

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

*Financial Statements
(Audited)*

For The Years Ended
December 31, 2008 and 2007

JANET BONIFAS, FISCAL OFFICER



Mary Taylor, CPA

Auditor of State

Village Council
Village of Elida
200 W. Main Street
Elida, Ohio 45807

We have reviewed the *Independent Auditor's Report* of the Village of Elida, Allen County, prepared by Julian & Grube, Inc., for the audit period January 1, 2007 through December 31, 2008. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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 Elida is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 22, 2009

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**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Auditor's Report

Members of Council and Mayor
Village of Elida
200 W. Main Street
Elida, Ohio 45807

We have audited the accompanying financial statements of the Village of Elida (the "Village"), Allen County, Ohio, as of and for the years ended December 31, 2008 and 2007. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 2, the Village prepared these financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2008 and 2007. Instead of the combined funds the accompanying financial statements present for December 31, 2008 and 2007, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for December 31, 2008 and 2007. While the Village does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Village has elected not to reformat its statements. Since the Village does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village of Elida, Allen County, Ohio, as of December 31, 2008 and 2007, or its changes in financial position or cash flows of its proprietary fund type for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash fund balances of the Village of Elida, Allen County, Ohio, as of and for the years ended December 31, 2008 and 2007, and its combined cash receipts and cash disbursements and combined budgeted and actual receipts and budgeted and actual disbursements for the years then ended on the accounting basis Note 2 describes.

The aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion and Analysis for the years ended December 31, 2008 and 2007. The Village has not presented Management's Discussion and Analysis which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2009, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
May 1, 2009

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

COMBINED STATEMENT OF CASH FUND BALANCES
ALL FUND TYPES
DECEMBER 31, 2008 AND 2007

<u>Cash and Cash Equivalents</u>	2008	2007
Cash and Cash Equivalents	\$ 407,184	\$ 636,051
Total Cash and Cash Equivalents	\$ 407,184	\$ 636,051
<u>Cash Fund Balances</u>		
<u>Governmental Fund Types:</u>		
General	\$ 6,948	\$ 9,733
Special Revenue	286,690	368,834
Total Governmental Funds	293,638	378,567
<u>Proprietary Fund Type:</u>		
Enterprise	112,201	256,696
<u>Fiduciary Fund Type:</u>		
Agency	1,345	788
Total Fund Balances	\$ 407,184	\$ 636,051

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Governmental Fund Types</u>		Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash receipts:			
Local taxes	\$ 61,890	\$ -	\$ 61,890
Municipal income tax	-	420,174	420,174
Intergovernmental	118,735	116,728	235,463
Fines, licenses, and permits	40,091	-	40,091
Interest	7,510	48	7,558
Miscellaneous	2,982	240	3,222
Total cash receipts	<u>231,208</u>	<u>537,190</u>	<u>768,398</u>
Cash disbursements:			
Current:			
Security of persons and property	163,768	-	163,768
Public health services	10,312	-	10,312
Community environment	13,961	-	13,961
Basic utility services	2,600	-	2,600
Transportation	3,902	95,063	98,965
General government	121,351	57,010	178,361
Capital outlay	238,895	140,121	379,016
Debt service:			
Principal retirement	-	6,344	6,344
Total cash disbursements	<u>554,789</u>	<u>298,538</u>	<u>853,327</u>
Total cash receipts over/(under) cash disbursements	<u>(323,581)</u>	<u>238,652</u>	<u>(84,929)</u>
Other financing receipts/(disbursements):			
Operating transfers in	472,796	152,000	624,796
Operating transfers out	(152,000)	(472,796)	(624,796)
Total other financing receipts/(disbursements)	<u>320,796</u>	<u>(320,796)</u>	<u>-</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(2,785)	(82,144)	(84,929)
Cash fund balances, January 1, 2008	<u>9,733</u>	<u>368,834</u>	<u>378,567</u>
Cash fund balances, December 31, 2008	<u>\$ 6,948</u>	<u>\$ 286,690</u>	<u>\$ 293,638</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
IN CASH FUND BALANCE - PROPRIETARY FUND TYPE AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2008

