

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

*Financial Statements  
(Audited)*

For The Years Ended  
December 31, 2008 and 2007

**CHRIS MOLER, CLERK/TREASURER**





# Mary Taylor, CPA

Auditor of State

Village Council  
Village of Sycamore  
132 North Sycamore Avenue  
Sycamore, Ohio 44882

We have reviewed the *Independent Auditor's Report* of the Village of Sycamore, Wyandot 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 Sycamore 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

July 13, 2009

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**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report .....	1 - 2
Combined Statement of Cash Fund Balances - All Fund Types - December 31, 2008 and 2007 .....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Fund Balances - All Governmental Fund Types - For The Year Ended December 31, 2008 .....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Fund Balances - Proprietary Fund Type For The Year Ended December 31, 2008 .....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Encumbrances Compared with Expenditure Authority - Budget and Actual For The Year Ended December 31, 2008 .....	6
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Fund Balances - All Governmental Fund Types For The Year Ended December 31, 2007 .....	7
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Fund Balances - Proprietary Fund Type For The Year Ended December 31, 2007 .....	8
Combined Statement of Cash Receipts, Cash Disbursements and Encumbrances Compared with Expenditure Authority - Budget and Actual For The Year Ended December 31, 2007 .....	9
Notes to the Financial Statements.....	10 - 20
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	21 - 22
Schedule of Findings and Responses.....	23 - 26

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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 Sycamore  
132 North Sycamore Avenue  
Sycamore, Ohio 44882

We have audited the accompanying financial statements of the Village of Sycamore (the "Village"), Wyandot 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 Sycamore, Wyandot 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 Sycamore, Wyandot County, Ohio, as of and for the years ended December 31, 2008 and 2007, and its combined cash receipts and disbursements and combined budgeted and actual receipts and budgeted and actual disbursements for the years then ended on the accounting basis Note 2 describes.

Independent Auditor's Report  
Village of Sycamore  
Page 2

As disclosed in Note 3, the Village has restated its Special Revenue Fund Type and Capital Projects Fund Type balances and respective cash balances at January 1, 2007 to properly record a capital project in the appropriate fund type. Additionally, the January 1, 2007 debt balances were restated to reflect the correct amounts of loans outstanding.

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 June 17, 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.



Julian & Grube, Inc.  
June 17, 2009



**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

<u>Cash and Cash Equivalents</u>	<u>2008</u>	<u>2007</u>
Cash and Cash Equivalents	\$ 1,077,861	\$ 1,118,090
Total Cash and Cash Equivalents	<u>\$ 1,077,861</u>	<u>\$ 1,118,090</u>
 <u>Fund Balances</u>		
<u>Governmental Fund Types:</u>		
General	\$ 133,367	\$ 182,652
Special Revenue	344,923	352,220
Capital Projects	<u>61,422</u>	<u>91,861</u>
Total Governmental Fund Types	<u>539,712</u>	<u>626,733</u>
 <u>Proprietary Fund Type:</u>		
Enterprise	<u>538,149</u>	<u>491,357</u>
Total Fund Balances	<u>\$ 1,077,861</u>	<u>\$ 1,118,090</u>

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

**VILLAGE OF SYCAMORE  
WYANDOT 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

	Governmental Fund Types			Total (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash receipts:				
Local taxes	\$ 61,355	\$ 8,462	\$ -	\$ 69,817
Municipal Income Tax	-	121,156	-	121,156
Intergovernmental	36,562	66,879	-	103,441
Charges for services	37,742	106,969	-	144,711
Fines, licenses, and permits	793	-	-	793
Interest	11,130	2,188	-	13,318
Donations	-	4,347	-	4,347
Total cash receipts	<u>147,582</u>	<u>310,001</u>	<u>-</u>	<u>457,583</u>
Cash disbursements:				
Current:				
Security of persons and property	126,189	117,886	-	244,075
Public health services	1,700	9,201	-	10,901
Leisure time activities	31,652	-	-	31,652
Community environment	-	-	36,879	36,879
Transportation	-	88,400	-	88,400
General government	79,050	19,156	-	98,206
Debt service:				
Principal retirement	-	-	11,572	11,572
Interest and fiscal charges	-	-	8,137	8,137
Total cash disbursements	<u>238,591</u>	<u>234,643</u>	<u>56,588</u>	<u>529,822</u>
Total cash receipts over/(under) cash disbursements	<u>(91,009)</u>	<u>75,358</u>	<u>(56,588)</u>	<u>(72,239)</u>
Other financing receipts/(disbursements):				
Operating transfers in	70,304	38,779	26,149	135,232
Operating transfers out	(28,580)	(121,434)	-	(150,014)
Total other financing receipts/(disbursements)	<u>41,724</u>	<u>(82,655)</u>	<u>26,149</u>	<u>(14,782)</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(49,285)	(7,297)	(30,439)	(87,021)
Cash fund balances, January 1, 2008	<u>182,652</u>	<u>352,220</u>	<u>91,861</u>	<u>626,733</u>
Cash fund balances, December 31, 2008	<u>\$ 133,367</u>	<u>\$ 344,923</u>	<u>\$ 61,422</u>	<u>\$ 539,712</u>

