



**Auditor of State  
Betty Montgomery**



VILLAGE OF CEDARVILLE  
GREENE COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2002.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance - Proprietary Fund Type - For the Year Ended December 31, 2002.....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2001.....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance - Proprietary Fund Type - For the Year Ended December 31, 2001.....	6
Notes to the Financial Statements.....	7
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	13
Schedule of Findings.....	15
Schedule of Prior Audit Findings.....	16

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

One National Bank Plaza  
130 West Second Street  
Suite 2040  
Dayton, Ohio 45402  
Telephone 937-285-6677  
800-443-9274  
Facsimile 937-285-6688  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**INDEPENDENT ACCOUNTANTS' REPORT**

Village of Cedarville  
Greene County  
141 East Xenia Avenue  
P.O. Box 51  
Cedarville, Ohio 45314

To the Village Council:

We have audited the accompanying financial statements of the Village of Cedarville (the Village) as of and for the years ended December 31, 2002 and 2001. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 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, 2002 and 2001, 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 August 27, 2003 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, 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.

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

**Betty Montgomery**  
Auditor of State

August 27, 2003

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Property Tax and Other Local Taxes	\$434,968	\$5,023	\$439,991
Intergovernmental Receipts	280,513	54,226	334,739
Fines, Licenses, and Permits	700	4,359	5,059
Earnings on Investments	8,931	1,500	10,431
Miscellaneous	19,605	27,941	47,546
	<u>744,717</u>	<u>93,049</u>	<u>837,766</u>
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	36,595	295,719	332,314
Public Health Services	2,317		2,317
Leisure Time Activities	10,000	14,069	24,069
Community Environment	4,393		4,393
Basic Utility Service	21,882		21,882
Transportation	41,923	56,473	98,396
General Government	342,212		342,212
	<u>459,322</u>	<u>366,261</u>	<u>825,583</u>
Total Cash Disbursements	<u>459,322</u>	<u>366,261</u>	<u>825,583</u>
Total Receipts Over/(Under) Disbursements	285,395	(273,212)	12,183
<b>Other Financing Receipts and (Disbursements):</b>			
Sale of Fixed Assets	5,500		5,500
Transfers-In		269,000	269,000
Transfers-Out	(269,000)		(269,000)
	<u>(269,000)</u>		<u>(269,000)</u>
Total Other Financing Receipts/(Disbursements)	<u>(263,500)</u>	<u>269,000</u>	<u>5,500</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	21,895	(4,212)	17,683
Fund Cash Balances, January 1	<u>329,353</u>	<u>83,941</u>	<u>413,294</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$351,248</u></u>	<u><u>\$79,729</u></u>	<u><u>\$430,977</u></u>
Reserves for Encumbrances, December 31	<u><u>\$10,505</u></u>	<u><u>\$6,905</u></u>	<u><u>\$17,410</u></u>

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

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$76,025
Miscellaneous	79
	76,104
Total Operating Cash Receipts	76,104
<b>Operating Cash Disbursements:</b>	
Personal Services	11,028
Contractual Services	55,419
Supplies and Materials	3,974
	70,421
Total Operating Cash Disbursements	70,421
Operating Income	5,683
Fund Cash Balance, January 1	37,045
<b>Fund Cash Balance, December 31</b>	<b>\$42,728</b>
Reserve for Encumbrances, December 31	\$2,200

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

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

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

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Property Tax and Other Local Taxes	\$379,461	\$4,902	\$384,363
Intergovernmental Receipts	195,852	48,741	244,593
Fines, Licenses, and Permits	555	10,815	11,370
Earnings on Investments	20,739	3,285	24,024
Miscellaneous	18,760	13,335	32,095
	<u>615,367</u>	<u>81,078</u>	<u>696,445</u>
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	27,625	279,207	306,832
Public Health Services	2,805		2,805
Leisure Time Activities	10,000	19,689	29,689
Community Environment	3,478		3,478
Transportation	27,938	53,388	81,326
General Government	229,334		229,334
Capital Outlay	128,722	14,246	142,968
	<u>429,902</u>	<u>366,530</u>	<u>796,432</u>
Total Receipts Over/(Under) Disbursements	185,465	(285,452)	(99,987)
<b>Other Financing Receipts and (Disbursements):</b>			
Transfers-In		268,000	268,000
Transfers-Out	(268,000)		(268,000)
	<u>(268,000)</u>	<u>268,000</u>	<u></u>
Total Other Financing Receipts/(Disbursements)	(268,000)	268,000	
Cash Receipts and Other Financing Receipts (Under) Cash Disbursements and Other Financing Disbursements	(82,535)	(17,452)	(99,987)
Fund Cash Balances, January 1	<u>411,888</u>	<u>101,393</u>	<u>513,281</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$329,353</u></u>	<u><u>\$83,941</u></u>	<u><u>\$413,294</u></u>
Reserves for Encumbrances, December 31	<u><u>\$15,222</u></u>	<u><u>\$3,371</u></u>	<u><u>\$18,593</u></u>

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

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$81,548
Miscellaneous	11,035
	92,583
Total Operating Cash Receipts	92,583
<b>Operating Cash Disbursements:</b>	
Personal Services	11,189
Contractual Services	60,052
Supplies and Materials	3,649
	74,890
Total Operating Cash Disbursements	74,890
Operating Income	17,693
Fund Cash Balance, January 1	19,352
	19,352
<b>Fund Cash Balance, December 31</b>	<b>\$37,045</b>
Reserve for Encumbrances, December 31	\$859

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

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Cedarville, Greene 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, park operations (leisure time activities), and police services. The Village contracts with the Koogler Company for refuse pick-up for the Village residents.

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 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.