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Agency	
Operating cash receipts:			
Charges for services	\$ 1,136,703	\$ -	\$ 1,136,703
Total operating cash receipts	<u>1,136,703</u>	<u>-</u>	<u>1,136,703</u>
Operating cash disbursements:			
Personal services	180,666	-	180,666
Employee fringe benefits	74,289	-	74,289
Contractual services	583,949	-	583,949
Supplies and material	86,727	-	86,727
Miscellaneous	4,919	-	4,919
Total operating cash disbursements	<u>930,550</u>	<u>-</u>	<u>930,550</u>
Operating income	<u>206,153</u>	<u>-</u>	<u>206,153</u>
Nonoperating cash receipts/(disbursements):			
Capital outlay	(116,303)	-	(116,303)
Court collections	-	16,798	16,798
Miscellaneous	851	-	851
Distribution of court fines/fees	-	(16,241)	(16,241)
Debt service:			
Principal	(171,107)	-	(171,107)
Interest	(64,089)	-	(64,089)
Total nonoperating cash receipts/(disbursements)	<u>(350,648)</u>	<u>557</u>	<u>(350,091)</u>
Income/(loss) before operating transfers	(144,495)	557	(143,938)
Transfers in	227,696	-	227,696
Transfers out	<u>(227,696)</u>	<u>-</u>	<u>(227,696)</u>
Net income/(loss)	(144,495)	557	(143,938)
Cash fund balance, January 1, 2008	<u>256,696</u>	<u>788</u>	<u>257,484</u>
Cash fund balance, December 31, 2008	<u>\$ 112,201</u>	<u>\$ 1,345</u>	<u>\$ 113,546</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VILLAGE OF ELIDA
ALLEN COUNTY, OHIO

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008

Fund Types	Receipts				Disbursements				Variance Favorable (Unfavorable)			
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2008 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2008 Appropriations	Total		Actual 2008 Disbursements	Encumbrances Outstanding at 12/31/08	Total
Governmental:												
General	\$ 9,733	\$ 849,300	\$ 859,033	\$ 704,004	\$ (145,296)	\$ -	\$ 856,722	\$ 856,722	\$ 706,789	\$ -	\$ 706,789	\$ 149,933
Special Revenue	368,834	710,376	1,079,210	689,190	(21,186)	-	1,034,455	1,034,455	771,334	-	771,334	263,121
Proprietary:												
Enterprise	256,696	1,412,833	1,669,529	1,365,250	(47,583)	-	1,666,889	1,666,889	1,509,745	-	1,509,745	157,144
Total	\$ 635,263	\$ 2,972,509	\$ 3,607,772	\$ 2,758,444	\$ (214,065)	\$ -	\$ 3,558,066	\$ 3,558,066	\$ 2,987,868	\$ -	\$ 2,987,868	\$ 570,198

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007

	Governmental Fund Types			Total (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash receipts:				
Local taxes	\$ 104,287	\$ -	\$ -	\$ 104,287
Municipal income tax	-	410,616	-	410,616
Intergovernmental	78,273	114,469	354,820	547,562
Fines, licenses, and permits	53,626	-	-	53,626
Interest	10,547	81	50	10,678
Miscellaneous	3,997	30	-	4,027
Total cash receipts	250,730	525,196	354,870	1,130,796
Cash disbursements:				
Current:				
Security of persons and property	150,595	-	-	150,595
Public health services	8,399	-	-	8,399
Community environment	8,250	-	-	8,250
Transportation	12,508	81,325	-	93,833
General government	108,268	28,969	-	137,237
Capital outlay	-	53,328	466,532	519,860
Total cash disbursements	288,020	163,622	466,532	918,174
Total cash receipts over/(under) cash disbursements	(37,290)	361,574	(111,662)	212,622
Other financing receipts/(disbursements):				
Operating transfers in	144,062	-	111,662	255,724
Operating transfers out	(109,062)	(146,662)	-	(255,724)
Total other financing receipts/(disbursements)	35,000	(146,662)	111,662	-
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(2,290)	214,912	-	212,622
Cash fund balances, January 1, 2007 (Restated)	12,023	153,922	-	165,945
Cash fund balances, December 31, 2007	\$ 9,733	\$ 368,834	\$ -	\$ 378,567

