

**CITY OF DELAWARE  
FINANCE COMMITTEE  
CITY COUNCIL CHAMBERS  
1 SOUTH SANDUSKY STREET  
4:00-5:30 P.M.**

**AGENDA**

July 27, 2015

1. Roll Call
2. Approval of the Motion Summary for the meeting held February 12, 2015 as recorded and transcribed.
3. Motion to Excuse – Joe DiGenova
4. Review of 2014 Audit
  - A. Audit Management Letter
  - B. 2014 Single Audit Report
5. Discussion of HB5 – Municipal Tax Reform
6. Discussion of potential purchase of Timecard & Attendance Software
7. Discussion of Transparency Ohio participation
8. Discussion of Performance Audit status
9. Next Meeting Date
10. Adjournment

**FINANCE COMMITTEE**  
**February 12, 2015**  
**MOTION SUMMARY**

ITEM 1. Roll Call

Chairman Brush called the meeting to order at 4:04 p.m.

Members Present: Vice-Mayor George Hellinger, Vice-Chairman DiGenova and Chairman Andrew Brush

Staff Present: Dean Stelzer, Finance Director and Tom Homan, City Manager

ITEM 2. Approval of the Motion Summary for the meeting held November 20, 2014, as recorded and transcribed.

**Motion:** Vice Mayor Hellinger moved to approve the Motion Summary for November 20, 2014, as recorded and transcribed, seconded by Vice-Chairman DiGenova. Motion approved by a 3-0 vote.

ITEM 3. Performance Audit-Auditor of State, Michael E. Day, CFE, GCAP

Performance Audit will be rescheduled due to the fact that Michael E. Day was unable to attend the meeting.

ITEM 4. April Debt Issue

Mr. Stelzer discussed the Analysis of 2015 Financings, and discussed the various purposes of notes, including the Glenn Road North improvements. Mr. Stelzer discussed the sidewalk repair program, EMS Apparatus, and Recreation Facility Improvements.

Mr. Stelzer further discussed the improvement plan for Glenn Road North, including the pre-construction bids, estimated cost for construction, contingency, and inspection and testing. Also discussed was the financing for the improvements, as well as the North Community Authority revenues and fund balance. A discussion was held on the importance of moving forward with the improvements.

**Motion:** Vice-Chairman DiGenova moved to forward the recommendations to City Council on bonding issues at the next Council meeting, seconded by Vice-Mayor Hellinger. Motion approved by a 3-0 vote.

ITEM 5. Income Tax Prosecution

Mr. Stelzer provided a summary of Income Tax Docket. Mr. Stelzer discussed

the difficulty enforcing compliance in filing of required income tax. Mr. Stelzer discussed the use of an intern to assist in notifying violators. Mr. Stelzer provided recommendations and input on the diversion program and the benefits of the program completed by the current Intern.

Mr. Brush voiced the importance of providing support to the diversion program.

#### ITEM 6. Transparency in Government

Mr. Stelzer provided information on the new web program that is offered by the State of Ohio to access a database for constituents to review the finances of the State.

Mr. Brush discussed the need for transparency, but does feel that the City of Delaware is already providing this as meeting agendas and minutes are available online, as well as the budget. A discussion was held on making the current City of Delaware website more user-friendly to increase transparency.

#### ITEM 7. CIP Updates-Budget Changes

Mr. Homan discussed the potential need for a supplemental for the CIP for HVAC repairs. Mr. Homan also discussed the grant for resurfacing Sandusky Street and the grant for downtown recycling. Mr. Stelzer discussed the importance of annual CIP reviews.

#### ITEM 8. Member Comments

#### ITEM 9. Next Meeting Date

The next meeting date to be determined.

ITEM 10. **EXECUTIVE SESSION:** pursuant to Ohio Revised Code Section 121.22 (G) (3) pending or imminent court action, Section 121.22 (G) (1) personnel, Section (g) (5) matters required to be kept confidential by State statute and Section 121.22(G) (8) consideration of confidential information related to a request for economic development assistance.

Executive Session deemed not necessary.

#### ITEM 11. Adjournment

**Motion:** Vice Mayor Hellinger moved to adjourn the Finance Committee meeting. The Finance Committee meeting adjourned at 5:19 p.m.

