



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

VILLAGE OF RISINGSUN
WOOD COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Village of Risingsun
Wood County
420 Main Street
P.O. Box 37
Risingsun, Ohio 43457-0037

To the Village Council:

We have audited the accompanying financial statements of the Village of Risingsun, Wood County, Ohio, (the Village) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2001 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

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

Jim Petro
Auditor of State

June 12, 2001

**VILLAGE OF RISINGSUN
WOOD COUNTY**

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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$29,434	\$14,541		\$43,975
Special Assessments		7,656		7,656
Intergovernmental Receipts	22,313	27,389		49,702
Charges for Services	1,354	23,494		24,848
Fines, Licenses, and Permits	1,725			1,725
Earnings on Investments	6,569	8,840		15,409
Miscellaneous	336	11,559		11,895
	<u>61,731</u>	<u>93,479</u>		<u>155,210</u>
Cash Disbursements:				
Current:				
Security of Persons and Property	46,965	37,764		84,729
Public Health Services	267			267
Leisure Time Activities	4,690	10,201		14,891
Basic Utility Services	5,764			5,764
Transportation	1,520	23,958		25,478
General Government	29,202			29,202
Debt Service:				
Principal Payments		22,895		22,895
Interest Payments		1,981		1,981
Capital Outlay		32,238		32,238
	<u>88,408</u>	<u>129,037</u>		<u>217,445</u>
Total Disbursements Over Receipts	<u>(26,677)</u>	<u>(35,558)</u>		<u>(62,235)</u>
Other Financing Receipts:				
Sale of Bonds or Notes		16,000		16,000
Transfers-In	40,000			40,000
	<u>40,000</u>	<u>16,000</u>		<u>56,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	13,323	(19,558)		(6,235)
Fund Cash Balances, January 1	61,434	127,492	\$5,000	193,926
Fund Cash Balances, December 31	<u>\$74,757</u>	<u>\$107,934</u>	<u>\$5,000</u>	<u>\$187,691</u>
Reserves for Encumbrances, December 31				

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

VILLAGE OF RISINGSUN
WOOD COUNTY

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

	<u>Agency</u>
Operating Cash Disbursements:	
Contractual Services	\$4,250
Supplies and Materials	<u>1,458</u>
Operating Loss	<u>(5,708)</u>
Non-Operating Cash Receipts:	
Fines, Licenses and Permits	<u>40,016</u>
Excess of Receipts Over Disbursements Before Interfund Transfers and Advances	34,308
Transfers-Out	<u>(40,000)</u>
Net Disbursements Over Receipts	(5,692)
Cash Balances, January 1	<u>19,365</u>
Cash Balances, December 31	<u><u>\$13,673</u></u>

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

**VILLAGE OF RISINGSUN
WOOD COUNTY**

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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$30,556	\$13,905		\$44,461
Special Assessments		8,093		8,093
Intergovernmental Receipts	23,693	23,423		47,116
Charges for Services	2,734	59,741		62,475
Fines, Licenses, and Permits	1,160			1,160
Earnings on Investments	5,222	2,517		7,739
Miscellaneous	141	5,255		5,396
	<u>63,506</u>	<u>112,934</u>		<u>176,440</u>
Cash Disbursements:				
Current:				
Security of Persons and Property	38,008	25,245		63,253
Public Health Services	272			272
Leisure Time Activities		10,289		10,289
Basic Utility Services	3,217			3,217
Transportation	210	27,243		27,453
General Government	34,369			34,369
Debt Service:				
Principal Payments		21,978		21,978
Interest Payments		2,898		2,898
Capital Outlay		18,580		18,580
	<u>76,076</u>	<u>106,233</u>		<u>182,309</u>
Total Receipts Over/(Under) Disbursements	<u>(12,570)</u>	<u>6,701</u>		<u>(5,869)</u>
Other Financing Receipts:				
Transfers-In	<u>40,000</u>			<u>40,000</u>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements	27,430	6,701		34,131
Fund Cash Balances January 1	<u>34,004</u>	<u>120,791</u>	<u>\$5,000</u>	<u>159,795</u>
Fund Cash Balances, December 31	<u>\$61,434</u>	<u>\$127,492</u>	<u>\$5,000</u>	<u>\$193,926</u>
Reserves for Encumbrances, December 31	<u>\$154</u>	<u>\$104</u>		<u>\$258</u>

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

VILLAGE OF RISINGSUN
WOOD COUNTY

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

	<u>Agency</u>
Operating Cash Disbursements:	
Personal Services	\$210
Fringe Benefits	157
Contractual Services	8,250
Supplies and Materials	<u>560</u>
Operating Loss	<u>(9,177)</u>
Non-Operating Cash Receipts:	
Fines, Licenses and Permits	<u>44,056</u>
Excess of Receipts Over Disbursements Before Interfund Transfers and Advances	34,879
Transfers-Out	<u>(40,000)</u>
Net Disbursements Over Receipts	(5,121)
Cash Balances, January 1	<u>24,486</u>
Cash Balances, December 31	<u><u>\$19,365</u></u>

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

**VILLAGE OF RISINGSUN
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Risingsun, Wood County, (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 park operations (leisure time activities) and police services.

