	\$ 28,544	\$ 12,354
Street Construction, Maintenance, and Repair Fund	17,468	15,044	2,424
Sewer Operating Fund	(51)	3,435	(3,486)
Sewer Operations and Maintenance Fund	1,594	993	601
Sewer Operations and Maintenance Emergency Fund	(4,953)	3,194	(8,147)
Sewer Loan Payment Fund	(11)	-	(11)

<u>2014</u>	<u>Available Beginning Cash Balance</u>	<u>Certificate of Estimated Resources</u>	<u>Difference</u>
General Fund	\$ 32,976	\$ 32,242	\$ 734
Street Construction, Maintenance, and Repair Fund	20,117	22,048	(1,931)
Sewer Operating Fund	3,951	-	3,951
Sewer Operations and Maintenance Emergency Fund	(4,322)	3,196	(7,518)
Sewer Loan Payment Fund	(18)	-	(18)

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-01(continued)
Material weakness/noncompliance

The Morrow County Auditor requires timely filing of budgetary documents or Local Government funds may be withheld. In addition, the properly completed Certificate of Estimated Resources serves as the basis for the appropriation resolution.

As a result of inaccurate fund balances the Village is at risk to spend funds into a deficit balance. Such a situation would be especially detrimental to the Village if the General Fund were to be spent into a deficit balance since it is the only fund from which any lawful Village expenditure may be made without restriction.

Village Response:

Prior Fiscal officer died July 2014. Current fiscal officer is undergoing a learning curve in what reports are due and the dates to the county auditor. Going forward into 2015 and 2016 reports should be filed in a timely manner and a certificate of resources amended as needed throughout the year.

Finding Number 2014-02
Material weakness/noncompliance

The UAN system has built-in safeguards to assist local governments in complying with budgetary requirements of the ORC; however, these safeguards cannot operate effectively when inaccurate appropriation and budgeted receipt data is input.

For 2014 and 2013 the estimated resources did not agree to amounts entered into the Uniform Accounting Network (UAN) as follows:

<u>2013</u>	<u>Per Amended Certificate of Estimated Resources</u>	<u>Per UAN</u>	<u>Difference</u>
General Fund	\$ 60,123	\$ 46,962	\$ 13,161
Street Construction, Maintenance, and Repair Fund	10,073	10,055	18
Sewer Operating Fund	102,772	159,000	(56,228)
Sewer Operations and Maintenance Fund	-	5,000	(5,000)
Sewer Operations and Maintenance Emergency Fund	-	5,001	(5,001)
Sewer Loan Payment Fund	-	96,006	(96,006)
	\$ <u>172,968</u>	\$ <u>322,024</u>	\$ <u>(149,056)</u>

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-02, (continued)
Material weakness/noncompliance

<u>2014</u>	<u>Per Amended Certificate of Estimated Resources</u>	<u>Per UAN</u>	<u>Difference</u>
General Fund	\$ 47,076	\$ 49,101	\$ (2,025)
Street Construction, Maintenance, and Repair Fund	15,300	10,038	5,262
Sewer Operating Fund	120,000	112,800	7,200
Sewer Operations and Maintenance Fund	-	96,001	(96,001)
Sewer Operations and Maintenance Emergency Fund	-	1	(1)
Sewer Loan Payment Fund	<u>-</u>	<u>15,226</u>	<u>(15,226)</u>
	<u>\$ 182,376</u>	<u>\$ 283,167</u>	<u>\$ (100,791)</u>

Village Response:

Same as explanation of 2014-01.

Finding Number 2014-03
Material weakness/noncompliance

ORC Section 5701.38 provides that on or about the first day of each fiscal year, the Village shall pass an appropriation measure and during the year it may pass any supplemental appropriation measures it finds necessary. Additionally, ORC Section 5705.41(B) provides that the Village shall not expend money unless it has been appropriated.

For 2014 and 2013, the appropriations did not agree to amounts entered into UAN as follows:

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-03, (continued)
Material weakness/noncompliance

<u>2013</u>	<u>Per Amended Certificate of Estimated Resources</u>	<u>Per UAN</u>	<u>Difference</u>
General Fund	\$ 58,600	\$ 73,836	\$ (15,236)
Street Construction, Maintenance and Repair Fund	13,200	15,100	(1,900)
Sewer Operating Fund	133,750	141,050	(7,300)
Sewer Loan Payment Fund	<u>-</u>	<u>48,000</u>	<u>(48,000)</u>
	\$ <u>205,550</u>	\$ <u>277,986</u>	\$ <u>(72,436)</u>

<u>2014</u>	<u>Per Amended Certificate of Estimated Resources</u>	<u>Per UAN</u>	<u>Difference</u>
General Fund	\$ 53,750	\$ 73,343	\$ (19,593)
Street Construction, Maintenance and Repair Fund	16,800	15,800	1,000
Sewer Operating Fund	122,750	122,880	(130)
Sewer Loan Payment Fund	<u>-</u>	<u>48,380</u>	<u>(48,380)</u>
	\$ <u>193,300</u>	\$ <u>260,403</u>	\$ <u>(67,103)</u>

Village Response:

Same as explanation of 2014-01. A amended appropriation will be approved by Council before being entered into UAN.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-04
Material weakness/noncompliance

ORC Section 5705.39 states that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure. Appropriations in this sense are approved appropriations by the government and the estimated revenue needs to be certified by the Budget Commission.

