

**VILLAGE OF ROSEVILLE**  
**SOUTHEAST REGION, MUSKINGUM COUNTY**  
**SINGLE AUDIT**  
**JANUARY 1, 1999 - DECEMBER 31, 2000**  
**FISCAL YEAR AUDITED UNDER GAGAS: 1999 & 2000**





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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Village Council  
Village of Roseville  
107 Main Street  
Roseville, Ohio 43777

We have reviewed the independent auditor's report of the Village of Roseville, Muskingum County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 1999 through December 31, 2000. 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 Roseville is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

July 3, 2001

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VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
JANUARY 1, 1999 THROUGH DECEMBER 31, 2000

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## **Report of Independent Accountants**

Village Council  
Village of Roseville  
Muskingum County  
107 Main Street  
Roseville, Ohio 43777

We have audited the accompanying financial statements of the Village of Roseville, Muskingum County, Ohio, (the “Village”), as of and for the years ended December 31, 2000 and December 31, 1999. 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 audits.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 discussed in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village, as of December 31, 2000 and December 31, 1999, and its combined cash receipts and cash disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 29, 2001, 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

This report is intended solely for the information and use of management, the Village Council and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
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Our Audit was performed for the purpose of forming an opinion on the financial statements of the Village, taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Wilson, Shuman & Snow, Inc.

Newark, Ohio  
May 29, 2001



VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES AND SIMILAR FIDUCIARY FUND-  
FOR THE YEAR ENDED DECEMBER 31, 2000

	Governmental Fund Types				Fiduciary	Total
	General	Special Revenue	Debt Service	Capital Projects	Fund type Expendable Trust	(Memorandum Only)
Cash receipts:						
Local taxes	\$45,560	\$28,117	\$ -	\$ -	\$122,872	\$196,549
Intergovernmental	78,024	45,984	-	1,744	-	125,752
Charges for services	47,875	39,752	-	12,398	12,600	112,625
Fines, licenses, and permits	7,375	-	-	-	-	7,375
Miscellaneous	29,780	3,097	-	-	3,556	36,433
<b>Total cash receipts</b>	<b>208,614</b>	<b>116,950</b>	<b>-</b>	<b>14,142</b>	<b>139,028</b>	<b>478,734</b>
Cash disbursements:						
Security of persons and property	142,626	-	-	-	-	142,626
Public health services	-	42,314	-	-	-	42,314
Leisure time activities	-	22,892	-	-	-	22,892
Transportation	-	62,349	-	-	-	62,349
General government	45,791	646	-	-	73,900	120,337
Debt service	9,909	14,221	4,836	-	-	28,966
Capital outlay	9,955	7,426	-	71,803	-	89,184
<b>Total cash disbursements</b>	<b>208,281</b>	<b>149,848</b>	<b>4,836</b>	<b>71,803</b>	<b>73,900</b>	<b>508,668</b>
Excess of cash receipts over/(under) cash disbursements	333	(32,898)	(4,836)	(57,661)	65,128	(29,934)
Other financing sources/(uses):						
Transfers-in	-	53,500	4,836	10,263	-	68,599
Transfers-out	-	-	-	(10,241)	(58,358)	(68,599)
Other uses	-	-	-	-	(2,219)	(2,219)
<b>Total other financing sources/(uses)</b>	<b>-</b>	<b>53,500</b>	<b>4,836</b>	<b>22</b>	<b>(60,577)</b>	<b>(2,219)</b>
Excess of cash receipts and other financing sources over/ (under) cash disbursements and other financing uses	333	20,602	-	(57,639)	4,551	(32,153)
Fund cash balances, January 1, 2000	21,586	110,502	1,793	213,325	124,966	472,172
Fund cash balances, December 31, 2000	<u>\$21,919</u>	<u>\$131,104</u>	<u>\$1,793</u>	<u>\$155,686</u>	<u>\$129,517</u>	<u>\$440,019</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN  
FUND CASH BALANCES - PROPRIETARY FUND TYPE AND SIMILAR FIDUCIARY FUND-  
FOR THE YEAR ENDED DECEMBER 31, 2000

