



**VILLAGE OF BLOOMVILLE  
SENECA COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2018 and 2017**

313 Second St.  
Marietta, OH 45750  
740 373 0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304 422 2203

150 W. Main St., #A  
St. Clairsville, OH 43950  
740 695 1569

1310 Market St., #300  
Wheeling, WV 26003  
304 232 1358

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VILLAGE OF BLOOMVILLE  
SENECA COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Applying Agreed-Upon Procedures .....	1



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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 14, 2019

Village of Bloomville  
Seneca County  
10 Beeghly Avenue  
Bloomville, Ohio 44818

To the Village Council, Mayor, and Management:

We have performed the procedures enumerated below, with which were agreed to by the Village Council, Mayor, and the management of the **Village of Bloomville**, Seneca County, Ohio (the Village) and the Auditor of State, on the receipts, disbursements and balances recorded in the Village's cash basis accounting records for the years ended December 31, 2018 and 2017 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Village. The Village is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2018 and 2017 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash and Investments

1. We recalculated the December 31, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis) to the December 31, 2018 balances in the prior year Agree-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2018 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis) to the December 31, 2017 balances in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis). We found no exceptions.

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Members: American Institute of Certified Public Accountants

\*Ohio Society of CPAs \* West Virginia Society of CPAs \* Association of Certified Fraud Examiners \* Association of Certified Anti-Money Laundering Specialists\*

### **Cash and Investments (Continued)**

3. We agreed the totals per the bank reconciliations to the total of the December 31, 2018 and 2017 fund cash balances reported in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis). The amounts agreed.
4. We confirmed the December 31, 2018 bank account balances with the Village's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2018 bank reconciliation without exception.
5. We selected a sample (agreed-upon) of five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2018 bank reconciliation:
  - a. We traced each debit to the subsequent January and February bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.
6. We inspected investments held at December 31, 2018 and December 31, 2017 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

### **Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2018 and one from 2017:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Posted Transaction Report. The amounts agreed.
  - b. We inspected the Posted Transaction Report to confirm whether the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We inspected the Posted Transaction Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Posted Transaction Report to determine whether it included two real estate tax receipts for 2018 and 2017. The Posted Transaction Report included the proper number of tax receipts for each year.
3. We selected a sample (agreed upon) of five receipts from the State Distribution Transaction Lists (DTL) from 2018 and five from 2017. We also selected a sample (agreed upon) of five receipts from the Seneca County Auditor Trail by Vendor Report from 2018 and five from 2017.
  - a. We compared the amount from the above reports to the amount recorded in the Posted Transaction Report. The amounts agreed.
  - b. We inspected the Posted Transaction Report to determine whether these receipts were allocated to the proper funds. We found no exceptions.
  - c. We inspected the Posted Transaction Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

**Water and Sewer Fund**

1. We selected a sample (agreed upon) of 10 Water and Sewer Fund collection cash receipts from the year ended December 31, 2018 and 10 Water and Sewer Fund collection cash receipts from the year ended 2017 recorded in the Posted Transaction Report and determined whether the:
  - a. Receipt amount per the Posted Transaction Report agreed to the amount recorded to the credit of the customer's account in the Customer History Report. The amounts agreed.
  - b. Amount charged for the related billing period:
    - i. Agreed with the debit to accounts receivable in the Customer History Report for the billing period. We found no exceptions.
    - ii. Complied with rates in force during the audit period multiplied by the consumption amount recorded for the billing period, plus any applicable late penalties, plus unpaid prior billings. We found no exceptions.
  - c. Receipt was posted to the proper funds and was recorded in the year received. We found no exceptions.
2. We observed the Delinquent Accounts Report.
  - a. This report listed \$9,601 and \$9,489 of accounts receivable as of December 31, 2018 and 2017, respectively.
  - b. Of the total receivables reported in the preceding step, the amount of receivables that are more than 90 days delinquent as of December 31, 2018 and 2017 is unknown. The Village could not provide a breakdown of receivables that were outstanding based on a day count.
3. We observed the Account History Report.
  - a. This report listed a total of \$472 and \$441 non-cash receipts adjustments for the years ended December 31, 2018 and 2017, respectively.
  - b. We selected a sample (agreed-upon) of five non-cash adjustments from 2018 and five non-cash adjustments from 2017 and observed that the Board of Public Affairs approved each adjustment.

**Debt**

1. From the prior agreed-upon procedures documentation, we observed the following loans outstanding as of December 31, 2016. These amounts agreed to the Villages January 1, 2017 balances on the summary we used in step 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2016:</b>
Ohio Water Development Authority Loan	\$688,747
Ohio Public Works Commission Loan	\$59,768

2. We inquired of management and inspected the Posted Transaction Report for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. All debt observed agreed to the summary we used in step 3.
3. We obtained a summary of the loan debt activity for 2018 and 2017 and agreed principal and interest payments reported from the related debt amortization schedules to the Water Operating Fund and Debt Service Fund payments reported in the Posted Transaction Report. We also compared the date the debt service payments were due to the date the Village made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the Posted Transaction Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Posted Transaction Report to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.
  - b. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel files or minute record. We also confirmed the payment was posted to the proper year. We found no exceptions.
  