Certificates of deposit and U.S. Treasury Notes are valued at cost. Money market mutual funds are recorded at share values reported by the mutual fund.

**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 CEDARVILLE  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

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

**State Highway Fund** -This fund receives motor vehicle tax money for constructing, maintaining, and repairing Village streets.

**Police Operating Fund** – This fund receives property tax money for operating the Village’s police department.

**3. Enterprise Fund**

This fund accounts 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 Enterprise Fund:

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

**E. Budgetary Process**

The Ohio Revised Code requires that each fund 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. The Village did not encumber all commitments required by Ohio law.

A summary of 2002 and 2001 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.

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

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

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid leave is not reflected as a liability under the Village's basis of accounting.

**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:

	2002	2001
Demand deposits	\$130,399	\$109,935
Certificates of deposit	50,512	54,410
Total deposits	180,911	164,345
Merrill Lynch - Government Securities Account	292,794	285,994
Total deposits and investments	\$473,705	\$450,339

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

**Investments:** U.S. Treasury Notes are held in book-entry form by the Federal Reserve, in the name of the Village's financial institution. The financial institution maintains records identifying the Village as owner of these securities. Investments in Merrill Lynch and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$724,483	\$750,217	\$25,734
Special Revenue	362,916	362,049	(867)
Capital Projects	0	0	0
Enterprise	77,100	76,104	(996)
Total	\$1,164,499	\$1,188,370	\$23,871

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$912,736	\$738,827	\$173,909
Special Revenue	479,617	373,166	106,451
Capital Projects	723	0	723
Enterprise	117,458	72,621	44,837
Total	<u>\$1,510,534</u>	<u>\$1,184,614</u>	<u>\$325,920</u>

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$615,108	\$615,367	\$259
Special Revenue	349,195	349,078	(117)
Capital Projects	0	0	0
Enterprise	81,900	92,583	10,683
Total	<u>\$1,046,203</u>	<u>\$1,057,028</u>	<u>\$10,825</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$718,545	\$713,124	\$5,421
Special Revenue	412,727	369,901	42,826
Capital Projects	723	0	723
Enterprise	79,371	75,749	3,622
Total	<u>\$1,211,366</u>	<u>\$1,158,774</u>	<u>\$52,592</u>

The Village did not routinely comply with requirements regarding certification of the availability of funds and appropriations exceeding estimated resources.

**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.

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

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 CEDARVILLE  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**5. LOCAL INCOME TAX**

The Village levies a municipal income tax of one percent (1%) on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**6. RETIREMENT SYSTEMS**

The Village's law enforcement officers belong to the Ohio Police and Fire Pension Funds (OP&F). Other full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. OP&F and PERS are cost-sharing, multiple-employer plans. These plans provide 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 and 2001, OP&F participants contributed 10% of their wages. The Village contributed an amount equal to 19.5% of police participant wages. PERS members contributed 8.5% of their wages. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 2002.

**7. RISK MANAGEMENT**

**Commercial Insurance**

The Village has obtained commercial insurance for the following risks:

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

**8. CONTINGENT LIABILITIES**

The Village has no known contingent liabilities.

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

One First National Plaza  
Suite 2040  
Dayton, Ohio 45402  
Telephone 937-285-6677  
800-443-9274  
Facsimile 937-285-6688  
www.auditor.state.oh.us

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

Village of Cedarville  
Greene County  
141 East Xenia Avenue  
P.O. Box 51  
Cedarville, Ohio 45314

To the Village Council:

We have audited the accompanying financial statements of the Village of Cedarville (the Village) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated August 27, 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 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 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.

**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 August 27, 2003.

Village of Cedarville  
Greene County  
Independent Accountants' Report on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

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

August 27, 2003

**VILLAGE OF CEDARVILLE  
GREENE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
----------------------------------------------------------------------------------------------------------

**FINDING NUMBER 2002-001**

**Noncompliance Citation**

**Ohio Rev. Code Section 5705.41(D)** provides that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amounts required for the order or contract has been lawfully appropriated and is in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances.

The following exceptions to this basic requirement are provided by the statute:

Then and Now Certificate: This exception provides that, if the fiscal officer can certify that both at the time the contract or order was made and at the time that he is completing his certification, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days there is no legal liability on the part of the subdivision of taxing district.

Amounts of less than \$1,000 for villages may be paid by the fiscal officer without such affirmation of the taxing authority upon completion of "then and now" certificate, provided the certificate is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the taxing authority.

The Village failed to properly certify 24.32% of the expenditures tested, including the exceptions above. Proper certification of funds would provide an improved picture of remaining available appropriations and unencumbered funds, which would aid in the financial decision-making.

**FINDING NUMBER 2002-002**

**Noncompliance Citation**

**Ohio Rev. Code Section 5705.39** requires that the total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure therefrom, as certified by the budget commission, or in case of appeal, by the board of tax appeals.

For year 2002, the total appropriations in the amount of \$479,617 for the Special Revenue Fund Type exceeded the total estimated resources of \$439,505, by \$40,112. This was the result of over-appropriating funds in the Highway Fund. Appropriating in excess of estimated resources could result in overspending of resources and negative fund balances.

The Village Council should periodically review its budgeted activity and make necessary amendments to keep appropriations within legal limits to reduce the possibility of excess spending.

**VILLAGE OF CEDARVILLE  
GREENE 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; <b><i>Explain:</i></b>
2000-30329-001	Ohio Revised Code 5705.41(D) - Failure to certify funds prior to expenditures	No	Citation will be repeated. See finding # 2002-001 in current audit.
2000-30329-002	Improper recording of intergovernmental revenues	No	Partially corrected reduced to a management letter comment



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**VILLAGE OF CEDARVILLE**

**GREENE 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  
SEPTEMBER 30, 2003**