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

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

	Proprietary Fund Type
	Enterprise
Operating cash receipts:	
Charges for services	\$ 1,021,761
Other miscellaneous	2,375
Total operating cash receipts	1,024,136
Operating cash disbursements:	
Personal services	96,889
Employee fringe benefits	46,255
Contractual services	542,932
Supplies and material	144,821
Miscellaneous	9,096
Total operating cash disbursements	839,993
Operating income/(loss)	184,143
Nonoperating cash receipts/(disbursements):	
Other Local Taxes	330
Excise Tax	(330)
Capital Outlay	(43,365)
Debt service:	
Principal	(28,721)
Interest	(80,047)
Total nonoperating cash receipts/(disbursements)	(152,133)
Income before operating transfers	32,010
Transfers in	14,782
Net income	46,792
Cash fund balances, January 1, 2008	491,357
Cash fund balances, December 31, 2008	\$ 538,149

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

VILLAGE OF SYCAMORE  
WYANDOT 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	\$ -	\$ 307,529	\$ 307,529	\$ 217,886	\$ (89,643)	\$ -	\$ 492,295	\$ 492,295	\$ 267,171	\$ -	\$ 267,171	\$ 225,124
Special Revenue	-	413,884	413,884	348,780	(65,104)	-	711,535	711,535	356,077	-	356,077	355,458
Capital Projects	-	16,200	16,200	26,149	9,949	-	74,156	74,156	56,588	-	56,588	17,568
Proprietary:												
Enterprise	-	988,000	988,000	1,039,248	51,248	-	1,413,913	1,413,913	992,456	-	992,456	421,457
Total	\$ -	\$ 1,725,613	\$ 1,725,613	\$ 1,652,063	\$ (93,550)	\$ -	\$ 2,691,899	\$ 2,691,899	\$ 1,672,292	\$ -	\$ 1,672,292	\$ 1,019,607
(Memorandum Only)												

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

**VILLAGE OF SYCAMORE  
WYANDOT 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	\$ 44,698	\$ 10,367	\$ -	\$ 55,065
Municipal Income Tax	-	133,158	-	133,158
Intergovernmental	35,463	72,433	-	107,896
Charges for services	6,484	83,808	-	90,292
Fines, licenses, and permits	1,568	-	-	1,568
Interest	18,908	3,439	-	22,347
Donations	-	4,145	-	4,145
Miscellaneous	2,021	-	-	2,021
Total cash receipts	<u>109,142</u>	<u>307,350</u>	<u>-</u>	<u>416,492</u>
Cash disbursements:				
Current:				
Security of persons and property	112,826	172,009	-	284,835
Public health services	1,500	10,609	-	12,109
Leisure time activities	5,329	-	-	5,329
Community environment	-	-	15,376	15,376
Basic utility services	425	-	-	425
Transportation	-	86,593	-	86,593
General government	73,767	28,730	-	102,497
Debt service:				
Principal retirement	-	-	11,244	11,244
Interest and fiscal charges	-	-	8,466	8,466
Total cash disbursements	<u>193,847</u>	<u>297,941</u>	<u>35,086</u>	<u>526,874</u>
Total cash receipts over/(under) cash disbursements	<u>(84,705)</u>	<u>9,409</u>	<u>(35,086)</u>	<u>(110,382)</u>
Other financing receipts/(disbursements):				
Operating transfers in	72,195	42,760	15,751	130,706
Operating transfers out	(19,132)	(124,701)	-	(143,833)
Total other financing receipts/(disbursements)	<u>53,063</u>	<u>(81,941)</u>	<u>15,751</u>	<u>(13,127)</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(31,642)	(72,532)	(19,335)	(123,509)
Cash fund balances, January 1, 2007 (Restated)	<u>214,294</u>	<u>424,752</u>	<u>111,196</u>	<u>750,242</u>
Cash fund balances, December 31, 2007	<u>\$ 182,652</u>	<u>\$ 352,220</u>	<u>\$ 91,861</u>	<u>\$ 626,733</u>

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

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

	Proprietary Fund Type
	Enterprise
Operating cash receipts:	
Charges for services	\$ 964,094
Total operating cash receipts	964,094
Operating cash disbursements:	
Personal services	87,253
Employee fringe benefits	36,818
Contractual services	559,674
Supplies and material	142,490
Miscellaneous	7,825
Total operating cash disbursements	834,060
Operating income/(loss)	130,034
Nonoperating cash receipts/(disbursements):	
Other Local Taxes	302
Excise Tax	(302)
Capital Outlay	(69,235)
Proceeds of notes	400
Debt service:	
Principal	(27,158)
Interest	(81,475)
Total nonoperating cash receipts/(disbursements)	(177,468)
Income/(Loss) before operating transfers	(47,434)
Transfers in	13,127
Net income/(loss)	(34,307)
Cash fund balances, January 1, 2007	525,664
Cash fund balances, December 31, 2007	\$ 491,357

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

VILLAGE OF SYCAMORE  
WYANDOT 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	\$ -	\$ 494,454	\$ 494,454	\$ 181,337	\$ (313,117)	\$ -	\$ 494,454	\$ 494,454	\$ 212,979	\$ -	\$ 212,979	\$ 281,475
Special Revenue	-	950,375	950,375	350,110	(600,265)	-	870,165	870,165	422,642	-	422,642	447,523
Capital Projects	-	126,196	126,196	15,751	(110,445)	-	126,196	126,196	35,086	-	35,086	91,110
Proprietary:												
Enterprise	-	1,506,164	1,506,164	977,923	(528,241)	-	1,506,164	1,506,164	1,012,230	-	1,012,230	493,934
Total	\$ -	\$ 3,077,189	\$ 3,077,189	\$ 1,525,121	\$ (1,552,068)	\$ -	\$ 2,996,979	\$ 2,996,979	\$ 1,682,937	\$ -	\$ 1,682,937	\$ 1,314,042
(Memorandum Only)												

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

**VILLAGE OF SYCAMORE  
WYANDOT 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 Sycamore, Wyandot 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 water, sewer, electric utilities and fire and ambulance services.

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.

*Fire Fund* - This fund receives money from a levy and charges for services to cover the costs of providing fire protection services.

*Local Income Tax Fund* - This fund receives local income tax revenue which is allocated to the general fund, the street construction fund, the storm sewer fund and the swimming pool fund to assist with the expenditures of these funds. The remaining portion of income tax revenue is used to cover the costs to collect this tax.

Capital Projects 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 projects fund:

*Storm Sewer Fund* - This fund received an OPWC loan to construct storm sewer drains.



**VILLAGE OF SYCAMORE  
WYANDOT 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* - The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the Village is that the costs (expenses) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Village had the following significant enterprise fund:

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

**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.

*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.

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

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

*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. There were no outstanding encumbrances at December 31, 2008 and December 31, 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 \$13,318 and \$22,347 for the years ended December 31, 2008 and 2007, respectively.

**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.

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

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

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. Residual equity transfers are nonrecurring or non-routine transfers of equity between funds.

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 ADJUSTMENTS**

The Village is restating its Special Revenue Fund Type fund and Capital Project Fund Type fund balances and respective cash balances at January 1, 2007. The prior period adjustment is due to the Storm Sewer Fund previously being recorded as a Special Revenue Fund. Current year presentation includes this fund in the Capital Project Fund Type. The prior period adjustment had the following effects on the Village's fund balances and cash balances:

	<u>Special Revenue Cash and Fund Balance</u>	<u>Capital Project Cash and Fund Balance</u>
Balance 12/31/06	\$ 500,369	\$ 35,579
Prior Period Adjustment	<u>(75,617)</u>	<u>75,617</u>
Restated Balances 01/01/07	<u>\$ 424,752</u>	<u>\$ 111,196</u>

Additionally, the Village is restating its outstanding debt balances at January 1, 2007 to reflect the proper loan balance. See note 9 for further information.

