



**Auditor of State
Betty Montgomery**

VILLAGE OF BRADY LAKE
PORTAGE COUNTY

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**Auditor of State
Betty Montgomery**

REPORT OF INDEPENDENT ACCOUNTANTS

Village of Brady Lake
Portage County
2123 Merrill Road
Ravenna, Ohio 44266

To the Village Council:

We have audited the accompanying financial statements of the Village of Brady Lake, Portage County (the Village) as of and for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village as of December 31, 2003 and 2002 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 April 30, 2004 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 Brady Lake
Portage County
Report of Independent Accountants
Page 2

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

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

Betty Montgomery
Auditor of State

April 30, 2004

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>			<u>Fiduciary Fund Type</u>	Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
Cash Receipts:					
Property Tax and Other Local Taxes	\$33,803				\$33,803
Special Assessments		\$16,345			16,345
Intergovernmental Receipts	117,974	24,257			142,231
Municipal Income Tax	14,487		\$1,112		15,599
Fees, Licenses, and Permits	14,114				14,114
Earnings on Investments	194	12			206
Fines and Forfeits	16,608				16,608
Contributions	720				720
Miscellaneous	78				78
	<u>197,978</u>	<u>40,614</u>	<u>1,112</u>		<u>239,704</u>
Cash Disbursements:					
Current:					
Security of Persons and Property	103,800				103,800
Leisure Time Activities	450				450
Community Environment	2,712	25,259			27,971
Transportation		4,233			4,233
General Government	71,004			\$475	71,479
Materials and Supplies	16,549	38,850			55,399
Contractual Services	10,255	9,031			19,286
	<u>204,770</u>	<u>77,373</u>		<u>475</u>	<u>282,618</u>
Total Receipts Over/(Under) Disbursements	<u>(6,792)</u>	<u>(36,759)</u>	<u>1,112</u>	<u>(475)</u>	<u>(42,914)</u>
Fund Cash Balances, January 1	<u>7,205</u>	<u>47,106</u>	<u>988</u>	<u>475</u>	<u>55,774</u>
Fund Cash Balances, December 31	<u>\$413</u>	<u>\$10,347</u>	<u>\$2,100</u>	<u>\$0</u>	<u>\$12,860</u>

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

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

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

	<u>Governmental Fund Types</u>			<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
Cash Receipts:					
Property Tax and Other Local Taxes	\$40,062				\$40,062
Special Assessments		\$15,912			15,912
Intergovernmental Receipts	125,132	46,978			172,110
Municipal Income Tax	13,258		\$809		14,067
Fees, Licenses, and Permits	17,389				17,389
Earnings on Investments	743	217			960
Fines and Forfeits	16,703				16,703
Contributions	1,277				1,277
Miscellaneous	49	375			424
	<u>214,613</u>	<u>63,482</u>	<u>809</u>		<u>278,904</u>
Total Cash Receipts					
Cash Disbursements:					
Current:					
Security of Persons and Property	121,551				121,551
Leisure Time Activities	212				212
Community Environment	2,519	25,551			28,070
Transportation	90	3,696			3,786
General Government	78,219				78,219
Material and Supplies	20,674	10,995			31,669
Contractual Services	18,778	5,167			23,945
	<u>242,043</u>	<u>45,409</u>			<u>287,452</u>
Total Cash Disbursements					
Total Receipts Over/(Under) Disbursements	<u>(27,430)</u>	<u>18,073</u>	<u>809</u>		<u>(8,548)</u>
Other Financing Receipts and (Disbursements):					
Transfers-In		3,000			3,000
Transfers-Out	<u>(3,000)</u>				<u>(3,000)</u>
Total Other Financing Receipts/(Disbursements)	<u>(3,000)</u>	<u>3,000</u>			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(30,430)	21,073	809		(8,548)
Fund Cash Balances, January 1	<u>37,635</u>	<u>26,033</u>	<u>179</u>	<u>\$475</u>	<u>64,322</u>
Fund Cash Balances, December 31	<u>\$7,205</u>	<u>\$47,106</u>	<u>\$988</u>	<u>\$475</u>	<u>\$55,774</u>
Reserves for Encumbrances, December 31	<u>\$1,110</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,110</u>

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

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Brady Lake, Portage 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 police and fire protection services, park operations, and roads and street maintenance and repair. The Village contracts with Ravenna Township to provide dispatching and emergency medical services. The Village appropriates general fund money to support a volunteer fire department.

