



**VILLAGE OF SYRACUSE  
MEIGS COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2001 - 2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



VILLAGE OF SYRACUSE  
MEIGS COUNTY

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## REPORT OF INDEPENDENT ACCOUNTANTS

Village of Syracuse  
Meigs County  
P.O. Box 266  
2581 Third Street  
Syracuse, Ohio 45779-0266

To the Village Council:

We have audited the accompanying financial statements of the Village of Syracuse, Meigs County, Ohio (the Village), as of and for the years ended December 31, 2001 and 2000. 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.

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

The Village did not provide sufficient records, documents, and evidential matter to support the completeness of the 2000 receipts of the Swimming Pool Fund, which were recorded at \$20,392 in the Enterprise Fund.

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, except for the effect of such adjustments, if any, as might have been necessary had we been able to examine the evidence regarding 2000 swimming pool receipts of the Enterprise Fund, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Syracuse, Meigs County, as of December 31, 2001 and 2000, 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 March 25, 2002 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 audit.

This report is intended solely for the information and use of the audit committee, management, the 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

March 25, 2002

VILLAGE OF SYRACUSE  
MEIGS COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>			<u>Fiduciary Fund Type</u>	<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
<b>Cash Receipts:</b>					
Property Tax and Other Local Taxes	\$24,200	\$15,069	\$	\$	\$39,269
Intergovernmental Receipts	35,680	32,601	14,250		82,531
Charges for Services	2,134	9,410			11,544
Fines, Licenses, and Permits	11,873				11,873
Earnings on Investments	642	848		3	1,493
Miscellaneous	22,750	18,805			41,555
Total Cash Receipts	<u>97,279</u>	<u>76,733</u>	<u>14,250</u>	<u>3</u>	<u>188,265</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	19,447	25,703			45,150
Leisure Time Activities	10,725				10,725
Transportation		21,119			21,119
General Government	43,296	379			43,675
Debt Service:					
Principal Payments		16,265			16,265
Interest Payments		4,748			4,748
Capital Outlay			28,000		28,000
Total Cash Disbursements	<u>73,468</u>	<u>68,214</u>	<u>28,000</u>	<u>0</u>	<u>169,682</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>23,811</u>	<u>8,519</u>	<u>(13,750)</u>	<u>3</u>	<u>18,583</u>
<b>Other Financing Receipts/(Disbursements):</b>					
Transfers-In		3,248	7,000		10,248
Advances-In	13,803		20,553		34,356
Transfers-Out	(10,248)				(10,248)
Advances-Out	(25,553)		(13,803)		(39,356)
Total Other Financing Receipts/(Disbursements)	<u>(21,998)</u>	<u>3,248</u>	<u>13,750</u>	<u>0</u>	<u>(5,000)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	1,813	11,767	0	3	13,583
Fund Cash Balances, January 1	<u>10,628</u>	<u>21,492</u>	<u>0</u>	<u>309</u>	<u>32,429</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$12,441</b></u>	<u><b>\$33,259</b></u>	<u><b>\$0</b></u>	<u><b>\$312</b></u>	<u><b>\$46,012</b></u>

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

VILLAGE OF SYRACUSE  
MEIGS COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PROPRIETARY AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Proprietary Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Agency	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$89,943	\$	\$89,943
Contributions and Donations	\$5,000		\$5,000
Miscellaneous	317		317
<b>Total Operating Cash Receipts</b>	<b>95,260</b>	<b>0</b>	<b>95,260</b>
<b>Operating Cash Disbursements:</b>			
Personal Services	40,335		40,335
Fringe Benefits	8,087		8,087
Contractual Services	18,258		18,258
Supplies and Materials	25,250		25,250
Capital Outlay	9,900		9,900
Miscellaneous	25		25
<b>Total Operating Cash Disbursements</b>	<b>101,855</b>	<b>0</b>	<b>101,855</b>
Operating Income/(Loss)	(6,595)	0	(6,595)
<b>Non-Operating Cash Receipts:</b>			
Earnings on Investments	3,120		3,120
Other Non-Operating Cash Receipts		10,725	10,725
<b>Total Non-Operating Cash Receipts</b>	<b>3,120</b>	<b>10,725</b>	<b>13,845</b>
<b>Non-Operating Cash Disbursements:</b>			
Other Non-Operating Cash Disbursements		10,725	10,725
<b>Total Non-Operating Cash Disbursements</b>	<b>0</b>	<b>10,725</b>	<b>10,725</b>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	(3,475)	0	(3,475)
Advances-In	5,000		5,000
Net Receipts Over/(Under) Disbursements	1,525	0	1,525
Fund Cash Balances, January 1	74,601	0	74,601
<b>Fund Cash Balances, December 31</b>	<b>\$76,126</b>	<b>\$0</b>	<b>\$76,126</b>