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Agency	
Operating cash receipts:			
Charges for services	\$544,243	\$ -	\$544,243
Total operating cash receipts	544,243	-	544,243
Operating cash disbursements:			
Personal services	209,507	-	209,507
Contractual services	128,106	-	128,106
Supplies and materials	25,858	-	25,858
Capital outlay	55,781	-	55,781
Total operating cash disbursements	419,252	-	419,252
Operating income/(loss)	124,991	-	124,991
Nonoperating cash receipts:			
Proceeds from sale of public debt	70,726	-	70,726
Miscellaneous	120	-	120
Other nonoperating revenues	8,100	6,811	14,911
Total nonoperating cash receipts	78,946	6,811	85,757
Nonoperating cash disbursements:			
Debt service	173,589	-	173,589
Other nonoperating cash disbursements	-	6,811	6,811
Total nonoperating cash disbursements	173,589	6,811	180,400
Excess of receipts over disbursements before interfund transfers	30,348	-	30,348
Nonoperating transfers			
Transfers-in	91,966	-	91,966
Transfers-out	(91,966)	-	(91,966)
Total nonoperating transfers	-	-	-
Net income/(loss)	30,348	-	30,348
Fund cash balances, January 1, 2000	410,034	-	410,034
Fund cash balances, December 31, 2000	\$440,382	\$ -	\$440,382

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES AND SIMILAR FIDUCIARY FUND-  
FOR THE YEAR ENDED DECEMBER 31, 1999

	Governmental Fund Types				Fiduciary	Total
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	(Memorandum Only)
Cash receipts:						
Local taxes	\$52,062	\$32,095	\$ -	\$ -	\$122,899	\$207,056
Intergovernmental	78,586	55,234	-	722,436	-	856,256
Charges for services	34,414	37,140	-	9,990	10,917	92,461
Fines, licenses, and permits	6,255	-	-	-	-	6,255
Miscellaneous	23,233	6,116	-	-	5,829	35,178
Total cash receipts	194,550	130,585	-	732,426	139,645	1,197,206
Cash disbursements:						
Security of persons and property	117,453	-	-	-	-	117,453
Public health services	-	32,252	-	-	-	32,252
Leisure time activities	-	27,238	-	-	-	27,238
Basic utility services	-	-	-	7,825	-	7,825
Transportation	-	47,236	-	-	-	47,236
General government	42,121	872	-	-	110,413	153,406
Miscellaneous	-	-	-	9,051	-	9,051
Debt service	13,817	28,451	4,836	-	-	47,104
Capital outlay	5,743	15,152	-	956,899	-	977,794
Total cash disbursements	179,134	151,201	4,836	973,775	110,413	1,419,359
Excess of cash receipts over/(under) cash disbursements	15,416	(20,616)	(4,836)	(241,349)	29,232	(222,153)
Other financing sources/(uses):						
Proceeds from sale of public debt	-	-	-	358,157	-	358,157
Transfers-in	-	20,500	-	40,000	-	60,500
Transfers-out	-	-	-	(31,941)	(20,500)	(52,441)
Other uses	-	-	-	-	(1,636)	(1,636)
Total other financing sources/(uses)	-	20,500	-	366,216	(22,136)	364,580
Excess of cash receipts and other financing sources over/ (under) cash disbursements and other financing uses	15,416	(116)	(4,836)	124,867	7,096	142,427
Fund cash balances, January 1, 1999	6,170	110,618	6,629	88,458	117,870	329,745
Fund cash balances, December 31, 1999	<u>\$21,586</u>	<u>\$110,502</u>	<u>\$1,793</u>	<u>\$213,325</u>	<u>\$124,966</u>	<u>\$472,172</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN  
FUND CASH BALANCES - PROPRIETARY FUND TYPE AND SIMILAR FIDUCIARY FUND-  
FOR THE YEAR ENDED DECEMBER 31, 1999

	Proprietary Fund Type	Fiduciary Fund Type	Total
	Enterprise	Agency	(Memorandum Only)
Operating cash receipts:			
Charges for services	\$458,772	\$ -	\$458,772
Total operating cash receipts	458,772	-	458,772
Operating cash disbursements:			
Personal services	199,443	-	199,443
Contractual services	125,216	-	125,216
Supplies and materials	20,895	-	20,895
Capital outlay	28,471	-	28,471
Total operating cash disbursements	374,025	-	374,025
Operating income/(loss)	84,747	-	84,747
Nonoperating cash receipts:			
Proceeds from sale of public debt	92,698	-	92,698
Miscellaneous	494	-	494
Other nonoperating revenues	9,000	9,362	18,362
Total nonoperating cash receipts	102,192	9,362	111,554
Nonoperating cash disbursements:			
Debt service	168,328	-	168,328
Miscellaneous	-	1,555	1,555
Other nonoperating cash disbursements	-	9,362	9,362
Total nonoperating cash disbursements	168,328	10,917	179,245
Excess of receipts over/under disbursements before interfund transfers	18,611	(1,555)	17,056
Nonoperating transfers			
Transfers-in	71,941	-	71,941
Transfers-out	(80,000)	-	(80,000)
Total nonoperating transfers	(8,059)	-	(8,059)
Net income/(loss)	10,552	(1,555)	8,997
Fund cash balances, January 1, 1999	399,482	1,555	401,037
Fund cash balances, December 31, 1999	\$410,034	\$ -	\$410,034

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Village of Roseville, Muskingum County, Ohio, 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 water and sewer utilities, park operations (leisure time activities), and police services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, 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.

These statements includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

The Village's investments were valued at cost.

D. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

*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 ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

Special Revenue Funds (Continued)

*Parks and Recreation Fund* - This fund receives fees, donations and Income Tax Fund transfers to fund operations and upkeep of the Park.

*Rose Hill Cemetery Fund* - This fund receives tax levy proceeds, fees, and proceeds of lot sales to fund operations and upkeep of the Cemetery.

*Permissive License Tax Fund* - This fund receives motor vehicle license tax money for constructing, maintaining and repairing Village streets.

*Fire Levy Fund* - This fund receives property taxes from a special levy for offsetting fire protection costs.

Debt Service Funds

The debt service funds are used to accumulate resources for the payment of bonds and note indebtedness. The Village's debt service fund, Municipal Building Bond Retirement Fund, accounted for the accumulation of resources for and the payment of Municipal Building Improvement Bonds.

Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project funds:

*Water Construction Fund*- This fund received proceeds of grants and proceeds of debt. The proceeds are being used for capital improvements to the Village's water system.

*Sewer Construction Fund*- This fund received proceeds of grants and proceeds of debt. The proceeds are being used for capital improvements to the Village's sewer system.

Enterprise Funds

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

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

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

Enterprise Funds (Continued)

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

Fiduciary Funds (Trust and Agency Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Village to maintain the corpus of the trust, the fund is classified as a Nonexpendable Trust Fund. Other trust funds are classified as Expendable. Funds for which the Village is acting in an agency capacity are classified as Agency Funds. The Village had the following significant Fiduciary Funds:

*Local Income Tax Fund* - The Village has enacted an income tax which is assessed against residents of the Village as well as persons working within the Village limits. This fund accounted for the proceeds of the Village income tax and is classified as an Expendable Trust Fund.

*Mayor's Court Fund* - This fund accounts for the activity of the Mayor's Court and is classified as an Agency Fund.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) 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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus beginning of the year fund cash balances. The County Budget Commission must also approve estimated resources.

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled and reappropriated in the subsequent year.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

1. Summary of Significant Accounting Policies (Continued)

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. 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 cash basis of accounting used by the Village.

