



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

VILLAGE OF BRADNER
WOOD COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Village of Bradner
Wood County
130 North Main Street
P.O. Box 599
Bradner, Ohio 43406-0599

To the Village Council:

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

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2001 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Jim Petro
Auditor of State

August 29, 2001

**VILLAGE OF BRADNER
WOOD COUNTY**

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

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Cash Receipts:					
Property Tax and Other Local Taxes	\$87,555	\$53,391	\$19,141	\$45,116	\$205,203
Special Assessments		16,321			16,321
Intergovernmental Receipts	88,584	62,559	1,652	5,093	157,888
Charges for Services		16,901			16,901
Fines, Licenses, and Permits	6,285	25			6,310
Earnings on Investments	69,017	2,872			71,889
Miscellaneous	2,355	10,468			12,823
Total Cash Receipts	253,796	162,537	20,793	50,209	487,335
Cash Disbursements:					
Current:					
Security of Persons and Property	76,461	68,160			144,621
Public Health Services	1,623				1,623
Leisure Time Activities	8,064	21,415			29,479
Community Environment	15,390	6,458			21,848
Basic Utility Services	4,572				4,572
Transportation	39,270				39,270
General Government	85,464	41,854			127,318
Debt Service:					
Principal Payments			129,032		129,032
Interest Payments			77,304		77,304
Financing and Other Debt-Service Related			6,654		6,654
Capital Outlay	29,357	19,400		9,414	58,171
Total Cash Disbursements	260,201	157,287	212,990	9,414	639,892
Total Receipts Over/(Under) Disbursements	(6,405)	5,250	(192,197)	40,795	(152,557)
Other Financing Receipts/(Disbursements):					
Transfers-In		2,000	191,440		193,440
Advances-In		1,000			1,000
Transfers-Out	(42,374)	(20,000)			(62,374)
Advances-Out	(1,000)				(1,000)
Other Uses	(20)				(20)
Total Other Financing Receipts/(Disbursements)	(43,394)	(17,000)	191,440		131,046
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(49,799)	(11,750)	(757)	40,795	(21,511)
Fund Cash Balances, January 1	111,719	263,281	55,692	32,916	463,608
Fund Cash Balances, December 31	\$61,920	\$251,531	\$54,935	\$73,711	\$442,097
Reserves for Encumbrances, December 31	<u>\$6,575</u>	<u>\$3,933</u>	<u></u>	<u>\$2,505</u>	<u>\$13,013</u>

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

**VILLAGE OF BRADNER
WOOD COUNTY**

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

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	Totals (Memorandum Only)
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Charges for Services	\$925,459	\$5,506	\$930,965
Miscellaneous	4,745		4,745
Total Operating Cash Receipts	<u>930,204</u>	<u>5,506</u>	<u>935,710</u>
Operating Cash Disbursements:			
Personal Services	192,447		192,447
Travel Transportation	4,780		4,780
Contractual Services	494,229	5,506	499,735
Supplies and Materials	106,068		106,068
Capital Outlay	34,935		34,935
Total Operating Cash Disbursements	<u>832,459</u>	<u>5,506</u>	<u>837,965</u>
Operating Income	<u>97,745</u>		<u>97,745</u>
Excess of Receipts Over Disbursements Before Interfund Transfers and Advances	97,745		97,745
Transfers-In	477		477
Transfers-Out	<u>(131,543)</u>		<u>(131,543)</u>
Net Disbursements Over Receipts	(33,321)		(33,321)
Fund Cash Balances, January 1	<u>868,216</u>		<u>868,216</u>
Fund Cash Balances, December 31	<u><u>\$834,895</u></u>		<u><u>\$834,895</u></u>
Reserve for Encumbrances, December 31	<u>\$147,263</u>		<u>\$147,263</u>