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
IN CASH FUND BALANCE - PROPRIETARY FUND TYPE AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2007

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Agency	
Operating cash receipts:			
Charges for services	\$ 1,106,050	\$ -	\$ 1,106,050
Total operating cash receipts	<u>1,106,050</u>	<u>-</u>	<u>1,106,050</u>
Operating cash disbursements:			
Personal services	193,896	-	193,896
Employee fringe benefits	74,515	-	74,515
Contractual services	475,751	-	475,751
Supplies and material	74,366	-	74,366
Miscellaneous	10,970	-	10,970
Total operating cash disbursements	<u>829,498</u>	<u>-</u>	<u>829,498</u>
Operating (loss)	<u>276,552</u>	<u>-</u>	<u>276,552</u>
Nonoperating cash receipts/(disbursements):			
Court collections	-	24,879	24,879
Capital outlay	(120,891)	-	(120,891)
Distribution of court fines/fees	-	(25,400)	(25,400)
Other financing sources	2,577	-	2,577
Debt service:			
Principal	(158,875)	-	(158,875)
Interest	(73,280)	-	(73,280)
Total nonoperating cash receipts/(disbursements)	<u>(350,469)</u>	<u>(521)</u>	<u>(350,990)</u>
Income before operating transfers	(73,917)	(521)	(74,438)
Transfers in	286,375	-	286,375
Transfers out	<u>(286,375)</u>	<u>-</u>	<u>(286,375)</u>
Net income	(73,917)	(521)	(74,438)
Cash fund balance, January 1, 2007 (restated)	<u>330,613</u>	<u>1,309</u>	<u>331,922</u>
Cash fund balance, December 31, 2007	<u>\$ 256,696</u>	<u>\$ 788</u>	<u>\$ 257,484</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VILLAGE OF ELIDA
ALLEN COUNTY, OHIO

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

Fund Types	Receipts				Disbursements				Variance Favorable (Unfavorable)			
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2007 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2007 Appropriations	Total		Actual 2007 Disbursements	Encumbrances Outstanding at 12/31/07	Total
Governmental:												
General	\$ 12,023	\$ 650,224	\$ 662,247	\$ 394,792	\$ (255,432)	\$ -	\$ 479,035	\$ 479,035	\$ 397,082	\$ -	\$ 397,082	\$ 81,953
Special Revenue	153,922	491,975	645,897	525,196	33,221	-	440,645	440,645	310,284	-	310,284	130,361
Capital Projects	-	484,965	484,965	466,532	(18,433)	-	484,965	484,965	466,532	-	466,532	18,433
Proprietary:												
Enterprise	330,613	1,367,156	1,697,769	1,395,002	27,846	-	1,621,110	1,621,110	1,468,919	-	1,468,919	152,191
Total	\$ 496,558	\$ 2,994,320	\$ 3,490,878	\$ 2,781,522	\$ (212,798)	\$ -	\$ 3,025,755	\$ 3,025,755	\$ 2,642,817	\$ -	\$ 2,642,817	\$ 382,938

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 1 - DESCRIPTION OF THE ENTITY

The Village of Elida, Allen County, Ohio, (the "Village") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including public safety, street maintenance and water and sewer facilities and mayor's court.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The most significant of the Village's accounting policies are described below.

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the Village are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The following fund types are used by the Village:

Governmental Fund Types

General Fund - The general fund is used to account for all activities of the Village not required to be included in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds

These funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

The Village had the following significant special revenue funds:

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

Village Income Tax Fund - This fund receives income taxes collected from local residents and businesses.

