

VILLAGE OF PORT WASHINGTON
FINANCIAL STATEMENTS
Years Ended December 31, 2000 and 1999

Laura J. MacDonald, CPA, Inc.
3613 Reserve Commons Drive
Medina, Ohio 44256



STATE OF OHIO
OFFICE OF THE AUDITOR

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To the Board of Trustees
Village of Port Washington
107 E. Main St.
Port Washington, OH 43837

We have reviewed the independent auditor's report of the Village of Port Washington, Tuscarawas County, prepared by Laura J. MacDonald, CPA, Inc., for the audit period January 1, 1999 through December 31, 2000. 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 Port Washington is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

August 15, 2001

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**VILLAGE OF PORT WASHINGTON
FINANCIAL STATEMENTS
Years Ended December 31, 2000 and 1999**

<u>TABLE OF CONTENTS</u>	<u>Page No.</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - All Governmental and Similar Fiduciary Funds:	
-Year Ended December 31, 2000	2
-Year Ended December 31, 1999	4
Notes to Financial Statements	6
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	12
SCHEDULE OF FINDINGS	14
SCHEDULE OF PRIOR AUDIT FINDINGS	17

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INDEPENDENT AUDITOR'S REPORT

To the Village Council
Village of Port Washington
107 E. Main Street
Port Washington, Ohio 43837

I have audited the accompanying financial statements of the Village of Port Washington, Ohio (the Village) as of and for the years ended December 31, 2000 and 1999, as listed in the Table of Contents. These financial statements are the responsibility of the Village's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my 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 I 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. I believe that my audits provide a reasonable basis for my opinion.

As described 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 my 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 of Port Washington 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, I have also issued a report dated May 25, 2001 on my consideration of the Village's internal control over financial reporting and on my 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 my audit.

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

Laura J. MacDonald, CPA, Inc.
May 25, 2001

VILLAGE OF PORT WASHINGTON
 COMBINED STATEMENT OF CASH RECEIPTS,
 CASH DISBURSEMENTS AND CHANGES IN FUND
 CASH BALANCES
 - ALL GOVERNMENTAL AND SIMILAR
 FIDUCIARY FUNDS
 Year Ended December 31, 2000

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUND</u>
CASH RECEIPTS			
Local taxes	\$ 19,818	\$ 4,099	\$ -
Intergovernmental receipts	32,315	32,066	-
Charges for services	-	342	-
Fines, licenses and permits	6,353	-	-
Miscellaneous	10,755	-	-
	<u>69,241</u>	<u>36,507</u>	<u>-</u>
CASH DISBURSEMENTS			
Current:			
Security of persons and property	25,131	-	-
Public health services	2,937	6,244	-
Community environment	12,671	-	-
Basic utility services	6,052	-	-
Transportation	-	49,633	-
General government	29,563	-	-
Capital outlay	-	-	48,292
	<u>76,354</u>	<u>55,877</u>	<u>48,292</u>
EXCESS (DEFICIT) OF CASH RECEIPTS OVER CASH DISBURSEMENTS	(7,113)	(19,370)	(48,292)
OTHER FINANCING SOURCES (USES)			
Transfers-in	12,000	-	8,000
Transfers-out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>12,000</u>	<u>-</u>	<u>8,000</u>
EXCESS OF CASH RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) CASH DISBURSEMENTS AND OTHER FINANCING USES	4,887	(19,370)	(40,292)
FUND CASH BALANCE AT BEGINNING OF YEAR	<u>9,286</u>	<u>39,079</u>	<u>64,269</u>
FUND CASH BALANCE AT END OF YEAR	<u>\$ 14,173</u>	<u>\$ 19,709</u>	<u>\$ 23,977</u>
RESERVES FOR ENCUMBRANCES	<u>\$ 3,056</u>	<u>\$ 307</u>	<u>\$ -</u>

Please refer to accompanying notes.

FIDUCIARY FUND TYPE			
EXPENDABLE TRUST FUND		(Memorandum Only) TOTAL	
\$ 58,341	\$	82,258	
-		64,381	
-		342	
-		6,353	
-		10,755	
<u>58,341</u>		<u>164,089</u>	
-		25,131	
-		9,181	
-		12,671	
-		6,052	
-		49,633	
1,434		30,997	
-		48,292	
<u>1,434</u>		<u>181,957</u>	
56,907		(17,868)	
-		20,000	
<u>(20,000)</u>		<u>(20,000)</u>	
<u>(20,000)</u>		<u>-</u>	
36,907		(17,868)	
<u>33,173</u>		<u>145,807</u>	
<u>\$ 70,080</u>	<u>\$</u>	<u>127,939</u>	
<u>\$ 65</u>	<u>\$</u>	<u>3,428</u>	

