



**Auditor of State  
Betty Montgomery**



VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY

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**Auditor of State  
Betty Montgomery**

Village of West Leipsic  
Putnam County  
114 Main Street  
Leipsic, Ohio 45856-1050

To the Village Council:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005, interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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**Betty Montgomery**  
Auditor of State

July 12, 2006

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Village of West Leipsic  
Putnam County  
114 Main Street  
Leipsic, Ohio 45856-1050

To the Village Council:

We have audited the accompanying financial statements of the Village of West Leipsic, Putnam County, (the Village) as of and for the years ended December 31, 2005 and 2004. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Village has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2005 and 2004. Instead of the combined funds the accompanying financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2005 and 2004. While the Village does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Village has elected not to reformat its statements. Since this Village does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2005 and 2004, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2005, or its changes in financial position for the years then ended.

Also, 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 of West Leipsic, Putnam County, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. The Village has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 12, 2006, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



**Betty Montgomery**  
Auditor of State

July 12, 2006



**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Governmental Fund Types</u>				<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>					
Property Tax and Other Local Taxes	\$2,993	\$5,936			\$8,929
Intergovernmental Receipts	38,663	9,853		\$25,000	73,516
Earnings on Investments	9,651	634			10,285
Miscellaneous	1,679				1,679
<b>Total Cash Receipts</b>	<u>52,986</u>	<u>16,423</u>		<u>25,000</u>	<u>94,409</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	8,842	7,143			15,985
Public Health Services	2,722				2,722
Transportation	8,436	11,450			19,886
General Government	58,414	163			58,577
Debt Service:					
Principal Payments			\$756		756
Capital Outlay				43,555	43,555
<b>Total Cash Disbursements</b>	<u>78,414</u>	<u>18,756</u>	<u>756</u>	<u>43,555</u>	<u>141,481</u>
<b>Total Cash Disbursements over Cash Receipts</b>	<u>(25,428)</u>	<u>(2,333)</u>	<u>(756)</u>	<u>(18,555)</u>	<u>(47,072)</u>
<b>Other Financing Receipts and (Disbursements):</b>					
Transfers-In				11,500	11,500
Transfers-Out	(11,500)				(11,500)
<b>Total Other Financing Receipts and (Disbursements)</b>	<u>(11,500)</u>			<u>11,500</u>	
<b>Excess of Cash Disbursements and Other Financing Disbursements over Cash Receipts and Other Financing Receipts</b>	<u>(36,928)</u>	<u>(2,333)</u>	<u>(756)</u>	<u>(7,055)</u>	<u>(47,072)</u>
<b>Fund Cash Balances, January 1</b>	<u>272,526</u>	<u>48,074</u>	<u>7,563</u>	<u>33,007</u>	<u>361,170</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$235,598</u></u>	<u><u>\$45,741</u></u>	<u><u>\$6,807</u></u>	<u><u>\$25,952</u></u>	<u><u>\$314,098</u></u>
<b>Reserves for Encumbrances, December 31</b>	<u><u>\$9,591</u></u>	<u><u>\$1,025</u></u>		<u><u>\$123</u></u>	<u><u>\$10,739</u></u>

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

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$58,167
<b>Operating Cash Disbursements:</b>	
Contractual Services	45,762
Operating Income	12,405
<b>Non-Operating Cash Disbursements:</b>	
Debt Service	11,784
Net Cash Receipts Over Cash Disbursements	621
Fund Cash Balances, January 1	67,742
<b>Fund Cash Balances, December 31</b>	<b>\$68,363</b>
Reserve for Encumbrances, December 31	\$3,824