Capital Projects

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital (except those financed through Enterprise Funds). The Village had the following Capital Projects Fund:

OPWC - State Issue II - Storm Sewer - This fund accounts for all capital outlay transactions related to the OPWC Storm Sewer Project. (2007)

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Proprietary Fund Type

Enterprise Funds - Enterprise 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:

Water Fund - This fund receives charges for services from residents to cover the cost of providing this utility.

Sewer Fund - This fund receives charges for services from residents to cover the cost of providing this utility.

Fiduciary Fund Type

Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs. Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government.

The Village had the following fiduciary fund type (Agency):

Mayor's Court Fund - This fund receives monies from collections of fines imposed from tickets issued by the Village's police force. Funds are collected in part on behalf of the State of Ohio. In addition, funds are used for safety programs and general Village operations.

B. BASIS OF ACCOUNTING

These financial statements follow the basis of accounting which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized 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 prescribed or permitted by the Auditor of State.

C. BUDGETARY PROCESS

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within a department and fund. Any budgetary modifications at this level may only be made by resolution of the Village's Council.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Tax Budget:

A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The expressed purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

Estimated Resources:

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews receipt estimates. The County Budget Commission certifies its actions to the Village by September 1. As part of this certification, the Village receives the official certificate of estimated resources, which states the projected receipts of each fund. On or about January 1, the certificate is amended to include unencumbered fund balances at December 31 of the preceding year. Further amendments may be made during the year if the Village determines that receipts collected will be greater than or less than the prior estimates and the Budget Commission find the revised estimates to be reasonable. Prior to December 31, the Village must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure.

Appropriations:

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriations measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

Encumbrances:

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated. The Village had no outstanding encumbrances at December 31, 2008 or 2007.

D. CASH AND CASH EQUIVALENTS

For reporting purposes, the Village considers "Cash and Cash Equivalents" to be cash on hand, demand deposits, and all investments held by the Village with a maturity date less than or equal to three months from the date of purchase. Interest income earned and received by the Village totaled \$7,558 and \$10,678 for the years ended December 31, 2008 and 2007, respectively.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. PROPERTY, PLANT AND EQUIPMENT

Capital assets are not capitalized in any of the Village's funds. Instead, capital acquisition and construction costs are reflected as expenditures in the fund in the year expended. The costs of normal maintenance and repairs are also expended, along with improvements. Depreciation is not recorded by the Village.

F. UNPAID VACATION AND SICK LEAVE

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Village.

G. INTERGOVERNMENTAL REVENUES

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursable basis are recorded when received in accordance with the Village's cash basis method of accounting.

H. INTERFUND TRANSACTIONS

During the course of normal operations, the Village had transactions between funds. The most significant include transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the necessary fund and are recorded as operating transfers.

Transfers are intended to permanently reallocate money from one fund to another as authorized in the Ohio Revised Code Sections 5705.14 to 5705.16.

I. TOTAL COLUMNS ON FINANCIAL STATEMENTS

Total columns on the financial statements are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Interfund-type eliminations have not been made in the aggregation of this data.

NOTE 3 - PRIOR PERIOD ADJUSTMENT

The Village is restating its General Fund fund balance at January 1, 2007. The prior period adjustment is to remove the Mayor's Court activity from the general fund and more accurately report it as an agency fund. The prior period adjustment had the following effects on the Village's fund and cash balance:

	<u>General Fund Fund Balance</u>	<u>Agency Fund Fund Balance</u>
Balances 12/31/06	\$ 13,332	\$ -
Prior Period Adjustment	<u>(1,309)</u>	<u>1,309</u>
Restated Balances 01/01/07	<u>\$ 12,023</u>	<u>\$ 1,309</u>

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 4 - COMPLIANCE

- A. The Village did not properly certify disbursements in noncompliance with Ohio Revised Code Section 5705.41(D).
- B. The Village had appropriations exceeding actual resources in noncompliance with Ohio Revised Code Section 5705.36(A)(4).

