

Village of Ohio City  
Van Wert County, Ohio  
Program Specific Audit  
For The Year Ended December 31, 2009



**Caudill & Associates, CPA**

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# Dave Yost • Auditor of State

Village Council  
Village of Ohio City  
103 S. Main Street  
Ohio City, Ohio 45874

We have reviewed the *Independent Auditor's Report* of the Village of Ohio City, Van Wert County, prepared by Caudill & Associates, CPAs, for the audit period January 1, 2009 through December 31, 2009. 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 Ohio City is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

August 28, 2013

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VILLAGE OF OHIO CITY  
VAN WERT COUNTY

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## INDEPENDENT AUDITOR'S REPORT

Village of Ohio City  
Van Wert County  
103 S. Main Street  
Ohio City, Ohio 45874

To the Village Council

We have audited the accompanying schedule of expenditures of federal awards for the Water and Waste Disposal System program of the Village of Ohio City, Van Wert County, (the Village) for the year ended December 31, 2009. This schedule is the responsibility of the Village's management. Our responsibility is to express an opinion on the schedule of expenditures of federal awards of the water and waste disposal program based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States and Local Governments, and Non-Profit Organizations. Those standards and the OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of expenditures of federal awards of the water and waste disposal program is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note B, this schedule was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the schedule of expenditures of federal awards referred to above present fairly, in all material respects, the expenditures of federal awards under the Water and Waste Disposal System program in conformity with a basis of accounting described in Note B.

This report is intended solely for the information and use of management of the Village, Auditor of State, and federal awarding agencies, and is not intended to be and should not be used by anyone other than those specified parties.

*Caudill & Associates, CPA*

Caudill & Associates, CPA  
May 30, 2013

**VILLAGE OF OHIO CITY**  
**VAN WERT COUNTY**

Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2009

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Disbursements
<hr/> <b>United States Department of Rural Development</b> <hr/>		
<b><i>Direct Program</i></b>		
Water and Waste Disposal Systems	10.760	<u>\$ 2,695,029</u>
<b>Total Federal Awards</b>		<u><u>\$ 2,695,029</u></u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**VILLAGE OF OHIO CITY  
VAN WERT COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE A - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Village of Ohio City under the water and waste disposal system program of the federal government for the year ended December 31, 2009. The information in this Schedule is presented in accordance with the requirements of the OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of the Village of Ohio City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Village of Ohio City.

**NOTE B – SUMMARY OF ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting and, accordingly, represent the total cash expended for the program. The Schedule does not include transactions that might be included using the accrual basis of accounting as contemplated by generally accounting principles.



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### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON THE FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE PROGRAM-SPECIFIC AUDIT OPTION UNDER *OMB CIRCULAR A-133***

Village of Ohio City  
103 South Main Street  
Ohio City, Ohio 45874

To the Village Council

#### **Compliance**

We have audited the Village of Ohio City's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on its Water and Waste Disposal System program for the year ended December 31, 2009. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Village of Ohio City's management. Our responsibility is to express an opinion on the Village's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Water and Waste Disposal System program occurred. An audit includes examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Village's compliance with those requirements.

In our opinion, the Village of Ohio City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its Water and Waste Disposal System program for the year ended December 31, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with these requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned cost as item 2009-001.

Members of the Village Council  
Village of Ohio City

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control over Compliance Required by OMB Circular A-133

### **Internal Control Over Compliance**

The Village's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Village's internal control over compliance with requirements that could have a direct and material effect on its Water and Waste Disposal System program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The Village's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Village's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of the management, Village Council, federal awarding agencies, Auditor of State, pass-through entities and others within the Village. It is not intended for anyone other than these specified parties.

*Caudill & Associates, CPA*

Caudill & Associates, CPA

May 30, 2013

**VILLAGE OF OHIO CITY  
VAN WERT COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 §.505  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant deficiency(ies) in internal control reported for major federal programs?</b>	None Reported
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	Yes
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	<i>Water and Waste Disposal System CFDA #10.760</i>
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	No

VILLAGE OF OHIO CITY  
VAN WERT COUNTY, OHIO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
*OMB CIRCULAR A-133 § .505*  
FOR THE YEAR ENDED DECEMBER 31, 2009

**2. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

**FINDING NUMBER 2009-001**

**Noncompliance Citation – Federal Program Report Submission**

OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations Section .320(a) states “The audit shall be completed and the data collection form described in paragraph (b) of this section and reporting package described in paragraph (c) of this section shall be submitted within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

The Village did not complete the single audit within the required time frame, nor obtained an agreement in advance for an extension from the cognizant or oversight agency.

We recommend that management notify auditors in a timely manner to meet compliance requirements for all federal programs that qualify as a single audit, and become familiar with the requirements of the U.S. Department of Management and Budget Circular A-133, Audits of State and Local Governments, and Non-Profit Organizations.

**Village Response:**

The Village will implement procedures to assure that reporting requirements for federal funds are followed.

**VILLAGE OF OHIO CITY  
VAN WERT COUNTY, OHIO  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A-133 §.315(C)**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2009-001	<p>(1) The Fiscal Officer will notify auditors immediately when federal disbursements exceed \$500,000 within one fiscal year.</p> <p>(2) The Fiscal Officer will work diligently with the Grant Coordinator to assure compliance and other pertinent matters.</p> <p>(3) The Fiscal Officer will contact appropriate personnel when questions arise, and will utilize help resources.</p> <p>(4) The Fiscal Officer will contact cognizant or oversight agency for an extension or modifications if deemed necessary.</p>	<p>(1) April 2013 (2) April 2013 (3) April 2013 (4) April 2013</p>	Deb Strickland



# Dave Yost • Auditor of State

**VILLAGE OF OHIO CITY PROGRAM SPECIFIC**

**VAN WERT 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  
SEPTEMBER 10, 2013**