

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

Financial Statements
(Audited)

For The Years Ended
December 31, 2002 and 2001

RENEE VAN WINKLE, CLERK-TREASURER



**Auditor of State
Betty Montgomery**

Members of Council and Mayor
Village of Plain City
Plain City, Ohio

We have reviewed the Independent Auditor's Report of the Village of Plain City, Madison County, prepared by Trimble, Julian & Grube, Inc., for the audit period January 1, 2001 through December 31, 2002. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Plain City is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

June 10, 2003

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**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

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Independent Auditor's Report

Members of Council and Mayor
Village of Plain City
213 S. Chillicothe Street
Plain City, Ohio 43064

We have audited the accompanying financial statements of the Village of Plain City, Madison County, Ohio, as of and for the years ended December 31, 2002 and 2001. These financial statements are the responsibility of the Village of Plain City'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 2, the Village of Plain City prepares its financial statements on the basis of accounting prescribed or permitted by Auditor of State, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances and fund balances of the Village of Plain City, as of December 31, 2002 and 2001, and its combined cash receipts and disbursements and its combined budgeted and actual receipts and budgeted and actual disbursements and encumbrances for the years then ended on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2003, on our consideration of the Village of Plain City'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 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.

Trimble, Julian & Grube, Inc.
March 18, 2003

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

COMBINED STATEMENT OF CASH FUND BALANCES -
ALL FUND TYPES
DECEMBER 31, 2002 AND 2001

<u>Cash and Cash Equivalents</u>	<u>2002</u>	<u>2001</u>
Cash and Cash Equivalents	<u>\$ 2,330,361</u>	<u>\$ 1,765,182</u>
Total Cash and Cash Equivalents	<u><u>\$ 2,330,361</u></u>	<u><u>\$ 1,765,182</u></u>
 <u>Fund Balances</u>		
<u>Governmental Fund Types:</u>		
General Fund	\$ 257,547	\$ 301,475
Special Revenue Funds	334,570	166,684
Capital Projects Funds	<u>1,443,821</u>	<u>1,113,544</u>
Total Governmental Fund Types	<u><u>2,035,938</u></u>	<u><u>1,581,703</u></u>
 <u>Proprietary Fund Type:</u>		
Enterprise Funds	<u>287,701</u>	<u>176,757</u>
 <u>Fiduciary Fund Types:</u>		
Expendable Trust Fund	1,722	1,722
Nonexpendable Trust Fund	<u>5,000</u>	<u>5,000</u>
Total Fiduciary Fund Types	<u><u>6,722</u></u>	<u><u>6,722</u></u>
 Total Fund Balances	 <u><u>\$ 2,330,361</u></u>	 <u><u>\$ 1,765,182</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

	Governmental Fund Types			Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	
Cash receipts:					
Property and other local taxes	\$ 778,583	\$ 99,453	\$ -	\$ -	\$ 878,036
Intergovernmental	176,530	148,382	-	-	324,912
Charges for services	137,038	21,084	420,196	-	578,318
Fines, licenses, and permits	14,414	128,020	-	-	142,434
Interest	34,504	3,713	-	-	38,217
Miscellaneous	30,520	10,796	-	-	41,316
Total cash receipts	<u>1,171,589</u>	<u>411,448</u>	<u>420,196</u>	<u>-</u>	<u>2,003,233</u>
Cash disbursements:					
Current:					
Security of persons and property	520,764	51,802	-	-	572,566
Leisure time activities	19,574	51,526	-	-	71,100
Community environment	94,463	-	-	-	94,463
Basic utility services	125,292	-	-	-	125,292
Transportation	-	100,246	-	-	100,246
General government	441,050	-	-	-	441,050
Capital outlay	14,374	39,988	12,663	-	67,025
Debt service:					
Principal retirement	-	-	54,508	-	54,508
Interest charges	-	-	22,748	-	22,748
Total cash disbursements	<u>1,215,517</u>	<u>243,562</u>	<u>89,919</u>	<u>-</u>	<u>1,548,998</u>
Excess of cash receipts over/(under) cash disbursements	(43,928)	167,886	330,277	-	454,235
Cash fund balances, January 1, 2002	<u>301,475</u>	<u>166,684</u>	<u>1,113,544</u>	<u>1,722</u>	<u>1,583,425</u>
Cash fund balances, December 31, 2002	<u>\$ 257,547</u>	<u>\$ 334,570</u>	<u>\$ 1,443,821</u>	<u>\$ 1,722</u>	<u>\$ 2,037,660</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH
FUND BALANCES - PROPRIETARY FUND TYPE AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2002