NOTE 5 - CASH AND CASH EQUIVALENTS

The Village maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and cash equivalents at December 31 was as follows:

	<u>2008</u>	<u>2007</u>
Deposits:		
Demand deposits	\$ 200,074	\$ 348,120
Certificates of deposit	-	90,000
CDARS	<u>207,110</u>	<u>197,931</u>
Total	<u>\$ 407,184</u>	<u>\$ 636,051</u>

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

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 6 - INTERFUND TRANSACTIONS

The following is a summarized breakdown of the Village's operating transfers for 2008 and 2007:

<u>2008</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 472,796	\$ 152,000
<u>Special Revenue Funds:</u>		
Street Construction Maintenance and Repair	152,000	-
Village Income Tax	-	472,796
Total Special Revenue Funds	<u>152,000</u>	<u>472,796</u>
<u>Enterprise Funds:</u>		
Water Operating	-	64,760
Water Debt Fund	64,760	-
Sewer Operating	-	162,936
Sewer Debt Fund	<u>162,936</u>	<u>-</u>
Total Enterprise Funds	<u>227,696</u>	<u>227,696</u>
Total	<u>\$ 852,492</u>	<u>\$ 852,492</u>
<u>2007</u>		
General Fund	\$ 144,062	\$ 109,062
<u>Special Revenue Fund:</u>		
Village Income Tax	-	146,662
Total Special Revenue Fund	<u>-</u>	<u>146,662</u>
<u>Capital Projects Fund:</u>		
OPWC - State Issue II	<u>111,662</u>	<u>-</u>
Total Capital Projects Fund	<u>111,662</u>	<u>-</u>
<u>Enterprise Funds:</u>		
Water Operating	-	82,500
Water Replacement	14,220	-
Water Debt	68,280	-
Sewer Operating	-	203,875
Sewer Replacement	40,000	-
Sewer Debt	<u>163,875</u>	<u>-</u>
Total Enterprise Funds	<u>286,375</u>	<u>286,375</u>
Total	<u>\$ 542,099</u>	<u>\$ 542,099</u>

The above transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 7 - DEBT OBLIGATIONS

Debt outstanding at December 31 was as follows:

<u>Description</u>	<u>2008</u>	<u>2007</u>
1994 Ohio Water Development Authority (OWDA) for a sewer relief project mandated by the EPA. Payments are due in semiannual installments of varying amounts through 2014 at an interest rate of 6.16%.	\$ 28,091	\$ 32,285
1994 Sewer Improvement General Obligation Bonds for the Sewer Relief Phase II Project mandated by the EPA. Bonds are due in annual installments of varying amounts through 2019 bearing interest from 4.15% to 6.625%.	285,000	300,000
1993 OWDA note for a detention pond project mandated by the EPA. Payments are due in semiannual installments of varying amounts through 2013 at an interest rate of 6.16%.	215,254	252,510
1993 Ohio Public Works Commission (OPWC) for a sewer relief project mandated by the EPA. Payments are due in semiannual installments of \$1,450 through 2014 at 0% interest.	17,400	20,300
1993 Water General Obligation Refunding Bonds relating to the construction of the original water plant. Bonds are due in annual installments of varying amounts through 2010 bearing interest from 3.5% to 6.4%.	125,000	180,000
1992 OPWC for a detention pond/wastewater collection system. Payments are due in semiannual installments of \$3,821 through 2014 at 0% interest.	42,026	49,667
1988 OWDA note to assist in a sewer project mandated by the EPA. Due in semiannual installments of varying amounts through 2013 at an interest rate of 7.11%.	<u>256,878</u>	<u>298,494</u>
Total Debt obligation	<u>\$ 969,649</u>	<u>\$ 1,133,256</u>

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 7 - DEBT OBLIGATIONS - (Continued)

Transactions for the total years ended December 31, 2008 and 2007 are summarized as follows:

	Balance 01/01/08	Proceeds	Principal Retirement	Balance 12/31/08
OWDA Loan 5030 - Sewer - 1994	\$ 32,285	\$ -	\$ (4,194)	\$ 28,091
Sewer Improvement General Obligation Bonds	300,000	-	(15,000)	285,000
OWDA Loan 2242 - Retention Pond - 1993	252,510	-	(37,256)	215,254
OPWC Loan CM633 - Sewer - 1993	20,300	-	(2,900)	17,400
Water General Obligation Refunding Bonds	180,000	-	(55,000)	125,000
OPWC Loan CM531 - Retention Pond - 1992	49,667	-	(7,641)	42,026
OWDA Loan 1555 - Sewer - 1988	<u>298,494</u>	<u>-</u>	<u>(41,616)</u>	<u>256,878</u>
Total	<u>\$ 1,133,256</u>	<u>\$ -</u>	<u>\$ (163,607)</u>	<u>\$ 969,649</u>

	Balance 01/01/07	Proceeds	Principal Retirement	Balance 12/31/07
OWDA Loan 5030 - Sewer - 1994	\$ 36,236	\$ -	\$ (3,950)	\$ 32,285
Sewer Improvement General Obligation Bonds	315,000	-	(15,000)	300,000
OWDA Loan 2242 - Retention Pond - 1993	288,040	-	(35,530)	252,510
OPWC Loan CM633 - Sewer - 1993	23,200	-	(2,900)	20,300
Water General Obligation Refunding Bonds	235,000	-	(55,000)	180,000
OPWC Loan CM531 - Retention Pond - 1992	57,309	-	(7,642)	49,667
OWDA Loan 1555 - Sewer - 1988	<u>337,347</u>	<u>-</u>	<u>(38,853)</u>	<u>298,494</u>
Total	<u>\$ 1,292,132</u>	<u>\$ -</u>	<u>\$ (158,875)</u>	<u>\$ 1,133,256</u>

Capital lease payments are included in principal payments on the financial statements. Principal payments in 2008 were \$7,500 in the enterprise funds type and \$6,344 in the special revenue fund type. See Note 8 for additional information regarding the Village's capital lease.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 7 - DEBT OBLIGATIONS - (Continued)

Amortization for the above debt is scheduled as follows:

Year Ending December 31,	OWDA Loan 5030 Sewer - 1994		Sewer Improvement General Obligation Bonds		OWDA Loan 2242 Retention Pond - 1993	
	Principal	Interest	Principal	Interest	Principal	Interest
	2009	\$ 4,452	\$ 1,730	\$ 20,000	\$ 18,784	\$ 39,066
2010	4,727	1,456	20,000	17,474	40,965	7,971
2011	5,018	1,165	20,000	16,174	42,955	5,891
2012	5,327	856	20,000	14,854	45,040	3,895
2013	5,655	528	25,000	13,544	47,228	1,707
2014 - 2018	2,912	179	145,000	42,050	-	-
2019	-	-	35,000	2,319	-	-
Total	<u>\$ 28,091</u>	<u>\$ 5,914</u>	<u>\$ 285,000</u>	<u>\$ 125,199</u>	<u>\$ 215,254</u>	<u>\$ 29,333</u>

Year Ending December 31,	OPWC Loan CM633 Sewer - 1993		Water General Obligation Refunding Bonds		OPWC Loan CM531 Retention Pond - 1992	
	Principal	Interest	Principal	Interest	Principal	Interest
	2009	\$ 2,900	\$ -	\$ 60,000	\$ 6,080	\$ 7,641
2010	2,900	-	65,000	2,080	7,641	-
2011	2,900	-	-	-	7,641	-
2012	2,900	-	-	-	7,641	-
2013	2,900	-	-	-	7,641	-
2014 - 2018	2,900	-	-	-	3,821	-
Total	<u>\$ 17,400</u>	<u>\$ -</u>	<u>\$ 125,000</u>	<u>\$ 8,160</u>	<u>\$ 42,026</u>	<u>\$ -</u>