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

**VILLAGE OF BRADNER
WOOD COUNTY**

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

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Cash Receipts:					
Property Tax and Other Local Taxes	\$76,500	\$57,583	\$20,728	\$41,771	\$196,582
Special Assessments		11,787			11,787
Intergovernmental Receipts	84,346	93,863	2,902	68,807	249,918
Charges for Services		50,657			50,657
Fines, Licenses, and Permits	6,354				6,354
Earnings on Investments	65,763	3,352			69,115
Miscellaneous	1,442	32,322			33,764
	234,405	249,564	23,630	110,578	618,177
Cash Disbursements:					
Current:					
Security of Persons and Property	55,077	85,324			140,401
Public Health Services	2,961				2,961
Leisure Time Activities	8,823	15,875			24,698
Community Environment	8,968	8,511			17,479
Basic Utility Services	4,547				4,547
Transportation	33,830	35,114			68,944
General Government	102,680	1,604			104,284
Debt Service:					
Principal Payments			81,749		81,749
Interest Payments			61,468		61,468
Financing and Other Debt-Service Related			172		172
Capital Outlay	36,876	13,874		196,426	247,176
	253,762	160,302	143,389	196,426	753,879
Total Receipts Over/(Under) Disbursements	(19,357)	89,262	(119,759)	(85,848)	(135,702)
Other Financing Receipts/(Disbursements):					
Transfers-In		3,851	122,722		126,573
Advances-In	40,000				40,000
Transfers-Out	(65,869)				(65,869)
Advances-Out		(40,000)			(40,000)
Other Uses	(35)				(35)
	(25,904)	(36,149)	122,722		60,669
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(45,261)	53,113	2,963	(85,848)	(75,033)
Fund Cash Balances, January 1	156,980	210,168	52,729	118,764	538,641
Fund Cash Balances, December 31	\$111,719	\$263,281	\$55,692	\$32,916	\$463,608
Reserves for Encumbrances, December 31	\$4,425	\$26,492		\$7,955	\$38,872

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

**VILLAGE OF BRADNER
WOOD COUNTY**

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

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Charges for Services	\$932,226	\$5,692	\$937,918
Operating Cash Disbursements:			
Personal Services	181,354		181,354
Travel Transportation	2,692		2,692
Contractual Services	478,380	5,935	484,315
Supplies and Materials	63,406		63,406
Capital Outlay	313,608		313,608
Total Operating Cash Disbursements	<u>1,039,440</u>	<u>5,935</u>	<u>1,045,375</u>
Operating Loss	<u>(107,214)</u>	<u>(243)</u>	<u>(107,457)</u>
Non-Operating Cash Receipts:			
Proceeds from Notes and Bonds	475,000		475,000
Other Non-Operating Receipts	1,412		1,412
Total Non-Operating Cash Receipts	<u>476,412</u>		<u>476,412</u>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	369,198	(243)	368,955
Transfers-In	4,000		4,000
Transfers-Out	<u>(64,704)</u>		<u>(64,704)</u>
Net Receipts Over/(Under) Disbursements	308,494	(243)	308,251
Fund Cash Balances, January 1	<u>559,722</u>	<u>243</u>	<u>559,965</u>
Fund Cash Balances, December 31	<u>\$868,216</u>		<u>\$868,216</u>
Reserve for Encumbrances, December 31	<u>\$22,277</u>		<u>\$22,277</u>

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

**VILLAGE OF BRADNER
WOOD COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Bradner, Wood County, (the Village) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including electric, water and sewer utilities, park operations (leisure time activities), police services, public health (ambulance service), fire protection, and planning and zoning.

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

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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 BRADNER
WOOD COUNTY**

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

Fire Fund - This fund receives real estate tax and personal property tax money. It also receives monies charged (for fire protection) to surrounding entities. These monies are used to provide fire protection to Village residents.

3. Debt Service Fund

These funds are used to accumulate resources for the payment of bonds and note indebtedness. The Village had the following significant debt service funds:

General Obligation Fund (Sanitary Sewer Fund) - receives real estate tax and personal property tax money for payment of bonds, which were issued so that the Village was able to provide sewer improvements for Village residents.

General Obligation Fund (Lands and Building Fund) - the Village issued a note for the purpose of paying for certain improvements at the Village park, improvements to Village Municipal Building and to pay for a pickup truck.