The Village had appropriations exceeding estimated resources in the following fund at December 31, 2013.

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations Authority</u>	<u>Variance</u>
Sewer Operating Fund	\$ 102,721	\$ 133,750	\$ 31,029

Village Response:

Same as explanation of 2014-03.

Finding Number 2014-05
Material weakness/noncompliance

ORC Section 5705.41(B) states that no expenditure shall be made unless it has been appropriated. Appropriations in this sense are approved appropriations by the government.

The Village had expenditures exceeding appropriations in the following fund at December 31, 2013.

<u>Fund</u>	<u>Appropriations Authority</u>	<u>Expenditures</u>	<u>Variance</u>
Sewer Loan Payment Fund	-	46,928	(46,928)

The Village had expenditures exceeding appropriations in the following funds at December 31, 2014.

<u>Fund</u>	<u>Appropriations Authority</u>	<u>Expenditures</u>	<u>Variance</u>
General Fund	\$ 53,750	61,209	(7,459)
Sewer Loan Payment Fund	-	48,396	(48,396)

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-05, (continued)
Material weakness/noncompliance

Village Response:

Same as explanation of 2014-03.

Finding Number 2014-06
Noncompliance

ORC Section 5705.36 states:

- (1) That an increased amended certificate must be obtained from the Budget Commission if the legislative authority intends to appropriate and expend revenue in excess of the estimated resources.
- (2) A reduced amended certificate must be obtained if the amount of the deficiency will reduce the available resources below the current level of appropriations.

In 2014, appropriations exceeded available resources in the Sewer Operating Fund by \$12,452. In 2013, appropriations exceeded available resources in the Sewer Operating Fund by \$21,963. These deficits were caused by an inaccurate available beginning cash balance.

Village Response:

Again a new fiscal officer in place as of July 2014 and going through learning curve. Will be more aware of proper reporting on estimated resources are adjusted according to ensure no over spending of funds.

Finding Number 2014-07
Significant deficiency/noncompliance

The Village Officer's Handbook Chart of Accounts appendix lists the revenue and expenditure codes, names source information, and provides brief descriptions of the codes. The Village prepared financial statements required reclassification to correct the following misstatements:

- In 2013 Enterprise Fund interest payments of \$34,920 and principal retirements of \$12,000 were recorded as transfers out.
- In 2013 and 2014 Enterprise Fund charges for services of \$112,168 and \$106,441, respectively, were recorded as special assessments.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-07, (continued)
Significant deficiency/noncompliance

Reclassification adjustments were made to the audited financial statements to properly reflect these disbursements.

Village Response:

This will be corrected going forward in 2015 for charges for services Loan interest and principal also to be recorded correctly.

Finding Number 2014-08
Significant deficiency/noncompliance

ORC Section 5705.41(D) states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury when such contract or order is made.

ORC Section 5705.41 also provides that if no certificate was furnished at the time that the contract was entered into, the fiscal officer may prepare a Then and Now Certificate stating (1) that there was at the time of the making of the contract and (2) at the time of the execution of this certificate a sufficient sum appropriated for the purpose of the contract in question in the treasury or in process of collection to the credit of the appropriate fund, free from previous encumbrances. Funds were not encumbered prior to expenditure for twenty-seven of the forty Village disbursements we tested and Then and Now Certificates were not prepared.

Village Response:

Again learning curve for new fiscal officer. She is aware now that all purchase orders need to be approved by her and recorded correctly as then and now certificates.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-09
Significant deficiency

Although the Village Council receives and reviews a limited number of monthly reports from the Fiscal Officer, the Village has not established written procedures to assure completeness and accuracy of the monthly reporting.

We noted that twelve out of forty purchase orders tested were not signed by the Fiscal Officer as required by ORC Section 5705.41. Section 5705.41 states that no contracts or orders involving the expenditure of money may be made unless the fiscal officer has certified that “the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of the appropriate fund free from any previous encumbrances.”

The Village Council should also make appropriate inquiries and if deemed necessary review the bank statements and supporting documentation to help determine the integrity of the financial information. When performing such review, the officials’ signatures or initials and the date should be affixed to the documents examined.

Village Response:

Again learning curve for new fiscal officer. Going forward fiscal officer will ensure all purchase orders are signed and council will review and sign off on all purchase orders.