Year Ending December 31,	OWDA Loan 1555 Sewer - 1988		Total	
	Principal	Interest	Principal	Interest
	2009	\$ 44,575	\$ 17,982	\$ 178,634
2010	47,744	14,861	188,977	43,842
2011	51,138	11,519	129,652	34,749
2012	54,774	7,940	135,682	27,545
2013	58,647	4,127	147,071	19,906
2014 - 2018	-	-	154,633	42,229
2019	-	-	35,000	2,319
Total	<u>\$ 256,878</u>	<u>\$ 56,429</u>	<u>\$ 969,649</u>	<u>\$ 225,035</u>

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 8 - CAPITALIZED LEASE - LESSEE DISCLOSURE

In 2008, the Village entered into a capitalized lease agreement with Key Government Finance, Inc. for the acquisition of an Aries Saturn III Street Sweeper/Sewer Camera. Principal payment for the street sweeper in fiscal year 2008 was \$13,844.

This lease meets the criteria of a capital lease as defined by FASB Statement No. 13, “Accounting for Leases”, which defines a capital lease as one which transfers benefits and risks of ownership to the lease. Capital lease payments are reflected as debt service expenditures in the Special Revenue - Street Construction Maintenance and Repair and Enterprise - Sewer Operating Funds.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of December 31, 2008:

<u>Year Ended December 31,</u>	<u>Aries Saturn III Street Sweeper/ Sewer Camera</u>
2009	\$ 13,844
2010	13,844
2011	13,844
2012	<u>13,844</u>
Total minimum lease payments	55,376
Less: amount representing interest	<u>(4,922)</u>
Present value of minimum lease payments	<u><u>\$ 50,454</u></u>

NOTE 9 - PROPERTY TAX

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

In prior years, tangible personal property assessments were twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Tangible personal property tax is being phased out - the assessment percentage for property, including inventory, was 18.75% for 2006. This percentage was reduced to 12.5% for 2007, and will be 6.25% for 2008, and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 9 - PROPERTY TAX - (Continued)

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the Village due to the phasing out of the tax. In calendar years 2006-2010, the Village will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out. Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

NOTE 10 - LOCAL INCOME TAX

The Village levies a municipal income tax of three quarters of one percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the City of Cleveland Central Collection Agency (CCA) either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file the declaration annually.

NOTE 11 - RETIREMENT SYSTEMS

Certain Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code. The Village's Police, Fire and Emergency Medical Services employees belong to the Ohio Police & Fire Pension Fund (OP&F).

Contribution rates are also prescribed by the Ohio Revised Code. For 2008 and 2007, OPERS members contributed 10% and 9.5% of their gross salaries, respectively. The Village contributed an amount equal to 14% of participants' gross salaries for 2008 and 13.85% for 2007. For 2008 and 2007, OP&F members contributed 10% of their gross salaries, respectively. The Village contributed an amount equal to 19.5% for police for the years ended December 31, 2008 and 2007. The Village has paid all contributions required under both plans through December 31, 2008.

NOTE 12 - RISK MANAGEMENT

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 500 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

NOTE 12 - RISK MANAGEMENT - (Continued)

The Plan issues its own policies and reinsures with A-VII or better rated carriers, except for a 5% portion retained by the Plan. After September 1, 2003, the Plan pays the lesser of 5% or \$25,000 of casualty losses and the lesser of 5% or \$50,000 of property losses. The individual members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

The Plan's audited financial statements conform with accounting principles generally accepted in the United States of America, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007 (the latest information available):

	<u>2008</u>	<u>2007</u>
Assets	\$ 10,471,114	\$ 11,136,455
Liabilities	<u>(5,286,781)</u>	<u>(4,273,553)</u>
Members' Equity	<u>\$ 5,184,333</u>	<u>\$ 6,862,902</u>

You can read the complete audited financial statements for The Ohio Government Risk Management Plan at the Plan's website, www.ohioplan.org.



Julian & Grube, Inc.