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

**NOTE 4 - COMPLIANCE**

- i.* The Village did not certify expenditures in a timely manner for the years ended December 31, 2008 and 2007 in noncompliance with Ohio Revised Code Section 5705.41(D).
- ii.* The Village had appropriations exceeding actual resources in noncompliance with Ohio Revised Code Section 5705.36(A)(4) for the years ended December 31, 2008 and 2007.
- iii.* The Village had appropriations in excess of estimated resources in noncompliance with Ohio Revised Code Section 5705.39 and 5705.36 for the years ended December 31, 2008 and 2007.
- iv.* The Village did not certify unencumbered fund balances in noncompliance with Ohio Revised Code Section 5705.36 for the years ended December 31, 2008 and 2007.

**NOTE 5 - EQUITY IN POOLED CASH, CASH EQUIVALENTS 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 cash and cash equivalents at December 31 was as follows:

	2008	2007
Deposits:		
Demand deposits	\$ 709,699	\$ 759,122
Total deposits	709,699	759,122
Investments:		
STAR Ohio	368,162	358,968
Total deposits and investments	\$ 1,077,861	\$ 1,118,090

*Deposits:* Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

*Investments:* Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**VILLAGE OF SYCAMORE  
WYANDOT 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	\$ 70,304	\$ 28,580
<u>Special Revenue Funds:</u>		
Income Tax	-	121,434
Street Construction, Maintenance and Repair	<u>38,779</u>	<u>-</u>
Total Special Revenue Funds	<u>38,779</u>	<u>121,434</u>
<u>Capital Projects Fund:</u>		
Storm Sewer	<u>26,149</u>	<u>-</u>
Total Capital Projects Fund	<u>26,149</u>	<u>-</u>
<u>Enterprise Funds:</u>		
Swimming Pool	<u>14,782</u>	<u>-</u>
Total Enterprise Funds	<u>14,782</u>	<u>-</u>
Total	<u>\$ 150,014</u>	<u>\$ 150,014</u>
<u>2007</u>		
General Fund	\$ 72,195	\$ 19,132
<u>Special Revenue Funds:</u>		
Income Tax	-	124,701
Street Construction, Maintenance and Repair	<u>42,760</u>	<u>-</u>
Total Special Revenue Funds	<u>42,760</u>	<u>124,701</u>
<u>Capital Projects Fund:</u>		
Storm Sewer	<u>15,751</u>	<u>-</u>
Total Capital Projects Fund	<u>15,751</u>	<u>-</u>
<u>Enterprise Funds:</u>		
Swimming Pool	9,411	-
Electric	<u>3,716</u>	<u>-</u>
Total Enterprise Funds	<u>13,127</u>	<u>-</u>
Total	<u>\$ 143,833</u>	<u>\$ 143,833</u>

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

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

**NOTE 7 - PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the 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. Real property taxes are payable annually or semiannually to the County. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

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

Tangible personal property tax revenues received in 2008 (other than public utility property) represent the collection of 2008 taxes. Tangible personal property taxes received in 2008 were levied after October 1, 2007, on the true value as of December 31, 2007. 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 12.5% for 2007, 6.25% for 2008 and will be 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.

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 2008-2010, the Village will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

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

**NOTE 8 - LOCAL INCOME TAX**

The Village levies a municipal income tax 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 quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file the declaration annually.