Finding Number 2014-10
Material weakness/noncompliance

ORC Section 5705.44 states that for contracts extending beyond the fiscal year end, the fiscal officer of the taxing authority shall make a certificate for the amount required to meet the obligation of such contract maturing in a subsequent fiscal year. The amount of the unfilled obligation under such contract shall be included in the annual appropriation measure for the next year as a fixed charged. We identified payments totaling \$1,466 and \$5,027 extending beyond the 2014 and 2013 year end, respectively, that were not encumbered.

Village Response:

Learning curve. Will be aware of any contracts going forward and ensure are encumbered at time of issuance.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-11
Noncompliance

ORC Sections 109.43(B) and 149.43(E) (1) require all state and local elected officials, or their designees, attend at least 3 hours of training on Ohio's Public Records Laws during each term of office. The training received must be certified by the Ohio Attorney General. Proof that training has been completed must include documentation that either the Attorney General's Office or another entity certified by the Attorney General provided the training to the elected official, or his/her designee. Attendees who successfully complete the training will receive a certificate to serve as proof of training.

ORC Section 135.22 requires village treasurers and clerks complete continuing education provided by the Treasurer of State unless they provide the Auditor of State a notice of exemption certified by the Treasurer of State that the Village only invests in interim deposits, no load mutual funds or STAR Ohio.

The Fiscal Officer or a designee could not provide a certificate documenting attendance at the required training or an exemption from the training for 2014 and 2013, for the prior Fiscal Officer. The current Fiscal Officer began her term in September 2014 and provided a notice of exemption certified by the Treasurer of State effective for 2015.

Village Response:

New fiscal officer will get trained in 2015 and provide certificate for next training. Will also make sure to get notice of exemption Certified by Treasurer of State that village only invests in interim deposits. No load mutual funds or Star Ohio.

Finding Number 2014-12
Noncompliance

Recent changes to ORC Section 149.43 require that public offices update public records policies. Specifically, by September 29, 2007, all public offices were required to adopt a public records policy that described how the public office will be responding to public records requests. The ORC also details three specific items that may not be included in the public records policy. Once adopted, the public office is required to post the policy via a poster in certain locations and include it in the entity's employee manual. The Village has not adopted the required public records policy.

Village Response:

Village has adopted a public records policy in 2015 and is posted.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF FINDINGS

December 31, 2014 and 2013

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

Finding Number 2014-13
Noncompliance

ORC Section 117.11(a) states that public offices shall observe laws, rules, ordinances and orders. The Village Council passed an ordinance concerning the sewer system fund accounts. A predetermined amount of funds was to be deposited into each sewer system fund account. The Village is not depositing the predetermined amounts on the specified timeline as stated in the ordinance.

Village Response:

There are not monies available to move into these funds due to lack of income coming into the sewer operating funds.

Finding Number 2014-14
Noncompliance

ORC Section 121.22(C) states that the minutes of a regular or special meeting of any public body shall be promptly prepared, filed, and maintained and shall be open to public inspection. The Village did not maintain records of all meetings.

Village Response:

Minutes are held by some council members. Will get copies into the office and keep on file at the office.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF PRIOR AUDIT FINDINGS

December 31, 2014 and 2013

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	<u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid: Explain:</u>
2012-01	Certificate of estimated resources was prepared with inaccurate beginning balances.	No	Repeated as Finding Number 2014-01.
2012-02	Certificate of estimated resources did not agree to amounts entered into Uniform Account Network (UAN).	No	Repeated as Finding Number 2014-02.
2012-03	Appropriation resolution did not agree to amounts entered into UAN.	No	Repeated as Finding Number 2014-03.
2012-04	Appropriations exceeded estimated revenue.	No	Repeated as part of Finding Number 2014-04.
2012-05	Expenditures exceeded appropriations.	No	Repeated as Finding Number 2014-05.
2012-06	Amending certificates of estimated resources.	No	Repeated as Finding Number 2014-06.
2012-07	Significant adjustments were necessary for financial statements to be fairly stated.	No	Repeated as Finding Number 2014-07.
2012-08	Funds were not always encumbered prior to expenditure.	No	Repeated as Finding Number 2014-08.
2012-09	Internal control and review procedures.	No	Repeated as Finding Number 2014-09.
2012-10	Encumbrances	Yes	Finding no longer valid.

VILLAGE OF CHESTERVILLE
MORROW COUNTY, OHIO

SCHEDULE OF PRIOR AUDIT FINDINGS, (Continued)

December 31, 2014 and 2013

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	<u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid: Explain</u>
2012-11	Maintaining complete accounting records in UAN.	No	Repeated as Finding Number 2014-10.
2012-12	Required training of fiscal clerks.	No	Repeated as Finding Number 2014-11.
2012-13	Public records policy.	No	Repeated as Finding Number 2014-12.
2012-14	Predetermined amounts deposited into the Sewer System Fund.	No	Repeated as Finding Number 2014-13.



Dave Yost • Auditor of State

VILLAGE OF CHESTERVILLE

MORROW 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
DECEMBER 22, 2015