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Members of Council and Mayor
Village of Elida
200 W. Main Street
Elida, Ohio 45807

We have audited the financial statements of the Village of Elida, Allen County, Ohio, as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated May 1, 2009, wherein we noted the Village of Elida followed accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of Elida's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Elida's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village of Elida's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village of Elida's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that a misstatement of the Village of Elida's financial statements that is more than inconsequential will not be prevented or detected by the Village of Elida's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village of Elida's internal control.

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

Members of Council and Mayor
Village of Elida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Elida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two 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 and responses as items 2008-VOE-001 and 2008-VOE-002.

We noted certain matters that we reported to the Village of Elida's management in a separate letter dated May 1, 2009.

The Village of Elida's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Village of Elida's responses and, accordingly, we express no opinion on them.

This report is intended for the information of the Council and management of the Village of Elida and is not intended to be and should not be used by anyone other than those specified.



Julian & Grube, Inc.
May 1, 2009

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2008 AND 2007**

FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2008-VOE-001

Ohio Revised Code Section 5705.41 (D) requires that no orders or contracts involving the expenditure of monies are to be made unless there is certificate of the Fiscal Officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

For the years ended December 31, 2008 and 2007, 45% and 41%, respectively, of expenditures tested were not certified in a timely manner.

Without timely certification, the Village may expend more funds than available in the treasury, or in the process of collection, or appropriated. This may also result in unnecessary purchases.

We recommend that all orders or contracts involving the expenditure of money be timely certified to ensure all monies expended are lawfully appropriated and available in the treasury or in the process of collection and or a "Then & Now" certification is approved on the purchase order.

Client Response: The Village Fiscal Officer is working to certify expenditures more timely and making more use of "Then & Now" certificates.

Finding Number	2008-VOE-002
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Ohio Revised Code Section 5705.36 (A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

At December 31, the Village had appropriations greater than actual resources, which consist of actual revenues and beginning fund balances in the following funds:

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2008 AND 2007**

FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2008-VOE-002 - (Continued)

	<u>Actual</u>	<u>Appropriations</u>	<u>Excess</u>
<u>2008</u>			
General Fund	\$ 713,737	\$ 856,722	\$ 142,985
<u>Special Revenue Funds:</u>			
Street Construction, Maintenance and Repair	246,656	277,160	30,504
State Permissive Motor Tax	15,510	15,600	90
<u>Enterprise Funds:</u>			
Water Operating	596,606	662,280	65,674
Refuse Operating	161,286	162,509	1,223
Sewer Debt Service	162,936	163,600	664
<u>2007</u>			
General Fund	\$ 406,815	\$ 479,035	\$ 72,220
<u>Special Revenue Funds:</u>			
Street Construction, Maintenance and Repair	117,994	126,885	8,891
<u>Capital Projects Fund:</u>			
OPWC-State Issue II-Storm Sewer	466,532	484,965	18,433
<u>Enterprise Funds:</u>			
Refuse Operating	152,300	156,365	4,065
Sewer Debt Service	163,875	164,300	425

By appropriating more funds than actual resources, the Village is at risk of spending more money than is available; this may result in negative fund balances.

We recommend the Village monitor appropriations in comparison to actual resources and obtain decreased amended appropriations as needed. Further guidance may be found in Auditor of State Bulletin 97-010.

Client Response: The Village is attempting to monitor the budget more closely.

**VILLAGE OF ELIDA
ALLEN COUNTY, OHIO**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2006-001	<u>Significant Deficiency</u> - Ohio Revised Code Section 5705.41(D) states that no subdivision shall make any contract or order any expenditure of money unless that certificate of the fiscal officer is attached.	No	Finding repeated as 2008-VOE-001
2006-002	<u>Significant Deficiency</u> - Ohio Revised Code Section 5705.36 defines certifying available revenue and amending such certifications should a determination by the fiscal officer be made that revenue actually to be collected will be greater or less than the amount included in the official certificate.	No	Finding repeated as 2008-VOE-002



Mary Taylor, CPA
Auditor of State

VILLAGE OF ELIDA

ALLEN 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
JULY 2, 2009**