2. Equity in Pooled Cash and Investments

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 deposits at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	<u>\$880,401</u>	<u>\$882,206</u>

Deposits:

Deposits were either insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Village and held by a qualified third party trustee.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2000 and December 31, 1999 was as follows:

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$252,076	\$208,614	(\$43,462)
Special Revenue	316,520	170,450	(146,070)
Debt Service	6,629	4,836	(1,793)
Capital Projects	610,723	24,405	(586,318)
Enterprise	1,144,606	715,155	(429,451)
Agency	-	6,811	6,811
Expendable Trust	<u>257,476</u>	<u>139,028</u>	<u>(118,448)</u>
Total	<u>\$2,588,030</u>	<u>\$1,269,299</u>	<u>(\$1,318,731)</u>



VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

3. Budgetary Activity (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$230,053	\$208,281	\$21,772
Special Revenue	193,611	149,848	43,763
Debt Service	4,836	4,836	-
Capital Projects	381,002	82,044	298,958
Enterprise	754,042	684,807	69,235
Agency	-	6,811	(6,811)
Expendable Trust	<u>160,100</u>	<u>134,477</u>	<u>25,623</u>
Total	<u>\$1,723,644</u>	<u>\$1,271,104</u>	<u>\$452,540</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$206,979	\$194,550	(\$12,429)
Special Revenue	282,314	151,085	(131,229)
Debt Service	6,629	-	(6,629)
Capital Projects	1,092,231	1,130,583	38,352
Enterprise	1,097,488	632,905	(464,583)
Agency	-	9,362	9,362
Expendable Trust	<u>263,370</u>	<u>139,645</u>	<u>(123,725)</u>
Total	<u>\$2,949,011</u>	<u>\$2,258,130</u>	<u>(\$690,881)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$205,674	\$179,134	\$26,540
Special Revenue	173,741	151,201	22,540
Debt Service	4,836	4,836	-
Capital Projects	935,644	1,005,716	(70,072)
Enterprise	658,278	622,353	35,925
Agency	-	10,917	(10,917)
Expendable Trust	<u>139,945</u>	<u>132,549</u>	<u>7,396</u>
Total	<u>\$2,118,118</u>	<u>\$2,106,706</u>	<u>\$11,412</u>

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

4. 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 the following June 20.

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

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.

5. Debt

Debt outstanding at December 31, 2000 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loan	\$950,396	6.56%
General Obligation Bonds - Municipal Building	28,688	7.00%
Sewer Mortgage Revenue Bonds - Series 1989	944,000	5.00%
Sewer Mortgage Revenue Bonds - Series 1994	114,000	4.50%
OPWC Loan - I & I	146,932	2.00%
OWDA Loan - I & I	184,236	2.20%
Police Car Loan	3,321	10.00%
Tractor Lease - Purchase	4,668	5.75%
Fire Pump Truck Lease - Purchase	<u>153,889</u>	5.75%
Total	<u>\$2,530,130</u>	

The Ohio Water Development Authority (OWDA) loan relates to a water and sewer plant expansion project that was mandated by the Ohio Environmental Protection Agency. The assets and revenue of the utilities are pledged for the repayment of this obligation. The OWDA has approved up to \$1,000,000 in loans to the Village for this project. The loans will be repaid in semiannual installments of \$42,819, including interest, until 2021.

The General Obligation Bonds -Municipal Building were issued for the purchase and renovation of the municipal building. The loan will be repaid in monthly installments of \$403, including interest, until 2008. These bonds are being retired through the Debt Service Fund with general property tax revenues.

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

5. Debt (Continued)

The Sewer Mortgage Revenue Bonds were issued to finance sewer system capital improvements. The Series 1989 loan will be repaid in annual installments ranging from \$16,000 to \$60,000, plus interest, and are due in year 2028. Interest is paid in semiannual installments at five percent of the outstanding loan balance.

The Series 1994 loan will be repaid in annual installments ranging from \$1,000 to \$6,000, plus interest, and are due in year 2034. Interest is paid in annual installments at four and a half percent of the outstanding loan balance. The assets and revenue of the sewer utility are pledged for the repayment of these obligations.

The police car loan was for the purchase of a police car. The loan will be repaid in monthly installments of \$199, including interest, and are due in year 2002. This loan is a general obligation of the Village and will be repaid from the General Fund.

The OWDA Loan I & I relates to sewer system improvements. This loan will be repaid in semiannual installments of \$6,371, including interest, and are due in year 2018. The assets and revenues of the sewer utility are pledged for the repayment of this obligation.