**VILLAGE OF PORT WASHINGTON
 COMBINED STATEMENT OF CASH RECEIPTS,
 CASH DISBURSEMENTS AND CHANGES IN FUND
 CASH BALANCES
 - ALL GOVERNMENTAL AND SIMILAR
 FIDUCIARY FUNDS
 Year Ended December 31, 1999**

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUND
CASH RECEIPTS			
Local taxes	\$ 19,955	\$ 4,350	\$ -
Intergovernmental receipts	16,019	26,798	18,995
Charges for services	-	136	-
Fines, licenses and permits	3,360	-	-
Miscellaneous	8,977	500	-
	<u>48,311</u>	<u>31,784</u>	<u>18,995</u>
CASH DISBURSEMENTS			
Current:			
Security of persons and property	27,371	-	-
Public health services	4,903	3,319	-
Leisure time activities	-	222	-
Community environment	24,906	2,000	-
Basic utility services	6,433	-	-
Transportation	-	34,232	-
General government	30,420	-	-
Capital outlay	-	-	45,092
	<u>94,033</u>	<u>39,773</u>	<u>45,092</u>
EXCESS (DEFICIT) OF CASH RECEIPTS OVER CASH DISBURSEMENTS	(45,722)	(7,989)	(26,097)
OTHER FINANCING SOURCES (USES)			
Sale of fixed assets	-	-	7,500
Transfers-in	42,000	-	28,000
Transfers-out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>42,000</u>	<u>-</u>	<u>35,500</u>
EXCESS OF CASH RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) CASH DISBURSEMENTS AND OTHER USES	(3,722)	(7,989)	9,403
FUND BALANCE AT BEGINNING OF YEAR	<u>13,008</u>	<u>47,068</u>	<u>54,866</u>
FUND BALANCE AT END OF YEAR	<u>\$ 9,286</u>	<u>\$ 39,079</u>	<u>\$ 64,269</u>
RESERVE FOR ENCUMBRANCES	<u>\$ 2,516</u>	<u>\$ 125</u>	<u>\$ -</u>

Please refer to accompanying notes.

FIDUCIARY FUND TYPE	EXPENDABLE TRUST FUND	(Memorandum (Only) TOTAL
\$ 53,773	\$ 78,078	
-	61,812	
-	136	
-	3,360	
-	9,477	
<u>53,773</u>	<u>152,863</u>	
-	27,371	
-	8,222	
-	222	
-	26,906	
-	6,433	
-	34,232	
2,147	32,567	
-	45,092	
<u>2,147</u>	<u>181,045</u>	
51,626	(28,182)	
-	7,500	
-	70,000	
<u>(70,000)</u>	<u>(70,000)</u>	
<u>(70,000)</u>	<u>7,500</u>	
(18,374)	(20,682)	
<u>51,547</u>	<u>166,489</u>	
<u>\$ 33,173</u>	<u>\$ 145,807</u>	
<u>\$ 6</u>	<u>\$ 2,647</u>	

**VILLAGE OF PORT WASHINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2000 and 1999**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Port Washington (the Village) is a body politic and corporate 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-person council. The Village provides its residents with general governmental services, including park operations, income tax, cemetery, police services and a Mayor's Court.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

Accounting Basis

The accompanying financial statements have been prepared on the cash 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 financial statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

Cash and Investments

The Village maintains cash deposits in a checking account. There were no investments as of December 31, 2000 and 1999.

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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

Special Revenue Funds

Special Revenue Funds are used to account for receipts 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 Fund at December 31, 2000 and 1999:

Street Construction, Maintenance and Repair Fund: This fund receives gasoline taxes and motor vehicle tax money for the purpose of constructing, maintaining and repairing the Village streets.

**VILLAGE OF PORT WASHINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2000 and 1999**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

The Village also had a State Highway Improvement Fund, a Permissive Motor Vehicle Tax Fund and a Belden Park Fund at December 31, 2000 and 1999. These funds have also been classified as "Special Revenue Funds" in the accompanying financial statements.

Capital Projects Fund

This fund is 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 Capital Projects Fund as of December 31, 2000 and 1999:

Construction Fund: This fund receives proceeds primarily from the Village's Income Tax Fund to finance various construction projects in the Village.

Fiduciary Funds (Trust Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If an agreement requires the Village to maintain the corpus of the trust, the fund is classified as a Non-Expendable Trust Fund. Other trust funds are classified as Expendable Trust Funds. The Village had the following Expendable Trust Fund as of December 31, 2000 and 1999:

Income Tax Fund: Proceeds from the Village's one percent income tax are received into this fund, then transferred into the General Fund (60%) and Capital Projects Fund (40%), as required by ordinance.

Budgetary Process

The Ohio Revised Code (the Code) requires that budgets be prepared for each fund annually. Tax budgets are required to be adopted on or before July 15th of each year for the next succeeding fiscal year.

