



**Auditor of State  
Betty Montgomery**



BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Buckeye Water District  
Columbiana County  
P.O. Box 105  
Wellsville, Ohio 43968

To the Board of Trustees:

We have audited the accompanying financial statements of the Buckeye Water District, Columbiana County, Ohio, (the District) as of and for the year ended December 31, 2002. These financial statements are the responsibility of the District'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 *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.

As discussed in Note 1, the District 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 cash balances of the District as of December 31, 2002, and its cash receipts and disbursements for the year 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 25, 2003 on our consideration of the District'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.

We performed our audit to form an opinion on the accompanying financial statements of the District, taken as a whole. The accompanying federal awards expenditures schedule is presented for additional analysis as required by 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 accompanying financial statements. We subjected this information to the auditing procedures applied in the audit of the accompanying financial statements. In our opinion, it is fairly stated, in all material respects, in relation to the accompanying statements taken as a whole.

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 25, 2003

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN CASH BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

|  | <u><b>2002</b></u>             |
|--|--------------------------------|
| <b>Operating Cash Receipts:</b>          |                                |
| Charges for Services                     | \$2,385,772                    |
| Earnings on Interest                     | 15,491                         |
|  | <hr/>                          |
| Total Operating Cash Receipts            | 2,401,263                      |
|  | <hr/>                          |
| <b>Operating Cash Disbursements:</b>     |                                |
| Personal Services                        | 796,563                        |
| Other Contractual Services               | 1,683,136                      |
| Capital Outlay                           | 497,937                        |
|  | <hr/>                          |
| Total Operating Cash Disbursements       | 2,977,636                      |
|  | <hr/>                          |
| Operating Income/(Loss)                  | (576,373)                      |
|  | <hr/>                          |
| <b>Non-Operating Cash Receipts:</b>      |                                |
| Intergovernmental Revenues               | 2,237,393                      |
|  | <hr/>                          |
| Total Non-Operating Cash Receipts        | 2,237,393                      |
|  | <hr/>                          |
| <b>Non-Operating Cash Disbursements:</b> |                                |
| Debt Service                             | 2,914,169                      |
| Other Non-Operating Cash Disbursements   | 28                             |
|  | <hr/>                          |
| Total Non-Operating Cash Disbursements   | 2,914,197                      |
|  | <hr/>                          |
| Net Receipts Over/(Under) Disbursements  | (1,253,177)                    |
|  | <hr/>                          |
| Cash Balances, January 1                 | 1,553,229                      |
|  | <hr/>                          |
| <b>Cash Balances, December 31</b>        | <b><u><u>\$300,052</u></u></b> |

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

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**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Buckeye Water District, Columbiana County, (the District) is a body corporate and politic established pursuant to Ohio Revised Code Section 6119.051. The territory included within the District consists of the entire area of Madison and Yellow Creek Townships, including the Village of Wellsville, and portions of Saint Clair and Liverpool Townships that are not inside the corporation limits of the City of East Liverpool. The District is directed by an appointed nine-member Board of Trustees. Three members are appointed by the Columbiana County Board of Commissioners. Three members are appointed by the Township Trustees of the townships which comprise part of the District. The other three members are appointed by the Mayor or Council of the Village of Wellsville which comprise part of the District. The District provides water services to residents of the District.

The District's management believes these financial statements present all activities for which the District 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.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

Investments are reported as assets. 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.

**D. Budgetary Process**

The Ohio Revised Code requires the District to adopt an annual budget.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the function level of control, and appropriations may not exceed estimated resources. Appropriation Authority includes current year appropriations plus encumbrances carried over from the prior year (if any). The Board of Trustees must annually approve appropriation measures and subsequent amendments. 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.

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002  
(Continued)**

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

**D. Budgetary Process (Continued)**

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The District did not encumber all commitments required by Ohio law. The District did not always certify the availability of funds prior to entering into purchase commitments, as required by Ohio Revised Code 5705.41(D).

A summary of 2002 budgetary activity appears in Note 3.

**E. Property, Plant and Equipment**

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

**F. Accumulated Leave**

Employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's basis of accounting.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The District invests in a sweep account.

The carrying amount of cash and investments at December 31 was as follows:

|                                |                         |
|--------------------------------|-------------------------|
| Demand deposits                | <u>2002</u><br>274,917  |
| Sweep Account                  | <u>25,135</u>           |
| Total deposits and investments | <u><u>\$300,052</u></u> |

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation, and collateralized by the financial institution's public entity deposit pool.