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Andrew Brush, Chairman

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Elaine McCloskey, Clerk

June 10, 2015



City of Delaware  
Delaware County  
One South Sandusky Street  
Delaware, Ohio 43015

## MANAGEMENT LETTER

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Delaware, Delaware County, (the City) in accordance with *Government Auditing Standards*, as of and for the year ended December 31, 2014, and have issued our report thereon dated June 10, 2015 wherein we noted the City restated fund balances and governmental activities as disclosed in Note 2B.

*Government Auditing Standards* also requires us to report significant internal control deficiencies and material weaknesses, fraud and illegal acts, (including noncompliance with laws and regulation), and also abuse and noncompliance with contracts and grant agreements that could directly and materially affect the determination of financial statement amounts. We have issued the required report dated June 10, 2015, for the year ended December 31, 2014.

*Office of Management and Budget Circular A-133* requires that we report all material (and certain immaterial) instances of noncompliance, and significant internal control deficiencies and material weaknesses in internal control, related to major federal financial assistance programs. We have issued the required report dated June 10, 2015, for the year ended December 31, 2014.

We are also submitting the following comments for your consideration regarding the City's compliance with applicable laws, regulations, grant agreements, contract provisions and internal control. These comments reflect matters that do not require inclusion in the report *Government Auditing Standards* require. Nevertheless, these comments represent matters for which we believe improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing these recommendations. However, these comments reflect our continuing desire to assist your government. If you have questions or concerns regarding these comments please feel free to contact us at your convenience.

## NONCOMPLIANCE CITATIONS

1. Ohio Administrative Code Section 117-2-03(B) requires cities to report annually (but not necessarily account) on a GAAP basis. Ohio Revised Code Section 117.38 requires that entities filing on a GAAP-basis must file its annual report within 150 days of their fiscal year end. The Auditor of State (AOS) is in the process of implementing the Annual Financial Data Reporting System (AFDRS). AFDRS is an Internet based application that allows certain financial statement, debt, and demographic data to be entered and transmitted to the AOS to satisfy the filing requirements prescribed by the Ohio Revised Code and the Ohio Administrative Code. All cities were required to report via AFDRS for periods ended December 31, 2013 and after.

The City properly filed its unaudited financial statements within 150 days of its fiscal year end with AOS Local Government Services but did not file properly with AFDRS.

*Wilson, Shannon & Snow, Inc.*

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**NONCOMPLIANCE CITATIONS**  
(CONTINUED)

1. Ohio Revised Code Section 117.38 (Continued)  
We recommend that the City submit its unaudited financial statements through AFDRS. More information regarding this process may be obtained via the Auditor of State's website at <https://ohioauditor.gov/financialreporting/default.html>.
2. 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 a 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.

It was noted that during the year that the City incurred expenditures in which an invoice was dated prior to the purchase order as certified by the Finance Director or documentation did not exist to evidence certification of expenditures less than \$250 during the year. These expenditures tested were thus considered not to be certified in a timely manner.

Without timely certification, the City increases the risk that purchases may be made for an improper public purpose, expend more funds than are appropriated, or that are available in the treasury or in the process of collection. Thus a negative fund balance may result.

We recommend that all orders or contracts involving the expenditure of money be timely certified to verify all monies expended are lawfully appropriated and available in the treasury or in the process of collection. The City should consider using "Then and Now" certificates where applicable.

3. Ohio Revised Code Section 5705.10(C) states that all revenue derived from a special levy shall be credited to a special fund for the purpose for which the levy was made. In addition, all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose is to be paid into a special fund for such purpose.

The City incurred allowable expenditures within the FAA Airport Expansion Fund and requested subsequent reimbursement of these expenditures from the Federal Aviation Administration in accordance with the grant terms. However, the City improperly recorded this reimbursement within the FAA Airport Allocation/Improvement Fund therefore not properly matching expenditures with the subsequent receipt. The City did properly identify this transaction as a federal expenditure and properly reported the item within the Schedule of Federal Awards Expenditures.