General Obligation Fund (Electric Finance Fund) - receives money from the user charges from the Electric Fund for payment of the bond anticipation notes for AMP-Ohio.

4. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project funds:

Storm Sewer Capital Fund - this fund receives proceeds of municipal income tax. The proceeds are being used for acquisition or construction of storm sewers.

5. 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:

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

6. Fiduciary Funds (Trust and Agency Funds)

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

Mayor's Court Fund - This fund receives its revenues from tickets, fines, court costs, etc. This fund is used to account for revenue and disbursements for Mayor's Court.

**VILLAGE OF BRADNER
WOOD COUNTY**

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

E. Budgetary Process

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

1. Appropriations

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

2. Estimated Resources

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

3. Encumbrances

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

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

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.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for one week of unused vacation, and twenty five percent of the value of unused sick leave up to a maximum of thirty days pay (upon retirement). Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Village.

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:

**VILLAGE OF BRADNER
WOOD COUNTY**

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

	<u>2000</u>	<u>1999</u>
Demand deposits	\$99,390	\$155,214
Certificates of deposit	<u>827,969</u>	<u>947,402</u>
Total deposits	<u>927,359</u>	<u>1,102,616</u>
STAR Ohio	<u>349,633</u>	<u>229,208</u>
Total investments	<u>349,633</u>	<u>229,208</u>
Total deposits and investments	<u><u>\$1,276,992</u></u>	<u><u>\$1,331,824</u></u>

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

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

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

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$234,945	\$253,796	\$18,851
Special Revenue	220,793	164,537	(56,256)
Debt Service	216,403	212,233	(4,170)
Capital Projects	41,772	50,209	8,437
Enterprise	<u>933,800</u>	<u>930,681</u>	<u>(3,119)</u>
Total	<u><u>\$1,647,713</u></u>	<u><u>\$1,611,456</u></u>	<u><u>(\$36,257)</u></u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$355,600	\$309,170	\$46,430
Special Revenue	589,974	181,220	408,754
Debt Service	213,107	212,990	117
Capital Projects	87,421	11,919	75,502
Enterprise	<u>2,342,112</u>	<u>1,111,265</u>	<u>1,230,847</u>
Total	<u><u>\$3,588,214</u></u>	<u><u>\$1,826,564</u></u>	<u><u>\$1,761,650</u></u>

**VILLAGE OF BRADNER
WOOD COUNTY**

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

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$215,876	\$234,405	\$18,529
Special Revenue	179,512	253,415	73,903
Debt Service	85,180	146,352	61,172
Capital Projects	38,783	110,578	71,795
Enterprise	1,336,000	1,412,638	76,638
Total	<u>\$1,855,351</u>	<u>\$2,157,388</u>	<u>\$302,037</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$359,267	\$324,091	\$35,176
Special Revenue	347,450	186,794	160,656
Debt Service	136,050	143,389	(7,339)
Capital Projects	150,789	204,381	(53,592)
Enterprise	1,524,121	1,126,421	397,700
Total	<u>\$2,517,677</u>	<u>\$1,985,076</u>	<u>\$532,601</u>

4. PROPERTY TAX

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

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

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

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

**VILLAGE OF BRADNER
WOOD COUNTY**

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

	Principal	Interest Rate
Ohio Water Development Authority Loan	\$90,978	2.00%
Farmers Home Administration (Sanitary Sewer Bond)	860,000	5.00%
Farmers Home Administration (Sanitary Sewer Bond)	216,000	5.00%
Bond Anticipation Note (AMP-Ohio)	430,000	4.90%
Total	<u>\$1,596,978</u>	

The Ohio Water Development Authority (OWDA) loan relates to a water and sewer plant expansion project that was mandated by the Ohio Environmental Protection Agency. The OWDA has approved up to \$162,031 in loans to the Village for this project. The loans will be repaid in semiannual installments of \$4,150, including interest, over 25 years. The scheduled payment amount below assumes that \$162,031 will be borrowed. The scheduled payment will be adjusted to reflect any revisions in amounts actually borrowed. The loan is collateralized by water and sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