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

The Village pooled all money into money market demand accounts and regular checking accounts.

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 BRADY LAKE
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recreation Levy Fund – This fund receives donations and property taxes to fund the Village's parks.

3. 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:

Fire Tanker Fund – This fund receives income tax money for the payments of a fire tanker lease.

Recreation Levy – This fund receives property tax money for the maintenance of the Village's parks.

4. 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. The Village had the following significant fiduciary fund:

Campaign Signs Expendable Trust Fund – This fund is used to record the receipts and refunds of campaign signs.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

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

2. Estimated Resources

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

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Encumbrances

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

A summary of 2003 and 2002 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. Accumulated Leave

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>2003</u>	<u>2002</u>
Demand deposits	\$12,860	\$55,774

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$277,012	\$197,978	(\$79,034)
Special Revenue	74,276	40,614	(33,662)
Capital Projects	0	1,112	1,112
Total	\$351,288	\$239,704	(\$111,584)

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$283,914	\$204,770	\$79,144
Special Revenue	122,369	77,373	44,996
Expendable Trust	475	475	0
Total	\$406,758	\$282,618	\$124,140

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$294,577	\$214,613	(\$79,964)
Special Revenue	76,104	66,482	(9,622)
Capital Projects	0	809	809
Total	\$370,681	\$281,904	(\$88,777)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$295,567	\$246,153	\$49,414
Special Revenue	36,268	45,409	(9,141)
Capital Projects	0	0	0
Total	\$331,835	\$291,562	\$40,273

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Fire Grant Fund by \$10,995 for the year ended December 31, 2002. Also contrary to Ohio law, the Village was not properly encumbering for all of their expenditures in 2002 or 2003.

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(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. LOCAL INCOME TAX

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

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

6. DEBT

Debt outstanding at December 31, 2003 was as follows:

	<u>Principal</u>	<u>Early Termination Purchase Option</u>
1996 Fire Truck Lease	\$43,969	\$43,969
1999 Building Lease	158,083	174,288
2001 Real Estate Acquisition	228,418	228,418
Total	<u>\$430,470</u>	<u>\$446,675</u>

The leases are collateralized by the items leased. The General Obligation Bonds are collateralized by the Village's taxing authority. The Village purchased ball fields and a parking lot with the proceeds of the General Obligation Bonds.

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)**

6. DEBT – (Continued)

The following is a schedule of the future long-term minimum lease payments required under the leases as of December 31, 2003; and General Obligation Bond payments:

Year ending December 31:	Fire Truck	Building Lease	General Obligation Bonds
2004	\$16,267	\$20,967	\$25,551
2005	16,266	20,967	25,551
2006	16,266	20,966	25,551
2007		20,967	25,551
2008		20,967	25,551
2009 - 2013		104,833	127,755
2013 - 2016		31,450	102,204
Total	<u>\$48,799</u>	<u>\$241,117</u>	<u>\$357,714</u>

7. RETIREMENT SYSTEMS

The Village’s employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. PERS members contributed 8.5% of their wages. The Village contributed an amount equal to 13.55% of participants’ gross salaries. The Village has paid all contributions required through December 31, 2003.

8. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

9. LEGAL COMPLIANCE

The Internal Revenue Code Sections 6041 and 6045(f) specifically require a 1099 for someone paid (other than a corporation) over \$600/year if they are not an employee and not receiving a W-2.

A Form 1099 was not issued for 2002 payments to the Village Solicitor. This will be referred to the Internal Revenue Service for further review.

VILLAGE OF BRADY LAKE
PORTAGE COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)

9. LEGAL COMPLIANCE – (Continued)

Ohio Administrative Code 117-2-02 (C) Accounting and reporting records, states that all local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

The legal level of control is the level (E.G., fund, program or function, department, or object) at which spending in excess of budgeted amounts would be a violation of law. This is established by the level at which the legislative body appropriates.

The budgeted receipts and appropriations were not entered accurately into the computer accounting system. The budgeted amounts entered into the system should agree to the Final Certificate of Estimated Resources certified by the County Budget Commission, and the appropriations passed by the Village Council.