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

**NOTE 9 - DEBT OBLIGATIONS**

At December 31, 2008 and 2007, debt obligations consisted of the following issuances:

<u>Description</u>	<u>Balance 12/31/08</u>	<u>Balance 12/31/07</u>
2008 OWDA loan for a water plant study in the amount of \$400 with the expected project loan to be \$7,900. The loan is due in semi-annual installments of varying amounts through 2013, bearing interest of 5.11%.	\$ 202	\$ -
2006 OPWC loan for a storm sewer project. The loan is interest free with semi-annual payments of \$2,134 through 2026.	76,810	81,077
2004 OWDA loan for storm sewer improvements. The loan is due in semi-annual installments of \$7,721 through 2024, bearing interest at 4.66%.	169,107	176,412
Commercial loan for water plant and line improvement. The loan is paid in monthly installments of \$645 through 2022, bearing interest at 6.0%.	73,077	76,300
1994 Farmers Home Administration Sanitary Sewer System Mortgage Revenue Bonds. The loan is due in annual installments of varying amounts through 2034, bearing interest at 5.25%.	<u>1,413,400</u>	<u>1,438,700</u>
Total	<u>\$ 1,732,596</u>	<u>\$ 1,772,489</u>

The beginning loan balances are being restated at January 1, 2007 so that amounts presented show the proper outstanding balances.

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

<u>2008</u>	<u>Balance 12/31/07</u>	<u>Proceeds</u>	<u>Principal Retirement</u>	<u>Balance 12/31/08</u>
OWDA - Water Plant	\$ -	\$ 400	\$ (198)	\$ 202
OPWC - Storm Sewer	81,077	-	(4,267)	76,810
OWDA - Storm Sewer	176,412	-	(7,305)	169,107
Water Plant Line Loan	76,300	-	(3,223)	73,077
Sanitary Sewer Bonds	<u>1,438,700</u>	<u>-</u>	<u>(25,300)</u>	<u>1,413,400</u>
Total	<u>\$ 1,772,489</u>	<u>\$ 400</u>	<u>\$ (25,498)</u>	<u>\$ 1,732,596</u>
	Restated			
<u>2007</u>	<u>Balance 01/01/07</u>	<u>Proceeds</u>	<u>Principal Retirement</u>	<u>Balance 12/31/07</u>
OPWC - Storm Sewer	\$ 85,345	\$ -	\$ (4,268)	\$ 81,077
OWDA - Storm Sewer	183,388	-	(6,976)	176,412
Water Plant Line Loan	79,358	-	(3,058)	76,300
Sanitary Sewer Bonds	<u>1,462,800</u>	<u>-</u>	<u>(24,100)</u>	<u>1,438,700</u>
Total	<u>\$ 1,810,891</u>	<u>\$ -</u>	<u>\$ (28,368)</u>	<u>\$ 1,772,489</u>

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

**NOTE 9 - DEBT OBLIGATIONS - (Continued)**

The principal and interest requirements to retire the debt obligations outstanding at December 31, 2008 are as follows:

Year Ending December 31,	OWDA - Storm Sewer		
	Principal	Interest	Total
2009	\$ 4,268	\$ -	\$ 4,268
2010	4,268	-	4,268
2011	4,268	-	4,268
2012	4,268	-	4,268
2013	4,268	-	4,268
2014 - 2018	21,340	-	21,340
2019 - 2023	21,340	-	21,340
2024 - 2026	12,790	-	12,790
Total	<u>\$ 76,810</u>	<u>\$ -</u>	<u>\$ 76,810</u>

Year Ending December 31,	OWDA - Storm Sewer		
	Principal	Interest	Total
2009	\$ 7,650	\$ 7,792	\$ 15,442
2010	8,010	7,432	15,442
2011	8,388	7,054	15,442
2012	8,783	6,659	15,442
2013	9,198	6,244	15,442
2014 - 2018	52,916	24,294	77,210
2019 - 2023	66,617	10,593	77,210
2024	7,545	176	7,721
Total	<u>\$ 169,107</u>	<u>\$ 70,244</u>	<u>\$ 239,351</u>

Year Ending December 31,	Commerical Loan		
	Principal	Interest	Total
2009	\$ 3,421	\$ 4,319	\$ 7,740
2010	3,657	4,083	7,740
2011	3,883	3,857	7,740
2012	4,111	3,629	7,740
2013	4,376	3,364	7,740
2014 - 2018	26,266	12,434	38,700
2019 - 2022	27,363	3,470	30,833
Total	<u>\$ 73,077</u>	<u>\$ 35,156</u>	<u>\$ 108,233</u>