**Investments:** The District's agent holds securities collateralizing the sweep account.

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ending December 31, 2002 follows:

| <u>Budgeted vs. Actual Receipts</u> |                    |
|-------------------------------------|--------------------|
| <u>Fund Type</u>                    | <u>2002</u>        |
| Budgeted Receipts                   | \$2,871,000        |
| Actual Receipts                     | 4,638,656          |
| Variance                            | <u>\$1,767,656</u> |

Budgeted vs. Actual Budgetary Basis Expenditures

| <u>Fund Type</u>        | <u>2002</u>          |
|-------------------------|----------------------|
| Appropriation Authority | \$2,675,500          |
| Budgetary Expenditures  | 5,891,833            |
| Variance                | <u>(\$3,216,333)</u> |

The District did not always certify the availability of funds prior to entering into purchase commitments, as required by Ohio Revised Code § 5705.41(D)

The District had expenditures exceeding appropriations as required by Ohio Revised Code § 5705.41 (B).

**4. DEBT**

Debt outstanding at December 31, 2002 was as follows:

|   | <u>Principal</u>   | <u>Interest Rate</u> |
|---|--------------------|----------------------|
| General Obligation Note - Meter Replacement | \$48,750           | 5.85%                |
| Ohio Public Works Commission Loan           | 67,999             | 0.00%                |
| Ohio Water Development Authority Loan       | 225,232            | 6.02%                |
| Ohio Public Works Commission Loan           | 47,500             | 0.00%                |
| United States Department of Agriculture     | 1,498,000          | 4.50%                |
| Total                                       | <u>\$1,887,481</u> |                      |

The proceeds of the general obligation note were used to replace water meters. The maturity date of the loan is January 1, 2005. The note is collateralized solely by the future revenues from the District's water operations.

The Ohio Public Works Commission (OPWC) Loan was assumed from Columbiana County, which had originally been issued for water system improvements. The maturity date of the loan is July 1, 2014. The loan is collateralized solely by the future revenues from the District's water operations.

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002  
(Continued)**

**4. DEBT (Continued)**

The Ohio Water Development Authority (OWDA) Loan was assumed from Columbiana County, which had originally been issued for water system improvements. The maturity date of the loan is July 1, 2014. The loan is collateralized solely by the future revenues from the District's water operations

The Ohio Public Works Commission (OPWC) Loan was assumed from Columbiana County, which had originally been issued for water system improvements. The maturity date of the loan is January 1, 2022. The loan is collateralized solely by the future revenues from the district's water operations.

The United States Department of Agriculture (USDA) Loan was used to complete phase one for the water line extensions in the District

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

| <u>Year Ending</u> | <u>Water Meter<br/>Loan</u> | <u>OPWC Loan</u> | <u>OWDA Loan</u> | <u>OPWC Loan</u> | <u>USDA Loan</u> |
|--------------------|-----------------------------|------------------|------------------|------------------|------------------|
| 2003               | 24,912                      | 5,913            | 27,715           | 2,500            | 79,933           |
| 2004               | 24,912                      | 5,913            | 27,715           | 2,500            | 79,933           |
| 2005               | 2,076                       | 5,913            | 27,715           | 2,500            | 79,933           |
| 2006               |                             | 5,913            | 27,715           | 2,500            | 79,933           |
| 2007               |                             | 5,913            | 27,715           | 2,500            | 79,933           |
| 2008-2012          |                             | 29,565           | 138,575          | 12,500           | 399,665          |
| 2013-2017          |                             | 8,869            | 41,572           | 12,500           | 399,665          |
| 2018-2022          |                             |                  |                  | 10,000           | 399,665          |
| 2023-2027          |                             |                  |                  |                  | 399,665          |
| 2028-2032          |                             |                  |                  |                  | 399,665          |
| 2033-2037          |                             |                  |                  |                  | 399,665          |
| 2038-2042          |                             |                  |                  |                  | 399,665          |
| Total              | <u>\$51,900</u>             | <u>\$67,999</u>  | <u>\$318,722</u> | <u>47,500</u>    | <u>3,197,320</u> |

**5. RETIREMENT SYSTEMS**

The District's full-time 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 2002, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries through December 31, 2002. The District has paid all contributions required through December 31, 2002.

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002  
(Continued)**

**6. RISK MANAGEMENT**

**Commercial Insurance**

The District has obtained commercial insurance for the following risks:

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

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

| Federal Grantor/<br>Pass Through Grantor<br>Program Title | Pass Through<br>Entity<br>Number | Federal<br>CFDA<br>Number | Disbursements      |
|---|----------------------------------|---------------------------|--------------------|
| <b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>              |                                  |                           |                    |
| <i>Passed Through the Ohio Department of Agriculture:</i> |                                  |                           |                    |
| Water and Waste Disposal Systems for<br>Rural Communities |                                  | 10.760                    | <u>\$2,193,387</u> |

*The accompanying notes to this schedule are an integral part of this schedule.*

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**FOR THE YEAR ENDED DECEMBER 31, 2002**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

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## **Auditor of State Betty Montgomery**

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

Buckeye Water District  
Columbiana County  
P.O. Box 105  
Wellsville, Ohio 43968

To the Board of Trustees:

We have audited the accompanying financial statements of the Buckeye Water District, Columbiana County, Ohio (the District) as of and for the year ended December 31, 2002, and have issued our report thereon dated June 25, 2003. 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 District'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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2002-001 and 2002-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated June 25, 2003.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District'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 District in a separate letter dated June 25, 2003.