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Nonexpendable Trust	
Operating cash receipts:			
Charges for services	\$ 840,423	\$ -	\$ 840,423
Total operating cash receipts	<u>840,423</u>	<u>-</u>	<u>840,423</u>
Operating cash disbursements:			
Personal services	328,099	-	328,099
Contractual services	91,146	-	91,146
Supplies and material	134,091	-	134,091
Capital outlay	395	-	395
Total operating cash disbursements	<u>553,731</u>	<u>-</u>	<u>553,731</u>
Operating income	<u>286,692</u>	<u>-</u>	<u>286,692</u>
Nonoperating cash receipts/(disbursements):			
Debt Service:			
Principal	(105,104)	-	(105,104)
Interest	(97,762)	-	(97,762)
Other nonoperating receipts	27,118	-	27,118
Total nonoperating cash receipts/(disbursements)	<u>(175,748)</u>	<u>-</u>	<u>(175,748)</u>
Net income	110,944	-	110,944
Cash fund balances, January 1, 2002	<u>176,757</u>	<u>5,000</u>	<u>181,757</u>
Cash fund balances, December 31, 2002	<u>\$ 287,701</u>	<u>\$ 5,000</u>	<u>\$ 292,701</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2002

Fund Types	Receipts					Disbursements					Variance Favorable (Unfavorable)	
	County Certified Unencumbered Cash	Budgeted Revenues	Total Estimated Resources	Actual 2002 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2002 Appropriations	Total	Actual 2002 Disbursements	Encumbrances Outstanding at 12/31/02		Total
Governmental:												
General	\$ 310,787	\$ 1,184,251	\$ 1,495,038	\$ 1,171,589	\$ (12,662)	\$ 120	\$ 1,348,313	\$ 1,348,433	\$ 1,215,517	\$ 1,196	\$ 1,216,713	\$ 131,720
Special Revenue	156,774	334,979	491,753	411,448	76,469	478	380,910	381,388	243,562	2,847	246,409	134,979
Capital Projects	1,079,845	70,000	1,149,845	420,196	350,196	33,700	880,256	913,956	89,919	332,650	422,569	491,387
Proprietary:												
Enterprise	176,236	786,000	962,236	867,541	81,541	520	814,900	815,420	756,597	1,261	757,858	57,562
Fiduciary:												
Expendable Trust	1,722	-	1,722	-	-	-	1,722	1,722	-	-	-	1,722
Nonexpendable Trust	5,000	-	5,000	-	-	-	5,000	5,000	-	-	-	5,000
Total	\$ 1,730,364	\$ 2,375,230	\$ 4,105,594	\$ 2,870,774	\$ 495,544	\$ 34,818	\$ 3,431,101	\$ 3,465,919	\$ 2,305,595	\$ 337,954	\$ 2,643,549	\$ 822,370

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

	Governmental Fund Types			Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	
Cash receipts:					
Property and other local taxes	\$ 616,483	\$ 112,901	\$ -	\$ -	\$ 729,384
Intergovernmental	190,134	147,120	-	-	337,254
Charges for services	126,927	21,989	847,642	-	996,558
Fines, licenses, and permits	123,782	1,156	-	-	124,938
Interest	52,413	7,102	-	-	59,515
Refunds	12,974	-	-	-	12,974
Rental income	2,812	-	-	-	2,812
Miscellaneous	7,630	8,650	-	-	16,280
Total cash receipts	<u>1,133,155</u>	<u>298,918</u>	<u>847,642</u>	<u>-</u>	<u>2,279,715</u>
Cash disbursements:					
Current:					
Security of persons and property	457,464	68,595	-	-	526,059
Public health services	7,485	-	-	-	7,485
Leisure time activities	17,409	74,748	-	-	92,157
Community environment	128,363	-	-	-	128,363
Basic utility services	139,111	-	-	-	139,111
Transportation	10,660	201,007	-	-	211,667
General government	509,138	-	-	-	509,138
Capital outlay	49,590	-	24,415	-	74,005
Debt service:					
Principal retirement	-	-	51,731	-	51,731
Interest charges	-	-	25,525	-	25,525
Total cash disbursements	<u>1,319,220</u>	<u>344,350</u>	<u>101,671</u>	<u>-</u>	<u>1,765,241</u>
Total cash receipts over/(under) cash disbursements	<u>(186,065)</u>	<u>(45,432)</u>	<u>745,971</u>	<u>-</u>	<u>514,474</u>
Other financing receipts/(disbursements):					
Operating transfers in	-	8,000	-	-	8,000
Operating transfers out	(8,000)	-	-	-	(8,000)
Total other financing receipts/(disbursements)	<u>(8,000)</u>	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(194,065)	(37,432)	745,971	-	514,474
Cash fund balances, January 1, 2001	<u>495,540</u>	<u>204,116</u>	<u>367,573</u>	<u>1,722</u>	<u>1,068,951</u>
Cash fund balances, December 31, 2001	<u>\$ 301,475</u>	<u>\$ 166,684</u>	<u>\$ 1,113,544</u>	<u>\$ 1,722</u>	<u>\$ 1,583,425</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