The Ohio Public Works Commission Loan I & I relates to sewer system improvements. This loan will be repaid in semiannual installments of \$4,568, including interest, and are due in year 2020. The assets and revenue of the sewer utility are pledged for the repayment of this obligation.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December <u>31:</u>	OWDA <u>Loan</u>	General Obligation <u>Bonds</u>	Sewer Mortgage Revenue Bonds <u>1989 Issue</u>	Sewer Mortgage Revenue Bonds <u>1994 Issue</u>	OWDA I & I <u>Loan</u>	OPWC I& I <u>Loan</u>
2001	\$85,638	\$4,836	\$63,200	\$6,130	\$12,741	\$9,137
2002	85,638	4,836	63,400	7,085	12,741	9,137
2003	85,638	4,836	63,550	6,995	12,741	9,137
2004	85,638	4,836	63,650	6,905	12,741	9,137
2005	85,638	4,836	63,700	6,815	12,741	9,137
Subsequent	<u>1,370,202</u>	<u>12,896</u>	<u>1,455,600</u>	<u>190,410</u>	<u>159,265</u>	<u>132,482</u>
Total	<u>\$1,798,392</u>	<u>\$37,076</u>	<u>\$1,773,100</u>	<u>\$224,340</u>	<u>\$222,970</u>	<u>\$178,167</u>

VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY  
NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

5. Debt (Continued)

The Village has also obtained approval of an additional WPCLF (Water Pollution Control Loan Fund) loan for sewer improvements in the amount of \$205,210. As of December 31, 2000, \$43,600 has been drawn on this loan. The final amount and repayment requirements will not be known until the project is finalized. The assets and revenue of the sewer utility are pledged for the repayment of this obligation.

6. Lease Obligations

The lease obligations of the Village include: the Tractor lease which requires annual payments of \$2,855 through 2003 and will be paid from the General Fund, and the Fire Pumper Truck which requires annual payments of \$36,285 through 2005 and will be paid from the Fire Levy. The Village traded in a leased asset on the Fire Pumper Truck and refinanced \$25,920 of the old lease with the new lease agreement.

7. Retirement Systems

The Village's law enforcement officers belong to the Police & Firemen's Disability & Pension Fund (PFDPF). Other full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including post-retirement health care, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 2000, members of PFDPF contributed 10% of their wages to the PFDPF. The Village contributed an amount equal to 19.5% of their wages. PERS members contributed 8.5% of their wages. The Village contributed an amount equal to 13.55% of participants' wages. The Village has paid all contributions required through December 31, 2000.

8. Risk Management

The Village is a member of the Ohio Municipal League Joint Self Insurance Pool (the Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

- General liability and casualty
- Public officials' liability
- Vehicle
- Errors and Omissions

The Village also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

**Village of Roseville  
Muskingum County, Ohio**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**Year ended December 31, 1999**

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<b><u>U.S. Department of Federal Emergency Management Agency</u></b>			
Passed through Ohio Department of Public Safety			
Public Assistance Grants	N/A	83.544	\$3,028
Total U.S. Department of Federal Emergency Managment Agency			3,028
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Passed through Ohio Department of Development			
Community Development Block Grant	N/A	14.228	455,000
Total U.S. Department of Housing and Urban Development			455,000
Total Disbursements			<u>\$458,028</u>

The accompanying notes to this schedule are an integral part of this schedule.

**VILLAGE OF ROSEVILLE  
MUSKINGUM COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

Year ended December 31, 1999

**Note A – Significant Accounting Policies**

The accompanying Schedule of Federal Awards Expenditures summarizes activity of the Village of Roseville's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**Note B – Pass Through Entity Numbers**

Those federal programs where the grant agreement did not identify a pass-through number are noted with an N/A.



