



**Auditor of State
Betty Montgomery**

VILLAGE OF HAYESVILLE
ASHLAND COUNTY

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Village of Hayesville
Ashland County
5 South Mechanic Street
PO Box 246
Hayesville, Ohio 44838

To the Village Council:

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

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village as of December 31, 2002 and 2001, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2003 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Village of Hayesville
Ashland County
Independent Accountants' Report
Page 2

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.

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

Betty Montgomery
Auditor of State

July 23, 2003

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property Tax and Other Local Taxes	\$12,723		\$12,723
Intergovernmental Receipts	44,637	\$21,221	65,858
Charges for Services	7,755		7,755
Fines, Licenses, and Permits	1,136		1,136
Earnings on Investments	2,203	268	2,471
Miscellaneous	1,683		1,683
Total Cash Receipts	<u>70,137</u>	<u>21,489</u>	<u>91,626</u>
Cash Disbursements:			
Current:			
Security of Persons and Property	8,370		8,370
Community Environment	100		100
Transportation	2,972	8,805	11,777
General Government	44,977		44,977
Debt Service:			
Principal Payments	9,641		9,641
Interest Payments	3,779		3,779
Total Cash Disbursements	<u>69,839</u>	<u>8,805</u>	<u>78,644</u>
Total Cash Receipts Over Cash Disbursements	298	12,684	12,982
Fund Cash Balances, January 1	<u>39,350</u>	<u>22,512</u>	<u>61,862</u>
Fund Cash Balances, December 31	<u><u>\$39,648</u></u>	<u><u>\$35,196</u></u>	<u><u>\$74,844</u></u>

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

**VILLAGE OF HAYESVILLE
ASHLAND 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, 2002**

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Nonexpendable Trust</u>	<u>Agency</u>	
Operating Cash Receipts:				
Charges for Services	\$57,445			\$57,445
Earnings on Investments		\$149		149
Fines and costs			\$1,856	1,856
Miscellaneous	41			41
	<u>57,486</u>	<u>149</u>	<u>1,856</u>	<u>59,491</u>
Total Operating Cash Receipts				
	<u>57,486</u>	<u>149</u>	<u>1,856</u>	<u>59,491</u>
Operating Cash Disbursements:				
Personal Services	15,254			15,254
Fringe Benefits	1,364			1,364
Contractual Services	8,445	128		8,573
Supplies and Materials	19,009			19,009
Debt Service:				
Principal Payments	2,076			2,076
Interest Payments	783			783
	<u>46,931</u>	<u>128</u>		<u>47,059</u>
Total Operating Cash Disbursements				
	<u>46,931</u>	<u>128</u>		<u>47,059</u>
Operating Income	10,555	21	1,856	12,432
Non-Operating Cash Disbursements:				
Other Non-Operating Cash Disbursements			(1,856)	(1,856)
Net Receipts Over Disbursements	10,555	21		10,576
Fund Cash Balances, January 1	<u>20,460</u>	<u>2,553</u>		<u>23,013</u>
Fund Cash Balances, December 31	<u>\$31,015</u>	<u>\$2,574</u>	<u>\$0</u>	<u>\$33,589</u>

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

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$12,520			\$12,520
Intergovernmental Receipts	47,039	\$20,740	\$10,000	77,779
Charges for Services	7,905			7,905
Fines, Licenses, and Permits	1,185			1,185
Earnings on Investments	2,702	353		3,055
Miscellaneous	2,134	900		3,034
	<u>73,485</u>	<u>21,993</u>	<u>10,000</u>	<u>105,478</u>
Total Cash Receipts				
Cash Disbursements:				
Current:				
Security of Persons and Property	9,570			9,570
Community Environment	100			100
Basic Utility Services			10,000	10,000
Transportation	5,418	25,762		31,180
General Government	74,036			74,036
Debt Service:				
Principal Payments	7,477			7,477
Interest Payments	2,296			2,296
	<u>98,897</u>	<u>25,762</u>	<u>10,000</u>	<u>134,659</u>
Total Cash Disbursements				
Total Cash Receipts (Under) Cash Disbursements	(25,412)	(3,769)		(29,181)
Fund Cash Balances, January 1	64,762	26,281		91,043
Fund Cash Balances, December 31	<u>\$39,350</u>	<u>\$22,512</u>	<u>\$0</u>	<u>\$61,862</u>

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

**VILLAGE OF HAYESVILLE
ASHLAND 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, 2001**

	Proprietary Fund Types	Fiduciary Fund Types		Totals (Memorandum Only)
	Enterprise	Nonexpendable Trust	Agency	
Operating Cash Receipts:				
Charges for Services	\$51,337			\$51,337
Earnings on Investments		\$181		181
Fines and Costs			\$1,835	1,835
Miscellaneous	514			514
Total Operating Cash Receipts	51,851	181	1,835	53,867
Operating Cash Disbursements:				
Personal Services	14,705			14,705
Fringe Benefits	1,820			1,820
Contractual Services	8,212	128		8,340
Supplies and Materials	25,625			25,625
Debt Service:				
Principal Payments	7,915			7,915
Interest Payments	3,714			3,714
Total Operating Cash Disbursements	61,991	128		62,119
Operating Income/(Loss)	(10,140)	53	1,835	(8,252)
Non-Operating Cash Disbursements:				
Other Non-Operating Cash Disbursements			1,835	1,835
Net Receipts Over/(Under) Disbursements	(10,140)	53		(10,087)
Fund Cash Balances, January 1	30,600	2,500		33,100
Fund Cash Balances, December 31	\$20,460	\$2,553	\$0	\$23,013

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

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Hayesville, Ashland County, Ohio, (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 water utilities, park operations, and police services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

C. Cash and Investments

Investments are included in the fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

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 Funds

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 Fund:

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 HAYESVILLE
ASHLAND COUNTY

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

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

D. Fund Accounting (Continued)

3. 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:

CDBG Grant Fund - This fund receives Federal grant funds for wastewater plant facilities research.