	Proprietary Fund Type	Fiduciary Fund Type	
	Enterprise	Nonexpendable Trust	Total (Memorandum Only)
Operating cash receipts:			
Charges for services	\$ 799,101	\$ -	\$ 799,101
Total operating cash receipts	799,101	-	799,101
Operating cash disbursements:			
Personal services	294,792	-	294,792
Contractual services	107,358	-	107,358
Supplies and material	154,815	-	154,815
Capital outlay	3,615	-	3,615
Total operating cash disbursements	560,580	-	560,580
Operating income	238,521	-	238,521
Nonoperating cash receipts/(disbursements):			
Debt Service:			
Principal	(96,958)	-	(96,958)
Interest	(105,908)	-	(105,908)
Other nonoperating receipts	19,666	-	19,666
Total nonoperating cash receipts/(disbursements)	(183,200)	-	(183,200)
Net income	55,321	-	55,321
Cash fund balances, January 1, 2001	121,436	5,000	126,436
Cash fund balances, December 31, 2001	\$ 176,757	\$ 5,000	\$ 181,757

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

Fund Types	County Certified Unencumbered Cash	Receipts				Disbursements					Variance Favorable (Unfavorable)	
		Budgeted Revenues	Total Estimated Resources	Actual 2001 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2001 Appropriations	Total	Actual 2001 Disbursements	Encumbrances Outstanding at 12/31/01		Total
Governmental:												
General	\$ 489,681	\$ 1,132,803	\$ 1,622,484	\$ 1,133,155	\$ 352	\$ 5,465	\$ 1,572,216	\$ 1,577,681	\$ 1,327,220	\$ 120	\$ 1,327,340	\$ 250,341
Special Revenue	238,460	278,227	516,687	306,918	28,691	5,658	388,778	394,436	344,350	478	344,828	49,608
Capital Projects	344,247	70,000	414,247	847,642	777,642	23,117	338,671	361,788	101,671	33,700	135,371	226,417
Proprietary:												
Enterprise	74,216	789,000	863,216	818,767	29,767	3,827	874,646	878,473	763,446	520	763,966	114,507
Fiduciary:												
Expendable Trust	1,722	-	1,722	-	-	-	1,722	1,722	-	-	-	1,722
Nonexpendable Trust	5,000	-	5,000	-	-	-	-	-	-	-	-	-
Total	\$ 1,153,326	\$ 2,270,030	\$ 3,423,356	\$ 3,106,482	\$ 836,452	\$ 38,067	\$ 3,176,033	\$ 3,214,100	\$ 2,536,687	\$ 34,818	\$ 2,571,505	\$ 642,595

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 1 - DESCRIPTION OF THE ENTITY

The Village of Plain City (the "Village") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The Village operates under a council-mayor form of government and provides the following services: general governmental services, including water and sewer utilities, park operations and police services.

Management believes the financial statements included in this report represent all of the funds of the Village over which the Village officials have direct operating control.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The most significant of the Village's accounting policies are described below.

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the Village are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The following fund types are used by the Village.

GOVERNMENTAL FUNDS

General Fund

The general fund is used to account for all activities of the Village not required to be included in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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.

Parks Fund - This fund receives tax levy proceeds and fees to maintain the Village's parks.

Police Fund - This fund receives tax levy proceeds to provide Village police protection.

Capital Projects Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Village had the following significant capital projects fund:

Water Capital Improvement Fund - This fund receives a portion of the water and sewer charges for the Village's capital projects.

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.

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

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fiduciary Funds (Trust 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.