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

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Governmental Fund Types</u>				<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>					
Property Tax and Other Local Taxes	\$2,867	\$5,690		\$320,568	\$329,125
Intergovernmental Receipts	38,652	9,283			47,935
Earnings on Investments	10,968	956			11,924
Miscellaneous	1,835				1,835
Total Cash Receipts	<u>54,322</u>	<u>15,929</u>		<u>320,568</u>	<u>390,819</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	8,206	7,581			15,787
Leisure Time Activities	1,583				1,583
Basic Utility Services	3,585				3,585
Transportation	3,907	560			4,467
General Government	40,384				40,384
Debt Service:					
Principal Payments			\$756	270,000	270,756
Interest Payments				96	96
Capital Outlay				333,735	333,735
Total Cash Disbursements	<u>57,665</u>	<u>8,141</u>	<u>756</u>	<u>603,831</u>	<u>670,393</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(3,343)</u>	<u>7,788</u>	<u>(756)</u>	<u>(283,263)</u>	<u>(279,574)</u>
<b>Other Financing Receipts:</b>					
Sale of Bonds or Notes				270,000	270,000
Other Financing Receipts				234	234
Total Other Financing Receipts				<u>270,234</u>	<u>270,234</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	(3,343)	7,788	(756)	(13,029)	(9,340)
Fund Cash Balances, January 1	<u>275,869</u>	<u>40,286</u>	<u>8,319</u>	<u>46,036</u>	<u>370,510</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$272,526</b></u>	<u><b>\$48,074</b></u>	<u><b>\$7,563</b></u>	<u><b>\$33,007</b></u>	<u><b>\$361,170</b></u>
Reserves for Encumbrances, December 31	<u>\$6,392</u>	<u>\$12,320</u>			<u>\$18,712</u>

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

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$24,494
<b>Operating Cash Disbursements:</b>	
Contractual Services	9,884
Operating Income	14,610
<b>Non-Operating Cash Receipts:</b>	
Intergovernmental Receipts	26,790
Net Cash Receipts Over Cash Disbursements	41,400
Fund Cash Balances, January 1	26,342
<b>Fund Cash Balances, December 31</b>	<b>\$67,742</b>
Reserve for Encumbrances, December 31	\$4,588

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

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of West Leipsic, Putnam County, (the Village) as a body corporate and politic. A publicly-elected six-member Council governs the Village. The Village provides general government services, including road maintenance and repair and wastewater services. The Village contracts with the Putnam County Sheriff's department to provide security of persons and property. The Village contracts with the Village of Leipsic for fire protection and EMS services. The Village of Leipsic also provides water service to Village residents.

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 accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 adequately disclose material matters the Auditor of State prescribes.

**C. Cash and Investments**

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Village values certificates of deposit 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 reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds 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:

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

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

Street Construction, Maintenance, and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village streets.

Fire Fund - This fund receives property taxes to pay for providing fire protection services.

Street Lighting Fund - This fund receives property taxes to pay for the street lighting within the Village.

**3. Debt Service Fund**

This fund accounts for resources the Village accumulates to pay bond and note debt.

**4. Capital Project Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project fund:

Sanitary Sewer Construction Fund - This fund receives United States Department of Agriculture grant proceeds, a Community Development Block Grant and an Ohio Public Works Commission Grant for the construction of a waste water system for the Village.

**5. Enterprise Funds**

These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Fund:

Sewer Operating Fund - This fund receives charges from residents to cover the cost of providing and maintaining this utility.

**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. 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 WEST LEIPSIC  
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

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

**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 2005 and 2004 budgetary activity appears in Note 3.

**F. Property, Plant, and Equipment**

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**2. EQUITY IN POOLED CASH**

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

2005	2004
\$7,387	\$65,698
375,074	363,214
\$382,461	\$428,912

Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2005 and 2004 follows:

2005 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$52,457	\$52,986	\$529
Special Revenue	13,022	16,423	3,401
Capital Projects	11,500	36,500	25,000
Enterprise	61,784	58,167	(3,617)
Total	\$138,763	\$164,076	\$25,313

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**3. BUDGETARY ACTIVITY – (Continued)**

2005 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$270,660	\$99,505	\$171,155
Special Revenue	65,767	19,781	45,986
Debt Service	7,562	756	6,806
Capital Projects	44,507	43,678	829
Enterprise	79,358	61,370	17,988
Total	<u>\$467,854</u>	<u>\$225,090</u>	<u>\$242,764</u>

2004 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$52,457	\$54,322	\$1,865
Special Revenue	15,131	15,929	798
Capital Projects	305,009	590,802	285,793
Enterprise	41,790	51,284	9,494
Total	<u>\$414,387</u>	<u>\$712,337</u>	<u>\$297,950</u>