This report is intended solely for the information and use of the audit committee, management, Board of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 25, 2003



## **Auditor of State Betty Montgomery**

### **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Buckeye Water District  
Columbiana County  
P.O. Box 105  
Wellsville, Ohio 43968

#### **Compliance**

We have audited the compliance of the Buckeye Water District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2002. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2002.

#### **Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses

This report is intended for the information and use of the audit committee, management, Board of Trustees, and federal awarding agencies' and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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**Betty Montgomery**  
Auditor of State

June 25, 2003

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 §.505**

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY  
DECEMBER 31, 2002**

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

|                     |   |   |
|---------------------|---|---|
| <b>(d)(1)(i)</b>    | <b>Type of Financial Statement Opinion</b>  | Unqualified   |
| <b>(d)(1)(ii)</b>   | <b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>         | No  |
| <b>(d)(1)(ii)</b>   | <b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b> | No  |
| <b>d)(1)(iii)</b>   | <b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>                       | Yes   |
| <b>(d)(1)(iv)</b>   | <b>Were there any material internal control weakness conditions reported for major federal programs?</b>              | No  |
| <b>(d)(1)(iv)</b>   | <b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>      | No  |
| <b>(d)(1)(v)</b>    | <b>Type of Major Programs' Compliance Opinion</b>   | Unqualified   |
| <b>(d)(1)(vi)</b>   | <b>Are there any reportable findings under § .510?</b>  | No  |
| <b>(d)(1)(vii)</b>  | <b>Major Programs (list):</b>   | CFDA # 10.760<br>Water and Waste Disposal Systems for Rural Communities |
| <b>(d)(1)(viii)</b> | <b>Dollar Threshold: Type A/B Programs</b>  | Type A: > \$ 300,000<br>Type B: all others                              |
| <b>(d)(1)(ix)</b>   | <b>Low Risk Auditee?</b>  | No  |

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

**FINDING NUMBER 2002-001**

**Noncompliance Citation**

**Ohio Rev. Code, Section 5705.41(D)**, states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment 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 encumbrance. The amount so certified shall be recorded against the applicable appropriation account.

This section also provides two exceptions to the above requirements:

A. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the District may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate, if such expenditure is otherwise valid.

B. If the amount involved is less than one thousand dollars, the fiscal officer issues a certificate, but may authorize it to be paid without the affirmation of the Board of Trustees.

Incurring obligations prior to the fiscal officer's certification of the availability of funds to pay such obligations could result in the District spending more than what was appropriated. We noted that in 2002 there were a total of 9 out of the 60 items tested in which the purchase orders, which contain the certification, were dated subsequent to the invoice/obligation date. In all of the instances noted above, the District did not comply with the exceptions provided by the code.

We recommend that the District implement policies and procedures to ensure that purchase orders are issued prior to the expenditure of monies and certified by the accountant.

**FINDING NUMBER 2002-002**

**Noncompliance Citation**

**Ohio Revised Code § 5705.41(B)**, states that "No subdivision or taxing unit is to expend money unless it has been appropriated."

The District had actual disbursements plus outstanding encumbrances that exceeded total appropriations for the following line items:

| <b>Line item</b>         | <b>Appropriations</b> | <b>Expenditures</b> | <b>Variance</b> |
|--------------------------|-----------------------|---------------------|-----------------|
| Administrative Expense   | \$501,000             | \$ 570,025          | \$ (69,025)     |
| Loan Fixed (principal)   | 0                     | 2,700,142           | (2,700,142)     |
| Construction Cost & Fees | 0                     | 565,961             | (565,961)       |
| Distribution             | 481,100               | 510,487             | (29,387)        |
| Late Payment on Debt     | 0                     | 15,208              | (15,208)        |

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

**FINDING NUMBER 2002-002**

**Noncompliance Citation**

**\*Ohio Revised Code § 5705.41(B)**

We recommend that the District periodically compare expenditures to the total appropriations. If the District determines additional expenditures are needed, appropriations should be amended so that expenditures do not exceed appropriations.

**3. FINDINGS FOR FEDERAL AWARDS**

None

**BUCKEYE WATER DISTRICT  
COLUMBIANA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2002**

| Finding Number | Finding Summary                                   | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid;<br><b><i>Explain:</i></b> |
|----------------|---|------------------|--|
| 2001-61215-001 | Revised Code 5705.41(D), failure to certify funds | No               | Not corrected. Reported again as Finding 2002-001.   |





**Auditor of State  
Betty Montgomery**

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**BUCKEYE WATER DISTRICT**

**COLUMBIANA 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 22, 2003**