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. BUDGETARY PROCESS

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimate resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds (except Agency funds) are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each department within each fund. Any budgetary modifications at this level may only be made by resolution of the Village's Council.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Tax Budget:

A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The expressed purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

Estimated Resources:

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews receipt estimates. The County Budget Commission certifies its actions to the Village by September 1. As part of this certification, the Village receives the official certificate of estimated resources, which states the projected receipts of each fund. On or about January 1, the certificate is amended to include unencumbered fund balances at December 31 of the preceding year. Further amendments may be made during the year if the Village determined that receipts collected will be greater than or less than the prior estimate, and the Budget Commission finds the revised estimate to be reasonable. Prior to December 31, the Village must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure.

Appropriations:

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriations measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. The Village legally adopted one appropriation modification during 2002 and none during 2001.

Encumbrances:

As part of the formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated.

D. CASH AND CASH EQUIVALENTS

For reporting purposes, the Village considers "Cash and Cash Equivalents" to be cash on hand, demand deposits, and all investments held by the Village with a maturity date less than or equal to three months from the date of purchase. Interest income earned and received by the Village totaled \$38,217 and \$59,515 for the years ended December 31, 2002 and 2001, respectively.

E. PROPERTY, PLANT AND EQUIPMENT

Fixed assets are not capitalized in any of the Village's funds. Instead, capital acquisition and construction costs are recorded as expenditures in the fund in the year expended. The costs of normal maintenance and repairs, along with improvements, are also expended. Depreciation is not recorded.

F. 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 vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Village.

G. INTERFUND TRANSACTIONS

During the course of normal operations, the Village had transactions between funds. The most significant include transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the necessary fund and are recorded as operating transfers.

H. INTERGOVERNMENTAL REVENUES

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursable basis are recorded when received in accordance with the Village's cash basis method of accounting.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

I. TOTAL COLUMNS ON FINANCIAL STATEMENTS

Total columns on the financial statements are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Interfund-type eliminations have not been made in the aggregation of this data.

NOTE 3 - COMPLIANCE

A. The following funds had appropriations in excess of estimated resources for the years ended December 31, 2002 and 2001, in noncompliance with Ohio Revised Code Section 5705.39:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<u>2002:</u>			
<u>SPECIAL REVENUE FUND:</u>			
Street Construction, Maintenance and Repair	\$ 109,184	\$ 145,500	\$ 36,316
<u>2001:</u>			
<u>SPECIAL REVENUE FUNDS:</u>			
Street Construction, Maintenance and Repair	146,633	148,862	2,229
<u>ENTERPRISE FUNDS:</u>			
Sewer Fund	398,809	433,537	34,728
Pool Fund	34,149	38,000	3,851

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 3 - COMPLIANCE - (Continued)

B. The following funds had expenditures in excess of appropriations for the years ended December 31, 2002 and 2001, in noncompliance with Ohio Revised Code Section 5705.41(B):

<u>Fund Type/Fund/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>2002 :</u>			
<u>GENERAL FUND:</u>			
Police: Supplies & Materials	\$ 42,750	\$ 45,225	\$ 2,475
Pool: Benefits	3,500	4,709	1,209
Pool: Contractual	2,050	2,222	172
Pool: Supplies	12,300	12,643	343
Planning & Zoning: Contractual	10,000	17,235	7,235
Planning & Zoning: Eng Fees	50,000	61,367	11,367
Mayor: Salary	8,000	8,009	9
Mayor: Contractual	1,000	1,109	109
Council: Contractual	23,000	25,235	2,235
Clerk-Treasurer: Benefits	11,000	11,578	578
Lands & Bldg.: Benefits	36,000	46,904	10,904
County Auditor Fees	1,000	2,060	1,060
RITA Collection Fee	22,000	28,843	6,843
<u>SPECIAL REVENUE FUND:</u>			
Park Fund			
Park: Contractual	12,000	12,369	369
<u>CAPITAL PROJECTS FUND:</u>			
Water Capital Improvement Fund			
Water Surcharge	77,256	77,266	10
<u>ENTERPRISE FUNDS:</u>			
Water Fund			
Operations: Salaries	100,000	108,208	8,208
Operations: Benefits	40,000	44,326	4,326
Sewer Fund			
Operations: Salaries	100,000	101,219	1,219
Operations: Benefits	40,000	42,803	2,803
General Improvement	1,500	6,437	4,937

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 3 - COMPLIANCE - (Continued)