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

B. Basis of Accounting

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

The Village maintains an interest-bearing checking account, a Sweep account, and a \$5,000 U.S. Savings Bond. The Sweep account is valued at cost. The Savings Bond is valued at market value.

D. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Fund

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

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

**VILLAGE OF RISINGSUN
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

Parks and Recreation Fund - This fund receives donations and park rental monies for the operation of the Village Park.

Other Special Revenue Fund - This fund receives monies from fire contracts and utilizes it for the operation of the Fire Department.

3. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village has a \$5,000 Savings Bond held in this fund.

4. Fiduciary Funds (Trust and Agency Funds)

Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had an Agency Fund which collected monies received from Mayor's Court.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

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

**VILLAGE OF RISINGSUN
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

F. Property, Plant and Equipment

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>2000</u>	<u>1999</u>
Demand deposits	\$17,859	\$15,831
US Savings Bond, Series H	5,000	5,000
Treasury Obligations Fund Sweep Account	<u>178,505</u>	<u>192,460</u>
Total investments	<u>183,505</u>	<u>197,460</u>
Total deposits and investments	<u><u>\$201,364</u></u>	<u><u>\$213,291</u></u>

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: At the close of each day, the Village's financial institution provides for the investment of excess available checking account funds in the Treasury Obligations Fund Sweep Account. This money market mutual fund invests exclusively in notes, bills, and bonds issued directly by the U.S. Treasury. Money is returned from the sweep account as per request of the Village by depositing such money in the Village's checking account. The U.S. Savings Bond, Series H, is kept in the Village safe, located at the Village Hall. Investments in Treasury Obligations Fund Sweep Account are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

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

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$83,378	\$101,731	\$18,353
Special Revenue	103,039	109,479	6,440
Agency	<u>36,000</u>	<u>40,016</u>	<u>4,016</u>
Total	<u><u>\$222,417</u></u>	<u><u>\$251,226</u></u>	<u><u>\$28,809</u></u>

**VILLAGE OF RISINGSUN
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$125,638	\$88,408	\$37,230
Special Revenue	182,785	129,037	53,748
Agency	50,000	45,708	4,292
Total	<u>\$358,423</u>	<u>\$263,153</u>	<u>\$95,270</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$80,822	\$103,506	\$22,684
Special Revenue	98,992	112,934	13,942
Agency	24,486	44,056	19,570
Total	<u>\$204,300</u>	<u>\$260,496</u>	<u>\$56,196</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$105,300	\$76,230	\$29,070
Special Revenue	146,675	106,337	40,338
Agency	50,350	49,177	1,173
Total	<u>\$302,325</u>	<u>\$231,744</u>	<u>\$70,581</u>

4. PROPERTY TAX

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**VILLAGE OF RISINGSUN
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
Promissory Note- Fire Truck	\$23,833	4.18%
Promissory Note- Van	16,000	5.97%
Total	\$39,833	

The note for the fire truck was entered into in 1996. The van note was entered into in 2000.

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

Year Ending December 31:	Promissory Notes
2001	\$41,847

6. RETIREMENT SYSTEMS

The Village's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement 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 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% for fiscal year 1999 and 10.84% for fiscal year 2000 of participants' gross salaries. The Village has paid all contributions required through December 31, 2000.

7. RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Vehicles.

The Village also provides health insurance to the full-time employee (in 1999 only) through a private carrier. This is provided on a reimbursement basis (the employee paid for the insurance and the Village reimbursed them for the expense).

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Village of Risingsun
Wood County
420 Main Street
P.O. Box 37
Risingsun, Ohio 43457-0037

To the Village Council:

We have audited the financial statements of the Village of Risingsun, Wood County (the Village) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 12, 2001. 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.

Compliance

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000-30187-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated June 12, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated June 12, 2001.

Village of Risingsun
Wood County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of management and Village Council, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 12, 2001

VILLAGE OF RISINGSUN
WOOD COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2000 AND 1999

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

FINDING NUMBER 2000-30187-001

Finding Repaid Under Audit

The Village of Risingsun's Mayor's Court failed to pay the Treasurer of the State of Ohio \$2,760 for the Fiscal Year ended December 31, 2000 in accordance with Ohio Revised Code §§ 2743.70 and 2949.09.

In accordance with the forgoing facts, and pursuant to Ohio Revised Code § 117.28, a Finding for Recovery for public money collected but not accounted for is hereby issued against the Village of Risingsun Mayor's Court fund and Western Surety Company, jointly and severally, and in favor of the Treasurer of the State of Ohio, in the amount of two thousand, seven hundred and sixty dollars.

On May 31, 2001, the Village issued check number 18349 in the amount of two thousand, seven hundred and sixty dollars payable to the Treasurer, State of Ohio.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF RISINGSUN

WOOD 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 19, 2001**