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

	OWDA Loan	Farmers Home Administration (Sanitary Sewer Bond \$975,000)	Farmers Home Administration (Sanitary Sewer Bond \$300,000)	Bond Anticipation Note
Year ending December 31:				
2001	\$8,299	\$57,000	\$18,800	\$451,070
2002	8,299	56,300	18,400	
2003	8,299	56,600	18,000	
2004	8,299	56,850	17,600	
2005	8,299	57,050	17,200	
Subsequent	62,246	1,363,500	277,200	
Total	<u>\$103,741</u>	<u>\$1,647,300</u>	<u>\$367,200</u>	<u>\$451,070</u>

6. RETIREMENT SYSTEMS

The Village'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. PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% and 10.84% of participants' gross salaries for 1999 and 2000, respectively. The Village has paid all contributions required through December 31, 2000.

**VILLAGE OF BRADNER
WOOD COUNTY**

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

7. RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

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

The Village also provides health insurance to full-time employees through a private carrier.

8. JOINT VENTURES

A. Municipal Energy Services Agency

The Village is a participant with 31 subdivisions of the State of Ohio (the Participants) in the Municipal Energy Services Agency (the MESA). Its purpose is to provide access to a pool of personnel experienced in planning, engineering, construction, safety training and other technical aspects of the operation and maintenance of municipal electric and other utility systems. It also provides administrative services to American Municipal Power-Ohio, Inc. There was no outstanding debt for which the participants would be obligated at December 31, 2000. Complete financial statements for MESA can be obtained from AMP-Ohio at 2600 Airport Drive, Columbus, Ohio 43219 or from the Village's Clerk/Treasurer.

B. Ohio Municipal Electric Generation Agency Joint Venture 3

The Village is a participant with thirteen subdivisions of the State of Ohio (the Participants) in the Ohio Municipal Electric Generation Agency Joint Venture 3 (the OMEGA JV-3). Its purpose is to provide supplemental reserve electric power to the Participants on a cooperative basis. The Village's ownership share of this project is 1.10%. There was no outstanding debt for which the participants would be obligated at December 31, 2000. Complete financial statements for OMEGA JV-3 can be obtained from AMP-Ohio at 2600 Airport Drive, Columbus, Ohio 43219 or from the Village's Clerk/Treasurer.

C. Ohio Municipal Electric Generation Agency Joint Venture 5

The Village is a participant with forty-one other municipalities in the Ohio Municipal Electric Generation Agency Joint Venture 5 (the OMEGA JV-5). Its purpose is to undertake the Belleville Hydroelectric Project, which consists of the Belleville hydroelectric plant and associated transmission facilities, backup generation facilities, and power purchased on behalf of OMEGA JV-5 Participants. The Village's ownership share of this project is 0.35%. Each member is required to make debt service payments for the project based upon their percentage of ownership. Payment began in 1994. Complete financial statements for OMEGA JV-5 can be obtained from AMP-Ohio at 2600 Airport Drive, Columbus, Ohio 43219 or from the Village's Clerk/Treasurer. Debt service requirements for the next five years and cumulative requirements thereafter as of December 31, 2000 are as follows:

**VILLAGE OF BRADNER
WOOD COUNTY**

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

<u>Year ending December 31</u>	<u>Participant Principal</u>	<u>Participant Interest</u>	<u>Total Participant Debt Service</u>
2001	\$10,955	\$26,977	\$37,932
2002	11,480	26,423	37,903
2003	12,058	25,834	37,892
2004	12,670	25,210	37,880
2005	13,300	24,887	38,187
2006-2024	446,443	266,782	713,225
Total	<u>\$506,906</u>	<u>\$396,113</u>	<u>\$903,019</u>



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Village of Bradner
Wood County
130 North Main Street
P.O. Box 599
Bradner, Ohio 43406-0599

To the Village Council:

We have audited the accompanying financial statements of the Village of Bradner (the Village) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated August 29, 2001. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated August 29, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered 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 29, 2001.

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

Jim Petro
Auditor of State

August 29, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF BRADNER

WOOD COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 4, 2001**