<u>Fund Type/Fund/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>2001 :</u>			
<u>GENERAL FUND:</u>			
Police: Supplies & Materials	\$ 45,500	\$ 52,894	\$ 7,394
Street: Traffic Lights	36,000	37,986	1,986
Pool: Benefits	2,500	3,272	772
Pool: Supplies	10,000	12,098	2,098
Planning & Zoning: Benefits	12,350	15,126	2,776
Planning & Zoning: Contractual	10,000	13,946	3,946
Planning & Zoning: Supplies	3,000	3,789	789
Refuse	138,000	139,111	1,111
Council: Contractual	22,000	29,361	7,361
Clerk-Treasurer: Benefits	8,000	8,708	708
Clerk-Treasurer: Contractual	4,000	4,718	718
Lands & Bldg.: Salaries	109,004	111,723	2,719
Lands & Bldg.: Benefits	35,705	38,433	2,728
Lands & Bldg.: Contractual	39,000	43,181	4,181
Lands & Bldg.: Supplies	32,000	36,181	4,181
General Government: Contractual	75,000	94,324	19,324
RITA Collection Fee	17,000	17,867	867
General Government: Supplies	20,000	25,027	5,027
<u>SPECIAL REVENUE FUND:</u>			
Street Construction, Maintenance and Repair Fund			
Contractual	8,000	13,600	5,600
Park Fund			
Salaries	26,940	33,237	6,297
Operations/Maintenance	9,000	11,875	2,875
Recreation Fund			
Operations/Maintenance	-	3,169	3,169
Police Fund			
Contractual	50,000	59,908	9,908
Auditor/Treasurer Fees	1,000	2,218	1,218
Permissive Motor Vehicle License Tax Fund			
Supplies	49,000	52,972	3,972

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 3 - COMPLIANCE - (Continued)

<u>Fund Type/Fund/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>2001:</u>			
<u>CAPITAL PROJECTS FUNDS:</u>			
Water Capital Improvements Fund			
Water Capital Improvement	\$ 7,147	\$ 15,492	\$ 8,345
Issue II	-	923	923
 <u>ENTERPRISE FUNDS:</u>			
Water Fund			
Operations/Maintenance	65,000	78,352	13,352
Sewer Fund			
Contractual	52,000	60,591	8,591
General Improvement	12,692	13,432	740
Pool Fund			
Supplies	2,000	2,379	379

NOTE 4 - EQUITY IN POOLED CASH AND CASH EQUIVALENTS

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>2002</u>	<u>2001</u>
Deposits: Demand Deposits	\$ 1,416,043	\$ 872,015
Investments in STAR Ohio	<u>914,318</u>	<u>893,167</u>
Total cash and cash equivalents	<u>\$ 2,330,361</u>	<u>\$ 1,765,182</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: Investments in STAR Ohio are not endorsed by securities that exist in physical or book-entry form. Investments in STAR Ohio are valued at amounts reported by the State Treasurer.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 5 - DEBT OBLIGATIONS

At December 31, 2002 and 2001, debt obligations consisted of the following issuances:

<u>Description</u>	<u>Balance at 12/31/2002</u>	<u>Balance at 12/31/2001</u>
1998 Richwood Bank note for Water Plant upgrades, due in monthly installments of \$6,438, through 2009, bearing interest at 5.25%.	\$ 401,709	\$ 456,217
1993 Ohio Water Development Authority (OWDA) note for Water Main replacement due in semi-annual installments of \$9,108, through 2017, bearing interest at 2%.	227,205	240,607
1992 OWDA note for Water Construction, due in semi-annual installments of \$15,331, through 2016, bearing interest at 7.65%.	253,853	264,518
1991 OWDA note for Water Construction, due in semi-annual installments of \$9,871, through 2015, bearing interest at 7.66%.	155,221	162,514
1985 OWDA note for Sewer Construction, due in semi-annual installments of \$38,597, through 2009, bearing interest at 9.98%.	356,231	394,095
1982 OWDA note for Sewer Construction, due in semi-annual installments of \$28,525, through 2007, bearing interest at 9.72%.	<u>181,927</u>	<u>217,807</u>
Total debt obligations	<u>\$ 1,576,146</u>	<u>\$ 1,735,758</u>

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 5 - DEBT OBLIGATIONS - (Continued)

Transactions for the year ended December 31, 2002, are summarized as follows:

	Balance at 12/31/2001	Proceeds	Retirements	Balance at 12/31/2002
Richwood Bank Note - 1998	\$ 456,217	\$ -	\$ (54,508)	\$ 401,709
OWDA - 1993	240,607	-	(13,402)	227,205
OWDA - 1992	264,518	-	(10,665)	253,853
OWDA - 1991	162,514	-	(7,293)	155,221
OWDA - 1985	394,095	-	(37,864)	356,231
OWDA - 1982	<u>217,807</u>	<u>-</u>	<u>(35,880)</u>	<u>181,927</u>
Total Notes	<u>\$ 1,735,758</u>	<u>\$ -</u>	<u>\$ (159,612)</u>	<u>\$ 1,576,146</u>

Transactions for the year ended December 31, 2001, are summarized as follows:

	Balance at 12/31/2000	Proceeds	Retirements	Balance at 12/31/2001
Richwood Bank Note - 1998	\$ 507,948	\$ -	\$ (51,731)	\$ 456,217
OWDA - 1993	253,746	-	(13,139)	240,607
OWDA - 1992	274,433	-	(9,915)	264,518
OWDA - 1991	169,288	-	(6,774)	162,514
OWDA - 1985	428,525	-	(34,430)	394,095
OWDA - 1982	<u>250,507</u>	<u>-</u>	<u>(32,700)</u>	<u>217,807</u>
Total Notes	<u>\$ 1,884,447</u>	<u>\$ -</u>	<u>\$ (148,689)</u>	<u>\$ 1,735,758</u>

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 5 - DEBT OBLIGATIONS - (Continued)

The principal and interest requirements to retire the debt obligations outstanding at December 31, 2002 and 2001 are as follows:

Year Ending December 31,	Richwood Bank Note - 1998		OWDA - 1993		OWDA - 1992	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	\$ 57,549	\$ 19,708	\$ 6,767	\$ 2,341	\$ 5,527	\$ 9,804
2004	60,644	16,613	13,806	4,410	11,888	18,774
2005	63,905	13,351	14,082	4,134	12,788	17,874
2006	67,342	9,914	14,362	3,854	13,754	16,908
2007	70,964	6,292	14,650	3,566	14,794	15,868
2008 - 2012	81,305	2,504	77,766	13,314	92,538	60,772
2013 - 2017	-	-	85,772	5,308	102,564	20,095
TOTALS	<u>\$ 401,709</u>	<u>\$ 68,382</u>	<u>\$ 227,205</u>	<u>\$ 36,927</u>	<u>\$ 253,853</u>	<u>\$ 160,095</u>

Year Ending December 31,	OWDA - 1991		OWDA - 1985		OWDA - 1982	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	\$ 3,781	\$ 6,090	\$ 19,832	\$ 18,765	\$ 19,683	\$ 8,842
2004	8,142	11,600	43,622	33,572	41,280	15,770
2005	8,766	10,976	47,976	29,218	45,293	11,757
2006	9,438	10,304	52,764	24,430	49,695	7,355
2007	10,160	9,582	58,030	19,164	25,976	2,549
2008 - 2012	63,738	34,972	134,007	20,386	-	-
2013 - 2017	<u>51,196</u>	<u>8,037</u>	-	-	-	-
TOTALS	<u>\$ 155,221</u>	<u>\$ 91,561</u>	<u>\$ 356,231</u>	<u>\$ 145,535</u>	<u>\$ 181,927</u>	<u>\$ 46,273</u>

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 6 - INTERFUND TRANSACATIONS

The Village had the following interfund transaction for the year ended December 31, 2001:

	<u>Transfer Out</u>	<u>Transfer In</u>
General Fund	\$ 8,000	\$ -
<u>Special Revenue Fund</u>		
Recreation	<u>-</u>	<u>8,000</u>
Total	<u>\$ 8,000</u>	<u>\$ 8,000</u>

The above transfer was in compliance with the Ohio Revised Code.

The Village had no interfund transactions for the year ended December 31, 2002.

NOTE 7 - PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the County. 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. Real property taxes are payable annually or semiannually to the County. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

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 PLAIN CITY
MADISON COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

NOTE 8 - LOCAL INCOME TAX

This locally levied tax of 1% applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the Village and to earnings of nonresidents (except certain transients) earned in the Village. It also applies to the net income of business organizations located within the Village. The Village contracts with the Regional Income Tax Authority to collect and process its income tax returns. Income receipts are accounted for in the General Fund and the Special Revenue - Park Fund. The Village collected \$731,842 and \$18,304 in 2002 in the General and Park Fund, respectively; and \$545,253 and \$31,031 in 2001 in the General and Park Fund, respectively.