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



VILLAGE OF SYRACUSE  
MEIGS COUNTY

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

	<u>Governmental Fund Types</u>			<u>Fiduciary Fund Type</u>	<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
<b>Cash Receipts:</b>					
Property Tax and Other Local Taxes	\$20,034	\$12,389	\$	\$	\$32,423
Intergovernmental Receipts	32,309	64,972	49,854		147,135
Charges for Services	1,298	8,619			9,917
Fines, Licenses, and Permits	10,898				10,898
Earnings on Investments	657	1,481		2	2,140
Miscellaneous	11,387	23,546			34,933
	<u>76,583</u>	<u>111,007</u>	<u>49,854</u>	<u>2</u>	<u>237,446</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	17,908	197,257			215,165
Leisure Time Activities	13,398				13,398
Transportation		42,905			42,905
General Government	49,833	4,117			53,950
Debt Service:					
Principal Payments	2,653	7,059			9,712
Interest Payments	212	3,409			3,621
Capital Outlay			49,854		49,854
	<u>84,004</u>	<u>254,747</u>	<u>49,854</u>	<u>0</u>	<u>388,605</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(7,421)</u>	<u>(143,740)</u>	<u>0</u>	<u>2</u>	<u>(151,159)</u>
<b>Other Financing Receipts/(Disbursements):</b>					
Sale of Bonds or Notes		117,000			117,000
Transfers-In		3,248			3,248
Advances-In	5,000				5,000
Transfers-Out	(6,231)				(6,231)
Advances-Out	(5,000)				(5,000)
	<u>(6,231)</u>	<u>120,248</u>	<u>0</u>	<u>0</u>	<u>114,017</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(13,652)	(23,492)	0	2	(37,142)
Fund Cash Balances, January 1	24,280	44,984	0	307	69,571
<b>Fund Cash Balances, December 31</b>	<u><b>\$10,628</b></u>	<u><b>\$21,492</b></u>	<u><b>\$0</b></u>	<u><b>\$309</b></u>	<u><b>\$32,429</b></u>

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

VILLAGE OF SYRACUSE  
MEIGS COUNTY

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

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$87,719	\$	\$87,719
Earnings on Investments	\$3,042		\$3,042
Miscellaneous	1,187		1,187
	<u>91,948</u>	<u>0</u>	<u>91,948</u>
<b>Operating Cash Disbursements:</b>			
Personal Services	32,864		32,864
Fringe Benefits	4,071		4,071
Contractual Services	10,871		10,871
Supplies and Materials	38,334		38,334
	<u>86,140</u>	<u>0</u>	<u>86,140</u>
Operating Income/(Loss)	<u>5,808</u>	<u>0</u>	<u>5,808</u>
<b>Non-Operating Cash Receipts:</b>			
Other Non-Operating Cash Receipts		8,900	8,900
	<u>0</u>	<u>8,900</u>	<u>8,900</u>
<b>Non-Operating Cash Disbursements:</b>			
Other Non-Operating Cash Disbursements		9,223	9,223
	<u>0</u>	<u>9,223</u>	<u>9,223</u>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	5,808	(323)	5,485
Transfers-In	2,983		2,983
Advances-In	5,000		5,000
Advances-Out	(5,000)		(5,000)
Net Receipts Over/(Under) Disbursements	8,791	(323)	8,468
Fund Cash Balances, January 1	<u>65,810</u>	<u>323</u>	<u>66,133</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$74,601</u></b>	<b><u>\$0</u></b>	<b><u>\$74,601</u></b>

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

**VILLAGE OF SYRACUSE  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Syracuse, Meigs 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 maintenance of streets and highways, water utility services, park operations, and police protection.