This adjustment was recorded by the City and resulted in a decrease in fund balance of \$14,630 within the FAA Airport Allocation/Improvement Fund and an increase in fund balance of \$14,630 within the FAA Airport Expansion Fund.

Funds	Fund Balance Impact
FAA Airport Allocation/Improvement Fund	(\$14,630)
FAA Airport Expansion Fund	\$14,630

We have considered *Generally Accepted Government Auditing Standards* Section 4.25 specific to determining the significance of these misstatements and based on such consideration in conjunction with discussing with management, the adjustments identified above have not been recorded by the City within its basic financial statements.

**NONCOMPLIANCE CITATIONS**  
(CONTINUED)

3. Ohio Revised Code Section 5705.10(C)(H) (Continued)

Ohio Revised Code Section 5705.10(H) states that all money paid into a fund must be used only for the purpose for which such fund has been established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another fund. The following funds had negative cash balance at December 31, 2014:

Non- Major Funds	Negative Cash Balance
Community Development Block Grant Fund	\$72,470
FAA Airport Allocation/Improvement	122,619

The City has spent monies not available to that fund and thus causing noncompliance. No fund should have a negative cash fund balance throughout the year or at year end.

We recommend that the City properly expend monies only after funds have been received and subsequent to proper appropriation. If funds are anticipated, but not yet received and expenditures are necessary, the City should advance or transfer funds from the General Fund with proper Council approval to avoid noncompliance with Ohio Revised Code Section 5705.10(H).

**SUGGESTIONS FOR IMPROVING OPERATIONS**

1. Internal Controls – Planning and Zoning Department Permit Refund Procedures

The City Planning and Zoning Department has implemented a computer software system to properly account for and develop an audit trail for cash receipts and deposits related to permits issued by the Planning and Zoning Department. This system also provides the City Finance Department a process to determine that all cash receipts received are properly recorded in the accounting system for financial reporting purposes and development of future budgets.

In the event it is determined the City's Planning and Zoning Department will provide a full or partial refund of permit money received, the City's Chief Building Official will review and approve the refund prior to submission to the Finance Department for processing.

Based on testing performed we noted an instance that was refunded during 2014 and a proper audit trail was not maintained documenting proper approval. The Planning and Zoning Department was able to provide documentation at a later date once researched.

We recommend the Planning and Zoning Department implement procedures associated with the accounting and reconciling of refunded permits that occur during the normal business day. Prior to any refund submitted to the Finance Department for processing appropriate documentation and approval should exist and matched to the City's accounting ledgers.

**SUGGESTIONS FOR IMPROVING OPERATIONS**  
(CONTINUED)

2. Federal Aviation Policies

The United States Department of Transportation, Federal Aviation Administration issued Federal Register Volume 64, No. 30 titled "*Policy and Procedures Concerning the Use of Airport Revenue*". This final policy issued implemented the statutory requirements that pertain to the use of airport revenue and the maintenance of an airport rate structure that makes the airport as self-sustaining as possible. Furthermore, entities which receive federal assistance must comply with this final policy and develop procedures to address the nine sections listed in the final policy.

The City receives federal assistance and therefore is required to follow the requirements set forth by the Federal Aviation Administration. However, nothing has come to our attention to indicate a formal written policy or procedures have been developed addressing the nine sections listed in the final policy.

We recommend the City review the referenced Federal Register and develop written policies and procedures which may help ensure compliance with federal guidelines.

These comments are intended solely for the information and use of the management, Finance Committee, City Council, and the Auditor of State and are not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to be of service to your City. We are available to discuss this letter with you at any time. If you have any questions, don't hesitate to call.