## **Report On Compliance and on Internal Control Required by Government Auditing Standards**

Village Council  
Village of Roseville  
107 Main Street  
Roseville, Ohio 43777

We have audited the general-purpose financial statements of the Village of Roseville, Muskingum County, Ohio (the "Village") as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated May 29, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain instances of noncompliance that we have reported to the management of the Village in a separate letter dated May 29, 2001.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the management of the Village in a separate letter dated May 29, 2001.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

This report is intended for the information and use of the management, the Village Council and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

*Wilson, Sherman & Snow, Inc.*

Newark, Ohio  
May 29, 2001





**Report On Compliance With Requirements Applicable To Each Major Program And On Internal Control  
Over Compliance In Accordance With OMB Circular A-133**

Village Council  
Village of Roseville  
107 Main Street  
Roseville, Ohio 43777

**Compliance**

We have audited the compliance of the Village of Roseville, Muskingum County, Ohio, (the “Village”) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 1999. The Village's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Village'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 generally accepted auditing standards; 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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. 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 on the Village's compliance with those requirements.

In our opinion, the Village complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999

However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings as item 1999-1 and 1999-2.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
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FAX (740) 345-5635

### Internal Control Over Compliance

The management of the Village is responsible for establishing and maintaining effective internal control over compliance with 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 a major federal program in order to determine our 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.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Village's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. A reportable condition is described in the accompanying schedule of findings as items 1999-1 and 1999-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information and use of management, the Village Council and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Wilson, Shuman & Snow, Inc.*

Newark, Ohio  
May 29, 2001

**Village of Roseville  
Muskingum County, Ohio**

December 31, 2000 and 1999

SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 §.505

<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)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<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 other reportable internal control weakness conditions reported for major federal programs?</b>	Yes
<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>	Community Development Block Grant 14.228
<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

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

None were noted

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

<b>Finding Number</b>	99-01
<b>CFDA Title and Number</b>	Community Development Block Grant\14.228
<b>Federal Agency</b>	U.S. Department of Housing and Urban Development
<b>Pass-Through Agency</b>	Ohio Department of Development

**INTERNAL CONTROLS - REPORTABLE CONDITION**

24 CFR 85.21 states that grantees must develop a cash management system to ensure compliance with the fifteen Day Rule relating to prompt disbursement of funds. This rule states funds drawn down should be limited to amounts that will enable the grantee to disburse the funds on hand to a balance of less than \$5,000 within fifteen days of receipt of any funds.

We tested all receipts and disbursements of Federal funds. Two out of four receipts of Federal funds in excess of \$5,000 were held by the Village for longer than fifteen days before they were disbursed.

We recommend the Village’s management review the applicable cash management compliance requirements before the receipt of Federal funds from any future grants.

<b>Finding Number</b>	99-02
<b>CFDA Title and Number</b>	Community Development Block Grant\14.228
<b>Federal Agency</b>	U.S. Department of Housing and Urban Development
<b>Pass-Through Agency</b>	Ohio Department of Development

**INTERNAL CONTROLS – REPORTABLE CONDITION**

24 CFR 85.36 states that local governments shall use the same policies and procedures used for procurement from non-Federal funds. They also shall ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations.

We tested all disbursements of Federal funds. We noted that purchase orders had not been issued for expenditures of Federal funds. This resulted in the monies not being appropriately encumbered at the time of commitment in accordance with the Village’s policies and procedures.

We recommend the Village’s management review the applicable procurement compliance requirements, along with applicable budgetary laws, before the expenditure of Federal funds from any future grants.

**Village of Roseville  
Muskingum County, Ohio**

December 31, 2000 and 1999

**CORRECTIVE ACTION PLAN**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
99-01	The Village's management will review cash management requirements applicable to Federal funds prior to the start of any future grants, and implement relevant control procedures that address the requirements.	This process will be implemented prior to the start of any future Federal grants.	Emmett Abella, Clerk-Treasurer
99-02	The Village's management will review procurement requirements applicable to Federal funds prior to the start of any future grants, and implement relevant control procedures that address the requirements.	This process will be implemented prior to the start of any future Federal grants.	Emmett Abella, Clerk-Treasurer





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**VILLAGE OF ROSEVILLE**

**MUSKINGUM 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 24, 2001**