A summary of 2000 and 1999 budgetary activity appears in Note 6.

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 Village 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.

**VILLAGE OF PORT WASHINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2000 and 1999**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Estimated Resources

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

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made.

Property, Plant and Equipment

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

NOTE 2 - EQUITY IN POOLED CASH AND INVESTMENTS

The Village maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31, 2000 and 1999 is as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	<u>\$127,939</u>	<u>\$145,807</u>

At December 31, 2000 and 1999, all of the Village's demand deposits were either insured by The Federal Deposit Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

NOTE 3 - PROPERTY TAXES

Real property taxes become a lien on the January 1st preceding the October 1st date for which rates are adopted by the 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 financial statements as intergovernmental receipts. Payments are due to the County by December 31st. If the property owner elects to make semiannual payments, the first half is due December 31st. The second half payment is due the following June 20th. 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 30th.

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

**VILLAGE OF PORT WASHINGTON
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2000 and 1999**

NOTE 4 - RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions
- Public officials' liability
- Commercial inland marine
- Employers liability
- Employee benefits liability

NOTE 5 - DEFINED BENEFIT PENSION PLAN

Substantially all of the Village's 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 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. Participating employees contributed 8.5% of their gross salaries for the years ended December 31, 2000 and 1999. The Village contributed an amount equal to 10.84% and 13.55% of participants' gross salaries for the years ended December 31, 2000 and 1999, respectively. The Village has paid all contributions required through December 31, 2000.

NOTE 6 - BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2000 and 1999 is as follows:

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 103,280	\$ 81,241	\$ (22,039)
Special Revenue	23,713	36,507	12,794
Capital Projects	12,000	8,000	(4,000)
Expendable Trust	<u>49,100</u>	<u>58,341</u>	<u>9,241</u>
	<u>\$ 188,093</u>	<u>\$ 184,089</u>	<u>\$ (4,004)</u>

VILLAGE OF PORT WASHINGTON
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2000 and 1999

NOTE 6 - BUDGETARY ACTIVITY (continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
General	\$ 95,565	\$ 79,410	\$ 16,155
Special Revenue	57,035	56,184	851
Capital Projects	40,000	48,292	(8,292)
Expendable Trust	<u>43,265</u>	<u>21,499</u>	<u>21,766</u>
	<u>\$ 235,865</u>	<u>\$ 205,385</u>	<u>\$ 30,480</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 68,571	\$ 90,311	\$ 21,740
Special Revenue	23,100	31,784	8,684
Capital Projects	16,000	54,495	38,495
Expendable Trust	<u>50,100</u>	<u>53,773</u>	<u>3,673</u>
	<u>\$ 157,771</u>	<u>\$ 230,363</u>	<u>\$ 72,592</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
General	\$ 102,895	\$ 96,549	\$ 6,346
Special Revenue	66,938	39,898	27,040
Capital Projects	22,000	45,092	(23,092)
Expendable Trust	<u>43,625</u>	<u>72,153</u>	<u>(28,528)</u>
	<u>\$ 235,458</u>	<u>\$ 253,692</u>	<u>\$(18,234)</u>

**VILLAGE OF PORT WASHINGTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2000 and 1999**

NOTE 7 – MATERIAL NONCOMPLIANCE

Contrary to Section 117.38 of the Ohio Revised Code, the Village did not submit its annual financial report for the years ended December 31, 2000 and 1999 in the prescribed format.

Contrary to Section 5705.41(D) of the Ohio Revised Code, the total expenditures for the Capital Projects Fund exceeded appropriations for fiscal 2000 and 1999, and the total expenditures for the expendable trust fund exceeded appropriations for fiscal 1999. Additionally, during fiscal 2000 and 1999, the Village did not properly certify expenditures.

Contrary to Section 117-5-11 of the Ohio Administrative Code, the Village did not properly maintain the appropriations ledger during fiscal 2000 and 1999.

Laura J. MacDonald, CPA, Inc.
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**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Village Council
Village of Port Washington
Port Washington, Ohio

I have audited the financial statements of the Village of Port Washington, Ohio (the Village) as of and for the years ended December 31, 2000 and 1999, and have issued my report thereon dated May 25, 2001. I conducted my 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 of Port Washington's financial statements are free of material misstatement, I 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 my audits and, accordingly, I do not express such an opinion. The results of my tests disclosed four instances of noncompliance that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings as items 00-1, 00-2, 00-3 and 00-4.

I also noted certain immaterial instances of noncompliance that I have reported to the management of the Village of Port Washington in a separate letter dated May 25, 2001.

Internal Control Over Financial Reporting

In planning and performing my audits, I considered the Village of Port Washington's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted one matter involving the internal control over financial reporting and its operation that I consider to be a material weakness and which is described in the accompanying Schedule of Findings as item 00-2.