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**Auditor of State
Betty Montgomery**

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

Village of Brady Lake
Portage County
2123 Merrill Road
Ravenna, Ohio 44266

To the Village Council:

We have audited the accompanying financial statements of the Village of Brady Lake (the Village) as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated April 30, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2003-001 to 2003-004. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated April 30, 2004.

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 one matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Village in a separate letter dated April 30, 2004.

Village of Brady Lake
Portage County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

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

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

Betty Montgomery
Auditor of State

April 30, 2004

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY
SCHEDULE OF FINDINGS
DECEMBER 31, 2003 AND 2002**

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

FINDING NUMBER 2003-001

Noncompliance Citation

Ohio Revised Code Section 5705.41(D) states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance. The amount so certified shall be recorded against the applicable appropriation account.

This section also provides two exceptions to the above requirement:

A. Then and Now Certificate: 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 Village 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, if such expenditure is otherwise valid.

B. If the amount involved is less than three thousand dollars (one thousand dollars prior to April 7, 2003) the fiscal officer issues a certificate, but may authorize it to be paid without the affirmation of the Council.

This does not eliminate any otherwise applicable requirement for approval of expenditures by the taxing authority.

In 31 out of the 74 vouchers tested, a purchase order was not issued to certify the availability of funds prior to a purchase commitment.

Failure to encumber obligations prior to the fiscal officer's certification could result in the Village spending more than appropriated.

We recommend the Village establish control policies and procedures that are sufficient to reasonably ensure purchases are certified and encumbered prior to the time of the purchase obligation. The Village could consider using Superblanket or Blanket Certificates for recurring expenses.

FINDING NUMBER 2003-002

Noncompliance Citation

Ohio Revised Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated.

The Village spent \$10,995 more than appropriations in the Fire Grant Fund in 2002. The grant money should have been appropriated before it was spent.

We recommend the Village more closely monitors budget v. actual figures, and obtains amended certificates and appropriations as needed.

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2003 AND 2002
(Continued)**

FINDING NUMBER 2003-003

Noncompliance Citation

The Internal Revenue Code Sections 6041 and 6045(f) specifically require a 1099 for someone paid (other than a corporation) over \$600/year if they are not an employee and not receiving a W-2.

A Form 1099 was not issued for 2002 payments to the Village Solicitor. We noted payments in the amount of \$14,128 for 2002 and a Form 1099 was issued to him for the 2003 payments on April 20, 2004.

The Clerk had spoken to the Solicitor about issuing him a Form 1099, and he indicated that he did not require one.

We recommend the Village review the above noted Revised Code sections, and issue Form 1099s as required. This matter is being referred to the Internal Revenue Service for further review.

FINDING NUMBER 2003-004

Noncompliance Citation

Ohio Administrative Code 117-2-02 (C) Accounting and reporting records, states that all local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

The legal level of control is the level (E.G., fund, program or function, department, or object) at which spending in excess of budgeted amounts would be a violation of law. This is established by the level at which the legislative body appropriates.

The budgeted receipts and appropriations were not entered accurately into the computer accounting system. The budgeted amounts entered into the system should agree to the Final Certificate of Estimated Resources certified by the County Budget Commission, and the appropriations passed by the Village Council.

If the appropriation amounts entered into the computer system do not agree to the actual appropriations, the Village could spend funds that were not properly appropriated.

We recommend all budgetary information certified by the County Budget Commission or approved by Village Council be timely and accurately input into the computer system.

**VILLAGE OF BRADY LAKE
PORTAGE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2003 and 2002**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2001-001	Ohio Administrative Code 117-2-02, Accounting and reporting records	No	Not corrected – repeated as finding 2003-004
2001-002	Ohio Revised Code 5705.10, Issue II money not recorded in the financial statements	Yes	Finding no longer valid – the Village did not receive any Issue II money in 2002 or 2003
2001-003	Ohio Revised Code 5705.36(A)(3) – amending the County Certificates for additional estimated revenue	Yes	Corrected – No instances noted during 2003 or 2002 in which additional expected revenue was received, and the money was appropriated
2001-004	Ohio Revised Code 5705.41(B) – expending money without appropriations	No	Not corrected – repeated as finding 2003-002
2001-005	Ohio Revised Code 5705.41(D)	No	Not corrected – repeated as finding 2003-001



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Betty Montgomery**

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VILLAGE OF BRADY LAKE

PORTAGE 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, 2004**