**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

**NOTE 9 - DEBT OBLIGATIONS - (Continued)**

Year Ending December 31,	Sanitary Sewer Bonds		
	Principal	Interest	Total
2009	\$ 26,700	\$ 74,203	\$ 100,903
2010	28,100	72,802	100,902
2011	29,500	71,327	100,827
2012	31,100	69,778	100,878
2013	32,700	68,145	100,845
2014 - 2018	191,200	313,104	504,304
2019 - 2023	247,100	257,334	504,434
2024 - 2028	319,100	185,288	504,388
2029 - 2033	412,100	92,368	504,468
2034	95,800	5,030	100,830
Total	<u>\$ 1,413,400</u>	<u>\$ 1,209,379</u>	<u>\$ 2,622,779</u>

Year Ending December 31,	Total		
	Principal	Interest	Total
2009	\$ 42,039	\$ 86,314	\$ 128,353
2010	44,035	84,317	128,352
2011	46,039	82,238	128,277
2012	48,262	80,066	128,328
2013	50,542	77,753	128,295
2014 - 2018	291,722	349,832	641,554
2019 - 2023	362,420	271,397	633,817
2024 - 2028	339,435	185,464	524,899
2029 - 2033	412,100	92,368	504,468
2034	95,800	5,030	100,830
Total	<u>\$ 1,732,394</u>	<u>\$ 1,314,779</u>	<u>\$ 3,047,173</u>

On January 24, 2008, Ohio Water Development Authority (OWDA) disbursements originated on the Water Plant Study Loan. At December 31, 2008, \$400 of principal had been disbursed and \$20 in interest had been capitalized. The loan is not yet finalized, thus, no amortization exists; however, the Village is required to make semi-annual principal payments in the amount of \$198.

**NOTE 10 - RETIREMENT SYSTEM**

The Village's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost sharing, multiple-employer plan. The plan provides retirement benefits, including post-retirement healthcare, 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 2008 and 2007, OPERS members contributed 10.0% and 9.5% of their gross salaries, respectively. The Village contributed an amount equal to 14.0% of participants' gross salaries for 2008 and 13.85% in 2007. The Village has paid all contributions required through December 31, 2008.

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

**NOTE 11 - RISK MANAGEMENT**

**Commercial Insurance**

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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

**NOTE 12 - CONTINGENT LIABILITIES**

The Village is not currently involved in litigation.



**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 Sycamore  
132 North Sycamore Avenue  
Sycamore, Ohio 44882

We have audited the financial statements of the Village of Sycamore, Wyandot County, Ohio, as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated June 17, 2009, wherein we noted the Village of Sycamore followed accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. As disclosed in Note 3, the Village of Sycamore has restated its Special Revenue and Capital Projects cash balances and respective fund balances at January 1, 2007 to properly record Special Revenue cash and fund balances and Capital Projects cash and fund balances. 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 Sycamore'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 Sycamore's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village of Sycamore's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

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 Sycamore'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 Sycamore's financial statements that is more than inconsequential will not be prevented or detected by the Village of Sycamore's internal control. We consider the following deficiency described in the accompanying schedule of findings and responses to be significant deficiency in internal control over financial reporting: 2008-VOS-001.

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 Sycamore's internal control.

Members of Council and Mayor  
Village of Sycamore

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. However, we consider the significant deficiency described above to be a material weakness.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Sycamore'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 five 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-VOS-002 through 2008-VOS-006.

We noted certain matters that we reported to the Village of Sycamore management in a separate letter dated June 17, 2009.

The Village of Sycamore's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Village of Sycamore'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 Sycamore, and is not intended to be and should not be used by anyone other than those specified.



Julian & Grube, Inc.  
June 17, 2009

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

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

**Significant Deficiency/Material Weakness**

The Village is restating its beginning debt obligation balance at January 1, 2007. The Village received OWDA notes in 2004 which were not included. Additionally, balances did not agree to loan balance amounts from the lender.

The notes to the financial statements have been properly restated to reflect outstanding debt obligations at January 1, 2007.

In addition, the Village had the following audit adjustments necessary to properly record activity in 2008 and 2007:

2008 and 2007 Adjustments:

General Fund: Decrease of fund balance in the amount of \$4,208 due to not properly allocating gas tax and cents per gallon receipts.

Street Construction, Maintenance and Repair fund: Net increase of \$5 due to improper allocation of gas tax, cents per gallon, motor vehicle license and permissive motor vehicle license receipts.