The Village Council
Village of Port Washington
Page 2

I also noted other matters involving the internal control over financial reporting that do not require inclusion in the report, that I have reported to the management of the Village of Port Washington in a separate letter dated May 25, 2001.

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

Laura J. MacDonald, CPA, Inc.
May 25, 2001

**VILLAGE OF PORT WASHINGTON
SCHEDULE OF FINDINGS
Years Ended December 31, 2000 and 1999**

Material Noncompliance No. 00-1:

Criteria:

Section 117.38 of the Ohio Revised Code requires cash basis entities to file annual financial reports with the Auditor of State within 90 days of the fiscal year end. These reports must be accurately completed and must be filed on forms prescribed by the Auditor of State.

Condition:

During each of the years ended December 31, 2000 and 1999 the Village failed to file an annual financial report with the Auditor of State. A brief two page summary of receipts and expenses was submitted to the Auditor of State for each of these years; however the format of these reports did not follow the format prescribed by Section 117.38 of the Ohio Revised Code.

Cause:

The Village was unable to obtain the forms to prepare the annual financial reports required by the Auditor of State and they were unable to properly generate these reports off their new computer system.

Questioned Costs:

None

Material Noncompliance No. 00-2

Criteria:

Section 117-5-11 of the Ohio Administrative Code requires that each village shall maintain an appropriations ledger which shall contain a separate sheet for each account established, and that each village shall post to each appropriation account an amount equal to the amount appropriated for that account in the annual appropriation resolution. Each expenditure or encumbrance charged against an appropriation account shall then be posted and subtracted from the appropriated balance.

Condition:

During fiscal 2000 and 1999, the Village maintained an appropriations ledger, however appropriated amounts were not entered in this ledger.

Cause:

The Village has not entered appropriated amounts in the appropriations ledger, in accordance with Section 117-5-11 of the Ohio Administrative Code.

**VILLAGE OF PORT WASHINGTON
SCHEDULE OF FINDINGS (continued)
Years Ended December 31, 2000 and 1999**

Questioned Costs:

None

Material Noncompliance No. 00-3

Criteria:

Ohio Revised Code Section 5705.41(B) indicates that no subdivision or taxing unit shall make any expenditure of money unless it has been properly appropriated.

Condition:

During the years ended December 31, 2000 and 1999, the total expenditures for the Capital Projects Fund exceeded the amounts that had been appropriated for that fund, and during the year ended December 31, 1999, the total expenditures for the Expendable Trust Fund exceeded the amount that had been appropriated for that fund.

Cause:

During 2000 and 1999, actual vs. budgeted expenditures for certain funds were not effectively monitored.

Questioned Costs:

None

Material Noncompliance No. 00-4

Criteria:

Section 5705.41 (D), Ohio Revised Code states that “no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation or, in the case of a continuing contract to be performed in whole or in part in an ensuing fiscal year in which the contract is made, has been lawfully appropriated for such purpose and is in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances. This certification need be signed only by the subdivision’s fiscal officer. Every such contract made without such a certificate shall be void...”

Condition:

During fiscal 2000 and 1999, the Clerk did not consistently certify all expenditures.

**VILLAGE OF PORT WASHINGTON
SCHEDULE OF FINDINGS (continued)
Years Ended December 31, 2000 and 1999**

Cause:

The Village has never required the certification of all expenditures in accordance with Section 5705.41 (D) of the Ohio Revised Code. Typically, only purchases from new vendors and/or purchases of significant dollar amounts are certified.

Questioned Costs:

None

**VILLAGE OF PORT WASHINGTON
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Years Ended December 31, 2000 and 1999**

1998 and 1997; Finding No. 98-1:

Condition:

During 1998 and 1997, the Clerk did not consistently certify all expenditures.

Current Status:

This item is included as a finding in the audit report for the years ended December 31, 2000 and 1999. (Refer to Material Noncompliance No. 00-4 on page 15).

1998 and 1997; Finding No. 98-2:

Condition:

During 1998 and 1997, the Village maintained an appropriations ledger, however appropriated amounts were not entered into this ledger.

Current Status:

This item is included as a finding in the audit report for the years ended December 31, 2000 and 1999. (Refer to Material Noncompliance No. 00-2 on page 14).

1998 and 1997; Finding No. 98-3:

During each of the years ended December 31, 1999 and 1998, the total expenditures for one fund exceeded the amounts that had been appropriated for that fund.

Current Status:

This item is included as a finding in the audit report for the years ended December 31, 2000 and 1999. (Refer to Material Noncompliance No. 00-3 on page 15).



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF PORT WASHINGTON

TUSCARAWAS 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
AUGUST 28, 2001**