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**

Investments are included in fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

**D. Fund Accounting**

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

**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:

**VILLAGE OF SYRACUSE  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Fund (Continued)**

*Street Construction, Maintenance and 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 contract with Sutton Township to provide fire protection to residents of the Township.

**3. 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 Funds:

*Ohio Public Works Fund* - This fund receives grant revenue. The proceeds are being used for the resurfacing of the Village's streets.

*Tennis Court Project Fund* - This fund receives grant revenue. The proceeds are being used for the blacktopping of the Village park's tennis courts.

**4. Enterprise Funds**

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

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

*Swimming Pool Fund* - This fund receives charges for services from residents to cover the cost of running the swimming pool.

**5. Fiduciary Funds (Trust and Agency Funds)**

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

*Mayor's Court Fund* - This agency fund accounts for, and reports, the financial activity of the Mayor's Court of the Village.

**VILLAGE OF SYRACUSE  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 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. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 canceled, and reappropriated in the subsequent year.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

**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 investment 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>2001</u>	<u>2000</u>
Demand deposits	\$ 69,834	\$ 57,255
Certificates of deposit	<u>52,304</u>	<u>49,775</u>
Total deposits	<u><u>122,138</u></u>	<u><u>107,030</u></u>

**Deposits:** Deposits are either (1) insured by the Federal Deposit Insurance Corporation, or (2) collateralized by securities specifically pledged by the financial institution to the Village.

**VILLAGE OF SYRACUSE  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$95,688	\$97,279	\$1,591
Special Revenue	74,532	79,981	5,449
Capital Projects	28,000	21,250	(6,750)
Enterprise	93,411	98,380	4,969
Fiduciary	0	3	3
Total	<u>\$291,631</u>	<u>\$296,893</u>	<u>\$5,262</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$106,925	\$83,716	\$23,209
Special Revenue	95,838	68,214	27,624
Capital Projects	28,000	28,000	0
Enterprise	167,633	101,855	65,778
Fiduciary	264	0	264
Total	<u>\$398,660</u>	<u>\$281,785</u>	<u>\$116,875</u>

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$72,376	\$76,583	\$4,207
Special Revenue	212,449	231,255	18,806
Capital Projects	50,854	49,854	(1,000)
Enterprise	95,800	94,931	(869)
Fiduciary	5	2	(3)
Total	<u>\$431,484</u>	<u>\$452,625</u>	<u>\$21,141</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$96,403	\$90,235	\$6,168
Special Revenue	256,936	254,747	2,189
Capital Projects	50,854	49,854	1,000
Enterprise	110,284	86,140	24,144
Fiduciary	200	0	200
Total	<u>\$514,677</u>	<u>\$480,976</u>	<u>\$33,701</u>

**VILLAGE OF SYRACUSE  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**4. PROPERTY TAX**

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

**5. DEBT**

Debt outstanding at December 31, 2001 was as follows:

	Principal	Interest Rate
General Obligation Notes	\$99,104	5.25%

The General Obligation Note was for a fire truck that the Village purchased in 2000. The note was for \$117,000, with semiannual payments of \$7,603. The Note is collateralized by the Village's taxing authority.

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

Year ending December 31:	General Obligation Notes
2002	\$15,205
2003	15,205
2004	15,205
2005	15,205
2006	15,205
2007 – 2010	53,219
Total	\$129,244

**VILLAGE OF SYRACUSE  
MEIGS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**6. RETIREMENT SYSTEMS**

The employees of the Village were covered by the Public Employees Retirement System 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 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13% effective July 1, 2000 through December 31, 2000. The Village has paid all contributions required through December 31, 2001.