2004 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$266,821	\$64,057	\$202,764
Special Revenue	47,819	20,461	27,358
Debt Service	8,319	756	7,563
Capital Projects	337,240	603,831	(266,591)
Enterprise	53,131	14,472	38,659
Total	<u>\$713,330</u>	<u>\$703,577</u>	<u>\$9,753</u>

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority for the year ended December 2005 in the Sidewalk CDBG fund and the Sewer Operating Fund by \$24,982 and \$8,802, respectively and for the year ended December 31, 2004, in the Sewer Construction Fund by \$276,922.

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Village Council adopts tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The State pays the Village amounts equaling these deductions. The Village includes these with Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half payment is due December 31. The second half payment is due the following June 20.



**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**4. PROPERTY TAX – (Continued)**

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

Property owners assess tangible personal property tax. They must file a list of tangible 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 the Village's behalf.

**5. DEBT**

Debt outstanding at December 31, 2005, was as follows:

	Principal	Interest Rate
Ohio Public Works Commission Loan	\$ 6,428	
Mortgage Revenue Bonds	270,000	4.5%
Total	\$ 276,428	

Ohio Public Works Commission Loan was issued in 1994 for \$25,000 for waterline improvements.

The waste water treatment improvements were financed with \$270,000 of Sewerage System Mortgage Revenue Bonds. The Village will repay the bond issue with annual payments, including interest, over 40 years.

The mortgage revenue bond covenant requires the Village to establish and fund a debt service reserve fund, included as an enterprise fund. The balance in the fund at December 31, 2005, is \$26,790.

Amortization of the above debt, including interest, follows:

Year ending December 31:	OPWC Loan	Mortgage Revenue Bonds
2006	\$378	\$14,850
2007	757	14,828
2008	756	14,803
2009	757	14,804
2010	756	14,837
2011-2015	3,024	74,134
2016-2020		73,964
2021-2025		74,041
2026-2030		74,091
2031-2035		74,037
2036-2040		74,169
2041-2044		59,327
Total	\$6,428	\$577,885

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**6. RETIREMENT SYSTEMS**

The Village's officials belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes the plans' retirement benefits, including postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2005 and 2004, OPERS members contributed 8.5 percent of their wages. The Village contributed an amount equal to 13.55 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2005.

**7. RISK MANAGEMENT**

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles liability;
- Public Officials liability.



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Village of West Leipsic  
Putnam County  
114 Main Street  
Leipsic, Ohio 45856-1050

To the Village Council:

We have audited the financial statements of the Village of West Leipsic, Putnam County, (the Village) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated July 12, 2006, wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Village's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Village's management dated July 12, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

**Compliance and Other Matters**

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 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 2005-001. In a separate letter to the Village's management dated July 12, 2006, we reported other matters related to noncompliance we deemed immaterial.

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Village of West Leipsic  
Putnam County  
Independent Accountants' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by *Government Auditing Standards*  
Page 2

We intend this report solely for the information and use of the management, and the Village Council. It is not intended for 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 12, 2006

**VILLAGE OF WEST LEIPSIC  
PUTNAM COUNTY**

**SCHEDULE OF FINDING  
DECEMBER 31, 2005 AND 2004**

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

**FINDING NUMBER 2005-001**

**Noncompliance Citation**

Ohio Revised Code § 5705.41 (B) prohibits a subdivision from making any expenditure of money unless it has been lawfully appropriated as provided in such chapter.

Expenditures exceeded appropriations in the following funds at year end:

<b>Fund</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
<b>December 31, 2005:</b>			
Capital Projects - Sidewalks	\$11,500	\$36,482	(\$24,982)
Sewer Operating	52,568	61,370	(8,802)
<b>December 31, 2004:</b>			
Capital Projects - Sewer	306,527	583,449	(276,922)

The Clerk/Treasurer should not certify the availability of funds and should deny payment requests exceeding appropriations. The Clerk/Treasurer may request Council to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary.





**Auditor of State  
Betty Montgomery**

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**VILLAGE OF WEST LEIPSIC**

**PUTNAM 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 15, 2006**