NOTE 9 - RETIREMENT SYSTEMS

The Village's law enforcement officers belong to the Ohio Police and Fire Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS) of Ohio. OP&F and OPERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including post-retirement 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, members of OP&F contribute 10% of their wages to the OP&F. The Village contributes an amount equal to 19.5% of their wages. OPERS members contribute 8.5% of their gross salaries. The Village contributes an amount equal to 13.55% of participants' gross salaries. During 2002, OPERS instituted a temporary employer contribution rollback which required the Village to contribute 10.84% of covered payroll. The Village has paid all contributions required through December 31, 2002 and 2001.

NOTE 10 - RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

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

NOTE 11 - CONTINGENT LIABILITY

A. LITIGATION

The Village is not currently involved in litigation that the Village's legal counsel anticipates a loss.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

NOTE 11 - CONTINGENT LIABILITY- (Continued)

B. WASTEWATER TREATMENT PLANT

On July 1, 2002, the Village was issued National Pollutant Discharge Elimination Permit (NPDES Permit) by the Ohio Environmental Protection Agency (OEPA) concerning the Wastewater Treatment Plant (WWTP). The NPDES Permit contains terms and conditions reducing the discharge limitations of the WWTP, and requiring various expenditures on the part of the Village. Estimated cost to satisfy the NPDES Permit requirements is approximately \$910,000. The Village has appealed the terms and conditions of the NPDES Permit to the Environmental Review Appeals Commission of the State of Ohio, and is attempting to reach a settlement with OEPA. The NPDES Permit includes a 36-month grace period before the reduced discharge limitations are effective, thus allowing continued operation at this time.

TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

1445 Worthington Woods Boulevard
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Worthington, Ohio 43085

Telephone 614.846.1899
Facsimile 614.846.2799

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Members of Council and Mayor
Village of Plain City, Madison County

We have audited the financial statements of the Village of Plain City as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated March 18, 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 of Plain City’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-VOPC-001 and 2002-VOPC-002. We also noted certain immaterial instances of noncompliance that we have reported to the management of the Village of Plain City in a separate letter dated March 18, 2003.

Members of Council and Mayor
Village of Plain City

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of Plain City'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 we have reported to the management of the Village of Plain City in a separate letter dated March 18, 2003.

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

Trimble, Julian & Grube, Inc.
March 18, 2003

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2002-VOPC-001

Ohio Revised Code Section 5705.39 in part requires that the total appropriation from each fund should not exceed total estimated resources.

It was noted during the audit that the total appropriations exceeded the total estimated resources for the years ended December 31, 2002 and 2001 as follows:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<u>2002 :</u>			
<u>SPECIAL REVENUE FUND:</u>			
Street Construction, Maintenance and Repair	\$ 109,184	\$ 145,500	\$ 36,316
<u>2001 :</u>			
<u>SPECIAL REVENUE FUNDS:</u>			
Street Construction, Maintenance and Repair	146,633	148,862	2,229
<u>ENTERPRISE FUNDS:</u>			
Sewer Fund	398,809	433,537	34,728
Pool Fund	34,149	38,000	3,851

With appropriations exceeding estimated resources, the Village is unlawfully appropriating monies and thus could cause a negative fund balance.

We recommend that the Village comply with the Ohio Revised Code by monitoring appropriations so they do not exceed estimated revenue. This may be achieved by monitoring the budget more closely on a continued basis and amending estimated resources or appropriations as necessary.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2002-VOPC-002 – (Continued)

Ohio Revised Code Section 5705.41(B) requires in part that no subdivision is to expend monies unless it has been appropriated.

It was noted during the audit that the Village had expenditures in excess of appropriations for the years ended December 31, 2002 and 2001 in the following funds:

<u>Fund Type/Fund/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>2002 :</u>			
<u>GENERAL FUND:</u>			
Police: Supplies & Materials	\$ 42,750	\$ 45,225	\$ 2,475
Pool: Benefits	3,500	4,709	1,209
Pool: Contractual	2,050	2,222	172
Pool: Supplies	12,300	12,643	343
Planning & Zoning: Contractual	10,000	17,235	7,235
Planning & Zoning: Eng Fees	50,000	61,367	11,367
Mayor: Salary	8,000	8,009	9
Mayor: Contractual	1,000	1,109	109
Council Contractual	23,000	25,235	2,235
Clerk-Treasurer Benefits	11,000	11,578	578
Lands & Bldg.: Benefits	36,000	46,904	10,904
County Auditor Fees	1,000	2,060	1,060
RITA Collection Fee	22,000	28,843	6,843