**7. RISK MANAGEMENT**

The Village has obtained commercial insurance for the following risks:

- General liability and casualty;
- Public officials' liability;
- Vehicles; and
- Property

**8. RELATED PARTY TRANSACTIONS**

A Village Council member is the son of the owner of a company to which the Village awarded a contract during the year. The Village awarded this contract, which was related to the tennis court construction project, in the amount of \$4,000.

**9. PRIOR PERIOD ADJUSTMENT**

The Village restated its December 31, 1999 fund balances to reclassify the nonexpendable trust to an expendable trust.

A nonexpendable trust fund is defined as a fund that accounts for sources restricted by legally binding trust agreements, which usually requires the trustee to maintain the corpus of the trust and specifies the use of interest earnings on that principal. An expendable trust fund is defined as all other types of trusts, wherein the principal and interest may be used for a specified purpose. Based on the Village determining that there was no legally binding trust agreement to support the classification of a nonexpendable trust fund, these monies were considered expendable. The January 1, 2000 beginning fund balances have been adjusted, as follows:

Fund	Audited Balance 12/31/99	Restated Balance 01/01/00
Nonexpendable	\$307	\$0
Expendable	0	307





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

Village of Syracuse  
Meigs County  
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To the Village Council:

We have audited the accompanying financial statements of the Village of Syracuse, Meigs County, Ohio (the Village), as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated March 25, 2002, wherein we noted we were unable to obtain sufficient evidence to support Swimming Pool Fund receipts in 2000. Except as regards Swimming Pool Fund receipts, 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated March 25, 2002.

**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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the Village's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings as items 2001-30753-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. We believe the reportable condition described above as item 2001-30753-001 is a material weakness. We also 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 March 25, 2002.

This report is intended solely for the information and use of the audit committee, management and the 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

March 25, 2002

**VILLAGE OF SYRACUSE  
MEIGS COUNTY  
SCHEDULE OF FINDINGS  
DECEMBER 31, 2001 AND 2000**

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

**FINDING NUMBER 2001-30753-001**

**Material Weakness**

The Daily Attendance and Worksheet prepared by pool employees includes a tally for the number of adult and student admissions, a beginning and ending ticket number for each, and a total for the number of tickets/tallies, which was multiplied by the price of the ticket to determine admission receipts for adults and students. The total admission receipts for adults and students are to be totaled at the end of each day in order to complete the "Gate Income" on the worksheet. The pool procedures are to add the daily admissions (gate income) to the concession stand cash register tape. Procedures also include completing a daily deposit listing, which includes daily admissions and concession sales itemized, as well as a total to aid in preparing the deposit ticket.

During 2000, the above stated pool procedures were not followed. The Daily Attendance and Worksheet, was not adequately completed. For example, daily admissions were not totaled to compute gate income. In turn, gate income was not added to the concession cash register tape. In addition, totals on the daily deposit listing did not agree to the concession cash register tape total and the Daily Attendance and Worksheet. Also, the concession stand cash register tape item codes did not agree to Council approved prices. Pool receipts for 2000 could not be audited due to insufficient and/or inadequate documentation maintained and the amount of receipts significantly varied from 1999 and 2001 receipt totals.

We noted that the policies described in the first paragraph were followed, in material respects, for 2001.

**VILLAGE OF SYRACUSE  
MIEIGS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2001 AND 2000**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain:</b>
1999-30753-001	Expenditures exceeded appropriations in several funds during 1999 and 1998, contrary to Ohio Rev. Code Section 5705.41(B).	Yes	Corrected
1999-30753-002	There were instances in which the dates on the invoices preceded the dates on the purchase orders. The Village Clerk also did not record purchase orders in the appropriation ledger until payment was made which results in no tracking of encumbrances. Therefore, the Village was not actually encumbering funds as required by Ohio Rev. Code Section 5705.41 (D).	Yes	Corrected
1999-30753-003	Record of customer guarantee water deposits was not maintained.	No	The Clerk was in the process of reconstructing this information as of December 31, 2001. This recommendation has been reported to management of the Village again in a separate letter dated March 25, 2002.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**VILLAGE OF SYRACUSE**

**MEIGS 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  
MAY 9, 2002**