4. 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 Enterprise Fund:

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

5. 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:

Kendig Park Nonexpendable Trust Fund - This fund earns interest revenue which is used for park maintenance.

Mayor's Court Agency Fund - This fund accounts for the receipts and disbursements of fines and fees collected by the Village's Mayor's Court.

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 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. Appropriations lapse at year end.

VILLAGE OF HAYESVILLE
ASHLAND COUNTY

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

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 was as follows:

	<u>2002</u>	<u>2001</u>
Demand deposits	\$99,769	\$72,242
Certificates of deposit	8,664	12,633
Total deposits	<u>\$108,433</u>	<u>\$84,875</u>

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

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2002 and 2001 were as follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$69,741	\$70,137	\$396
Special Revenue	15,825	21,489	5,664
Enterprise	65,685	57,486	(8,199)
Nonexpendable Trust	150	149	(1)
Total	\$151,401	\$149,261	(\$2,140)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$111,933	\$69,839	\$42,094
Special Revenue	40,696	8,805	31,891
Enterprise	84,319	46,931	37,388
Nonexpendable Trust	2,650	128	2,522
Total	\$239,598	\$125,703	\$113,895

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$77,146	\$73,485	(\$3,661)
Special Revenue	24,352	21,993	(2,359)
Capital Projects	0	10,000	10,000
Enterprise	64,026	51,851	(12,175)
Nonexpendable Trust	150	181	31
Total	\$165,674	\$157,510	(\$8,164)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$141,908	\$98,897	\$43,011
Special Revenue	50,634	25,762	24,872
Capital Projects	0	10,000	(10,000)
Enterprise	94,626	61,991	32,635
Nonexpendable Trust	2,650	128	2,522
Total	\$289,818	\$196,778	\$93,040

- Contrary to Ohio Revised Code section 5705.41(D), the Village did not certify the availability of funds for certain expenditures during 2002 and 2001.

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

4. PROPERTY TAX

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

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

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

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

5. DEBT

Debt outstanding at December 31, 2002 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Waterworks System First Mortgage Bonds Issue R-2 (issued 1975)	\$35,000	4.50%
Waterworks System First Mortgage Revenue Bonds Issue R-1 (issued 1975)	15,100	5.00%
Ohio Public Works Commission Loan (issued 1992)	24,544	3.00%
Bank One Commercial Loan (issued 1996)	14,656	6.25%
Total	<u>\$89,300</u>	

The Village obtained two mortgage revenue bonds in 1975 with original balances of \$132,000 and \$26,000, respectively, from the U.S. Department of Agriculture for an expansion of the municipal waterworks. The bonds will be paid in annual installments over 33 and 40 years, respectively. The Ohio Public Works Commission loan was obtained in 1992 in the original amount of \$56,000 and was used for the emergency replacement of the Village's water well. The loan will be paid in semi-annual installments over a period of 20 years. The Bank One commercial loan was obtained in 1996 in the original amount of \$36,000 to aid the Village in the purchase of property. The loan will be paid in monthly installments over a period of 10 years.

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

5. DEBT (Continued)

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

	Waterworks System First Mortgage Bonds R-2	Waterworks System First Mortgage Bonds	OPWC Loan	Bank One Commercial Loan
Year ending December 31:				
2003	\$6,575	\$1,655	\$2,859	\$4,920
2004	7,350	1,610	2,859	4,920
2005	7,080	1,565	2,859	4,920
2006	6,810	1,620	2,859	2,460
2007	6,540	1,570	2,859	
Subsequent	6,270	12,895	14,295	
Total	<u>\$40,625</u>	<u>\$20,915</u>	<u>\$28,590</u>	<u>\$17,220</u>

6. RETIREMENT SYSTEM

The Village's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2002 and 2001, OPERS members contributed 8.5% of their wages. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 2002.

7. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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



**Auditor of State
Betty Montgomery**

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

Village of Hayesville
Ashland County
5 South Mechanic Street
P.O. Box 246
Hayesville, Ohio 44838

To the Village Council:

We have audited the accompanying financial statements of the Village of Hayesville, Ashland County, Ohio, (the Village) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated July 23, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2002-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated July 23, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated July 23, 2003.

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

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

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

Betty Montgomery
Auditor of State

July 23, 2003

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2002-001

Noncompliance Citation

Ohio Rev. Code Section 5705.41(D) requires that no subdivision or taxing unit make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section also provides for two "exceptions" to the above requirements:

- a. Then and Now Certificates - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the taxing authority may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate
- b. If the amount involved is less than \$1,000 (which was increased to \$3,000 as of April 7, 2003), the fiscal officer (Clerk/Treasurer) may authorize payment through a Then and Now Certificate without affirmation of the taxing authority (Village Council), if such expenditure is otherwise valid.

During the audit period, 55 out of 87 expenditures tested (63%) were not certified by the Clerk/Treasurer prior to incurring the obligation. It was also found that neither of the two exceptions above were utilized for the items found to be in non-compliance.

The Village should certify the availability of funds prior to incurring the obligation for expenditures. The Village should also implement the use of Then and Now certificates and Blanket Certificates as further permitted by Ohio Rev. Code Section 5705.41.

**VILLAGE OF HAYESVILLE
ASHLAND COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-30503-001	Revised Code 5705.41(D), failure to properly certify funds.	No	Not corrected: Repeated at finding number 2002-001



**Auditor of State
Betty Montgomery**

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VILLAGE OF HAYESVILLE

ASHLAND 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 19, 2003**