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

**1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)**

Finding Number	2002-VOPC-002 – (Continued)
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<u>Fund Type/Fund/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>2002 :</u>			
<u>SPECIAL REVENUE FUND:</u>			
Park Fund			
Park: Contractual	\$ 12,000	\$ 12,369	\$ 369
<u>CAPITAL PROJECTS FUND:</u>			
Water Capital Improvement Fund			
Water Surcharge	77,256	77,266	10
<u>ENTERPRISE FUNDS:</u>			
Water Fund			
Operations: Salaries	100,000	108,208	8,208
Operations: Benefits	40,000	44,326	4,326
Sewer Fund			
Operations: Salaries	100,000	101,219	1,219
Operations: Benefits	40,000	42,803	2,803
General Improvement	1,500	6,437	4,937
<u>2001 :</u>			
<u>GENERAL FUND:</u>			
Police: Supplies & Materials	45,500	52,894	7,394
Street: Traffic Lights	36,000	37,986	1,986
Pool: Benefits	2,500	3,272	772
Pool: Supplies	10,000	12,098	2,098
Planning & Zoning: Benefits	12,350	15,126	2,776
Planning & Zoning: Contractual	10,000	13,946	3,946
Planning & Zoning: Supplies	3,000	3,789	789
Refuse	138,000	139,111	1,111
Council: Contractual	22,000	29,361	7,361
Clerk-Treasurer: Benefits	8,000	8,708	708

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2002-VOPC-002 – (Continued)

<u>Fund Type/Fund/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>2001:</u>			
<u>GENERAL FUND:</u>			
Clerk-Treasurer: Contractual	\$ 4,000	\$ 4,718	\$ 718
Lands & Bldg.: Salaries	109,004	111,723	2,719
Lands & Bldg.: Benefits	35,705	38,433	2,728
Lands & Bldg.: Contractual	39,000	43,181	4,181
Lands & Bldg.: Supplies	32,000	36,181	4,181
General Government: Contractual	75,000	94,324	19,324
RITA Collection Fee	17,000	17,867	867
General Government: Supplies	20,000	25,027	5,027
<u>SPECIAL REVENUE FUNDS:</u>			
Street Construction, Maintenance and Repair Fund			
Contractual	8,000	13,600	5,600
Parks Fund			
Salaries	26,940	33,237	6,297
Operations/Maintenance	9,000	11,875	2,875
Recreation Fund			
Operations/Maintenance	-	3,169	3,169
Police Fund			
Contractual	50,000	59,908	9,908
Auditor/Treasurer Fees	1,000	2,218	1,218
Permissive Motor Vehicle License Tax Fund			
Supplies	49,000	52,972	3,972

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
<u>Finding Number</u>	2002-VOPC-002 – (Continued)

<u>Fund Type/Fund/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>2001:</u>			
<u>CAPITAL PROJECTS FUNDS:</u>			
Water Capital Improvements Fund			
Water Capital Improvement	\$ 7,147	\$ 15,492	\$ 8,345
Issue II	-	923	923
<u>ENTERPRISE FUNDS:</u>			
Water Fund			
Operations/Maintenance	65,000	78,352	13,352
Sewer Fund			
Contractual	52,000	60,591	8,591
General Improvement	12,692	13,432	740
Pool Fund			
Supplies	2,000	2,379	379

With expenditures exceeding appropriations, the Village is unlawfully expending monies that have not been approved.

We recommend that the Village comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by monitoring expenditures so they do not exceed lawful appropriations. This may be achieved by monitoring the budget more closely on a continual basis and making appropriation amendments as necessary.

**VILLAGE OF PLAIN CITY
MADISON COUNTY, OHIO**

**SCHEDULE OF PRIOR
YEAR AUDIT FINDINGS
DECEMBER 31, 2002 AND 2001**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected ?</u>	<u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i></u>
2000-30649-001	Ohio Revised Code Section 5705.39 requiring appropriations to be limited by estimated resources.	No.	Village Clerk/Treasurer attempting to monitor more closely amended certificates and file amendments with the County Auditor.



**Auditor of State
Betty Montgomery**

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800-282-0370

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VILLAGE OF PLAIN CITY

MADISON 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
JUNE 24, 2003**