State Highway Fund: Net increase of \$1,119 due to improper allocation of gas tax, cents per gallon, motor vehicle license and permissive motor vehicle license receipts.

Permissive Motor Vehicle License Tax Fund: Increase of \$3,084 due to improper posting of permissive motor vehicle license receipts.

Storm Sewer Fund: Increase of \$9,136 due to sewer debt payments being paid from the storm sewer fund.

Sewer Fund: Decrease of \$9,136 due to sewer debt payments being paid from the storm sewer fund.

Client Response: Management concurs with the adjustment and will properly recorded similar transactions in 2009. The client will continue to use guidance provided by the Village Handbook.

Finding Number	2008-VOS-002
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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, 64% and 49%, 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.

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2008-VOS-002 - (Continued)

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-VOS-003
----------------	--------------

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, 2008 and 2007, the Village had appropriations greater than actual resources, in the following funds:

	<u>Actual Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<u>2008</u>			
General Fund	\$ 400,538	\$ 492,295	\$ 91,757
<u>Special Revenue Funds:</u>			
Street Construction, Maintenance and Repair	156,647	164,685	8,038
Fire	175,813	188,031	12,218
Ambulance	133,096	136,000	2,904
<u>2007</u>			
General Fund	395,631	494,454	98,823
<u>Special Revenue Funds:</u>			
Fire	233,982	237,649	3,667
Ambulance	128,261	224,319	96,058
Income Tax	192,330	209,172	16,842
<u>Enterprise Funds:</u>			
Electric	1,091,769	1,113,978	22,209
Swimming Pool	16,568	24,236	7,668

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2008-VOS-003 - (Continued)

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.

Finding Number	2008-VOS-004
----------------	--------------

Ohio Revised Code Section 5705.36 in part, requires subdivisions to request increased or reduced amended certificates of estimated resources upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the original certificate of estimated resources.

The Village did not timely request amended certificates throughout the year upon notice of increased or decreased resources in order to equal or exceed appropriations.

When required by law, the Village should be certifying its corrected estimated resources with the County so that appropriations do not exceed estimated resources. When appropriations exceed estimated resources, it allows for expenditures to possibly cause a fund deficit.

We recommend that the Village comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by monitoring its budgetary process on a regular basis and approving amendments as necessary. If it is determined that estimated revenues will be greater than initially anticipated, the Village should amend its official estimate in order to provide for any additional appropriations; however, appropriations should not exceed estimated resources.

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

Finding Number	2008-VOS-005
----------------	--------------

Ohio Revised Code Section 5705.39 requires that the total appropriation from each fund should not exceed total estimated resources.

Total appropriations exceeded the total estimated resources for the year ended December 31, 2008 and 2007 in all funds.

With appropriations exceeding estimated resources, the Village is appropriating monies that have not been certified with the County Auditor.

**VILLAGE OF SYCAMORE  
WYANDOT COUNTY, OHIO**

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

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2008-VOS-005 - (Continued)

We recommend that the Village comply with the Ohio Revised Code by keeping more accurate appropriations versus estimated resources records and amending the budget prior to year end. If it is determined that estimated resources will be greater than initially anticipated, the Village should amend its official estimate in order to provide for any additional appropriations; however, appropriations should not exceed estimated resources. In addition, the Village should monitor its budgetary process on a regular basis.

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

Finding Number	2008-VOS-006
----------------	--------------

Ohio Revised Code Section 5705.36 requires, in part, subdivisions to certify to the County Auditor the amount available from all sources for expenditures from each fund along with any balances which existed at the end of the preceding year on or about the first day of each fiscal year.

The Village did not certify the unencumbered fund balances at January 1, 2008 and January 1, 2007.

By not certifying accurate unencumbered cash, the Village does not have proper estimated resources in which to appropriate against, which could cause appropriations to exceed estimated resources.

We recommend the Village properly certify the correct fund balances. This will enable the County Auditor to perform the proper certification with accurate information. This will in turn allow the Village to properly appropriate funds within available resources.

*Client Response:* The Village will attempt to certify balances to the County Auditor on time.





**Mary Taylor, CPA**  
Auditor of State

**VILLAGE OF SYCAMORE**

**WYANDOT 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 23, 2009**