Very truly yours,

*Wilson, Sherman & Snow, Inc.*

**CITY OF DELAWARE**  
**DELAWARE COUNTY**  
**SINGLE AUDIT**  
**JANUARY 1, 2014 – DECEMBER 31, 2014**



**CITY OF DELAWARE  
DELAWARE COUNTY**

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**CITY OF DELAWARE  
DELAWARE COUNTY  
SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>Federal Grantor/ Pass Through Grantor/ Program Grant Title</b>	<b>Pass Through Entity Number</b>	<b>CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Justice</b>			
Bulletproof Vest Partnership Program (Direct)	N/A	16.607	\$ 5,967
Total Department of Justice			<u>5,967</u>
<b>U.S. Department of Transportation; Federal Aviation Administration (FAA)</b>			
Airport Improvement Program (Direct)	3-39-0032-1812	20.106	21,037
Airport Improvement Program (Direct)	3-39-0032-1913	20.106	9,563
Airport Improvement Program (Direct)	3-39-0032-2014	20.106	383,464
Total Department of Transportation (FAA)			<u>414,064</u>
<b>U.S. Department of Transportation; Federal Highway Administration</b>			
<i>Passed through the Ohio Department of Transportation:</i>			
Highway Planning and Construction	79366	20.205	330,621
Highway Planning and Construction	95625	20.205	150,342
Highway Planning and Construction	94527	20.205	156,626
Total Department of Transportation (FHA)			<u>637,589</u>
<b>U.S. Department of Housing and Urban Development</b>			
<i>Passed through Ohio Department of Development:</i>			
Community Development Block Grant	A-F-13-2BE-1	14.228	75,000
Total Department of Housing and Urban Development			<u>75,000</u>
<b>U.S. Executive Office of the President</b>			
<i>Passed through Shaker Heights Ohio Police Department:</i>			
High Intensity Drug Trafficking Area Grant	G12OH001A	95.001	3,163
Total U.S. Executive Office of the President			<u>3,163</u>
<b>Total Federal Awards Expenditures</b>			<b>\$ <u>1,135,783</u></b>

**CITY OF DELAWARE  
DELAWARE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) is a summary of the activity of the City's Federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal funds is not included on the Schedule.

**NOTE C - REVOLVING LOAN PROGRAMS**

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans. These loans are collateralized by the underlying property.

Activity in the revolving loan program during 2014 as follows:

	<u>Amount</u>
Beginning loans receivable balance as of January 1, 2014	\$543,209
Loans made	0
Loan principal repaid	(112,738)
Ending loans receivable balance as of December 31, 2014	<u>\$430,471</u>
Cash balance on hand in the revolving loan fund as of December 31, 2014	<u>\$997,207</u>

The table above reports loans receivable at gross and is current on all outstanding balances.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

City of Delaware  
Delaware County  
One South Sandusky Street  
Delaware, Ohio 43015

To City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Delaware, Delaware County, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 10, 2015 wherein we noted the City restated fund balance and governmental activities as disclosed in Note 2B.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wilson, Shuman & Snow, Inc.*

Newark, Ohio  
June 10, 2015



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE AND THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
REQUIRED BY OMB CIRCULAR A-133**

City of Delaware  
Delaware County  
One South Sandusky Street  
Delaware, Ohio 43015

To City Council:

***Report on Compliance for Each Major Federal Program***

We have audited the City of Delaware's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the City of Delaware's major federal programs for the year ended December 31, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal programs.

***Management's Responsibility***

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major programs. However, our audit does not provide a legal determination of the City's compliance.

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***Opinion on Each Major Federal Program***

In our opinion, the City of Delaware complied, in all material respects with the compliance requirements referred to above that could directly and materially affects each of its major federal programs for the year ended December 31, 2014.

***Report on Internal Control over Compliance***

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

City of Delaware  
Delaware County  
Independent Auditor's Report on Compliance with Requirements  
Applicable to Each Major Federal Program and On Internal Control Over  
Compliance and the Schedule of Federal Awards Expenditures  
Required By OMB Circular A-133  
Page 3

***Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133***

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Delaware, Delaware County (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 10, 2015 wherein we noted the City restated fund balances and governmental activities as disclosed in Note 2B. We conducted our audit to opine on the City's' basic financial statements. The accompanying schedule of federal awards expenditures presents additional analysis required by the 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 basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Wilson, Shannon & Snow, Inc.*

Newark, Ohio  
June 10, 2015

**CITY OF DELAWARE  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 §.505  
DECEMBER 31, 2014**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Program's Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Airport Improvement Program CFDA #20.106  Highway Planning and Construction, CFDA #20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**CITY OF DELAWARE  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
*OMB CIRCULAR A-133 §.505*  
DECEMBER 31, 2014**

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

None.

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

None.