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2018 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share, where applicable, during the final withholding period of 2018. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2019	January 3, 2019	\$1,904.53	\$1,904.53
State income taxes	January 15, 2019	January 4, 2019	\$305.44	\$305.44
Local School District	January 15, 2019	January 4, 2019	\$205.31	\$205.31
OPERS retirement	January 30, 2019	January 15, 2019	\$2,646.58	\$2,646.58

**Non-Payroll Cash Disbursements**

1. We selected a sample (agreed upon) of ten disbursements from the Posted Transaction Report for the year ended December 31, 2018 and ten from the year ended 2017 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Appropriation Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
  - d. The Clerk-Treasurer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

**Compliance – Budgetary**

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Comparison of Budgeted and Actual Report for the General, Street Construction, Maintenance, and Repair, and State Highway Funds for the years ended December 31, 2018 and 2017. The amounts agreed.
  
2. We inspected the appropriation measures adopted for 2018 and 2017 to determine whether, for the General, Street Construction, Maintenance, and Repair, and State Highway Funds, the Council appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.

**Compliance – Budgetary (Continued)**

3. We compared total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40, to the amounts recorded in the Comparison of Disbursements and Encumbrances for 2018 and 2017 for the following funds: General, Street Construction, Maintenance, and Repair, and State Highway Funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Comparison of Disbursements and Encumbrances except for the General Fund in 2017. The Comparison of Disbursements and Encumbrances recorded appropriations in the General Fund of \$116,455 for 2017. However, the approved appropriations reflected \$116,255. We noted no other exceptions.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Street Construction, Maintenance, and Repair, and State Highway Funds for the years ended December 31, 2018 and 2017. We observed no funds for which appropriations exceeded estimated resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2018 and 2017 for the General, Street Construction, Maintenance and Repair and State Highway Funds, as recorded in the Comparison of Disbursements and Encumbrances. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Posted Transaction Report for evidence of new restricted receipts requiring a new fund during December 31, 2018 and 2017. We also inquired of management regarding whether the Village received new restricted receipts. We observed no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Village to establish a new fund.
7. For funds existing in prior years, inspected the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all the required funds were established 2017 OCS 1-4. All the required funds were established and no funds for which the statutorily approved purpose was no longer valid were included on the accounting records.
8. We inspected the 2018 and 2017 Posted Transaction Report for evidence of interfund transfers exceeding \$1,000 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
9. We inquired of management and inspected the Appropriation Status Ledgers to determine whether the Village elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Village did not establish these reserves.
10. We inspected the Combined and Combining Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis) for the years ended December 31, 2018 and 2017 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. There were no funds having negative cash fund balances.

## Compliance – Contracts & Expenditures

We inquired of management and inspected the Posted Transaction Report for the years ended December 31, 2018 and 2017 to determine if the Village proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project exceeding \$30,000) or to construct or reconstruct Village roads (cost of project \$30,000/per mile) for which Ohio Rev. Code Sections 117.16(A) and 723.52 requires the Village engineer, or officer having a different title but the duties and functions of an engineer, to complete a force account project assessment form (i.e., cost estimate). We identified no projects requiring the completion of the force account assessment form.

## Other Compliance

1. Ohio Rev. Code Section 117.38 requires villages to file their financial information in the HINKLE system with 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Village filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the year ended December 31, 2017 in the Hinkle System. For the year ended December 31, 2018 the Village originally filed financial statements that didn't include the financial statement notes. The Village refiled on March 14, 2019, which was not within the allotted timeframe.
2. Ohio Rev. Code § 109.60(A)(1) REQUIRES Law Enforcement of Villages to report specific information to the Bureau of Criminal Identification and Investigation (BCI) for certain offenses. Village Law Enforcement shall immediately upon arrest of any person (or taking into custody for any child under 18) take and forward the person's or child's fingerprints. We inspected the NICS Process form to determine if there is an established method of fingerprint submission to BCI. The Village does not have an established method for fingerprint submission to BCI. We noted that the Village does not have the capability to take fingerprints and submit them to BCI. The Village does not have holding cells at the police department. Adults that are arrested are transported to the Seneca County Sheriff's Office and juveniles are transported to the Seneca County Youth Detention Center.
3. For all credit card accounts we obtained:
  - Copies of existing internal control policies,
  - A list of authorized users,
  - A list of all credit card account transactions.
  - a. We inspected the established policy obtained above and determined it is:
    - i. In compliance with HB312 statutory requirements, and
    - ii. Implemented by the entity.We found no exceptions
  - b. We selected 3 credit card transactions for testing. For selected transactions we inspected documentation to determine that:
    - i. Use was by an authorized user within the guidelines established in the policy, and
    - ii. Each transaction was supported with the original invoices and for a proper public purpose.We found no exceptions.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Village's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.



This report is for the use of the Village to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio