



**VILLAGE OF BRICE
FRANKLIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

VILLAGE OF BRICE
FRANKLIN COUNTY

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**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Village of Brice
Franklin County
5990 Columbus Street
P.O. Box 65
Brice, Ohio 43109

To the Village Council:

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

We conducted our audit in accordance with generally accepted auditing standards 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, 2000 and December 31, 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2001 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of 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.

JIM PETRO
Auditor of State

April 20, 2001

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**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$46,853	\$568	\$47,421
Intergovernmental Receipts	15,393	10,432	25,825
Fines, Licenses, and Permits	22,753	3,220	25,973
Interest	2,356	0	2,356
Miscellaneous	642	0	642
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	87,997	14,220	102,217
Cash Disbursements:			
Current:			
Security of Persons and Property	42,950	0	42,950
Basic Utility Services	7,217	0	7,217
Transportation	0	1,042	1,042
General Government	41,284	0	41,284
Capital Outlay	322	0	322
	<hr/>	<hr/>	<hr/>
Total Disbursements	91,773	1,042	92,815
Total Receipts Over/(Under) Disbursements	<hr/> <u>(3,776)</u>	<hr/> <u>13,178</u>	<hr/> <u>9,402</u>
Other Financing Receipts/(Disbursements):			
Transfers-Out	(3,000)	0	(3,000)
Total Other Financing Receipts/(Disbursements)	<hr/> <u>(3,000)</u>	<hr/> <u>0</u>	<hr/> <u>(3,000)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<hr/> <u>(6,776)</u>	<hr/> <u>13,178</u>	<hr/> <u>6,402</u>
Fund Cash Balances January 1	<hr/> <u>37,829</u>	<hr/> <u>28,409</u>	<hr/> <u>66,238</u>
Fund Cash Balances, December 31	<hr/> <u>\$31,053</u>	<hr/> <u>\$41,587</u>	<hr/> <u>\$72,640</u>
Reserves for Encumbrances, December 31	<hr/> <u>\$289</u>	<hr/> <u>\$0</u>	<hr/> <u>\$0</u>

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

**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Non-Operating Cash Receipts:			
Fines and Forfeitures	\$0	\$32,794	\$32,794
Total Non-Operating Cash Receipts	0	32,794	32,794
Non-Operating Cash Disbursements:			
Distribution Of Fines And Forfeitures	0	33,178	33,178
Total Non-Operating Cash Disbursements	0	33,178	33,178
Non-Operating Receipts Over/(Under) Non-Operating Disbursements	0	(384)	(384)
Transfers-In	3,000	0	3,000
Net Receipts Over/(Under) Disbursements	3,000	(384)	2,616
Fund Cash Balances, January 1	5,804	3,035	8,839
Fund Cash Balances, December 31	<u>8,804</u>	<u>2,651</u>	<u>11,455</u>

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

**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$49,120	\$2,585	\$51,705
Intergovernmental Receipts	15,364	8,821	24,185
Fines, Licenses, and Permits	24,666	3,400	28,066
Interest	2,155	0	2,155
Miscellaneous	8,527	0	8,527
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	99,832	14,806	114,638
	<hr/>	<hr/>	<hr/>
Cash Disbursements:			
Current:			
Security of Persons and Property	51,241	0	51,241
Public Health Services	844	0	844
Basic Utility Services	5,771	0	5,771
Transportation	0	1,475	1,475
General Government	39,269	0	39,269
Capital Outlay	233	0	233
	<hr/>	<hr/>	<hr/>
Total Disbursements	97,358	1,475	98,833
	<hr/>	<hr/>	<hr/>
Total Receipts Over/(Under) Disbursements	2,474	13,331	15,805
	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	2,474	13,331	15,805
	<hr/>	<hr/>	<hr/>
Fund Cash Balances January 1	35,355	15,078	50,433
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$37,829	\$28,409	\$66,238
	<hr/>	<hr/>	<hr/>
Reserves for Encumbrances, December 31	\$799	\$0	\$0
	<hr/>	<hr/>	<hr/>

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

**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Non-Operating Cash Receipts:			
Fines and Forfeitures	\$0	\$34,204	\$34,204
Total Non-Operating Cash Receipts	0	34,204	34,204
Non-Operating Cash Disbursements:			
Distribution of Fines and Forfeitures	0	36,064	36,064
Total Non-Operating Cash Disbursements	0	36,064	36,064
Non-Operating Receipts Over/(Under) Non-Operating Disbursements	0	(1,860)	(1,860)
Fund Cash Balances, January 1	5,804	4,895	10,699
Fund Cash Balances, December 31	<u>5,804</u>	<u>3,035</u>	<u>8,839</u>

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

**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Brice, Franklin 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 general governmental services, 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

Demand deposits are maintained at a local institution. The Village held no investments during the audit period.

D. Fund Accounting

The Village uses fund accounting to segregate cash that is 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 BRICE
FRANKLIN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Enterprise Fund

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

Water and Sewer Fund - This fund maintains a fund balance in the event of sewage problems in which the village would be required to pay for damages. In 1999, no activity took place, however, in 2000 a transfer of monies from the general fund was received in this fund.

4. Fiduciary Fund (Agency Fund)

Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had the following significant fiduciary funds:

Mayor's Court - This fund receives money collected by the Mayor's Court as fines and forfeitures and distributes them to the appropriate agencies or individuals.

E. Budgetary Process

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

1. Appropriations

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

2. Estimated Resources

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

3. Encumbrances

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

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

**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

2. EQUITY IN POOLED CASH

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

	<u>2000</u>	<u>1999</u>
Demand deposits	\$ 84,095	\$ 75,077
Total deposits	<u>84,095</u>	<u>75,077</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

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

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 83,595	\$ 87,997	\$ 4,402
Special Revenue	17,080	14,220	(2,860)
Enterprise	<u>0</u>	<u>3,000</u>	<u>3,000</u>
Total	<u>\$ 100,675</u>	<u>\$ 105,217</u>	<u>\$ 4,542</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 114,697	\$ 95,062	\$ 19,635
Special Revenue	25,700	1,042	24,658
Enterprise	<u>5,803</u>	<u>0</u>	<u>5,803</u>
Total	<u>\$ 146,200</u>	<u>\$ 96,104</u>	<u>\$ 50,096</u>

**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 93,725	\$ 99,832	\$ 6,107
Special Revenue	17,336	14,806	(2,530)
Total	\$ 111,061	\$ 114,638	\$ 3,577

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 111,685	\$ 98,157	\$ 13,528
Special Revenue	25,700	1,475	24,225
Enterprise	5,803	0	5,803
Total	\$ 143,188	\$ 99,632	\$ 43,556

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 payment, 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. RETIREMENT SYSTEMS

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

**VILLAGE OF BRICE
FRANKLIN COUNTY**

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

5. RETIREMENT SYSTEMS (Continued)

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PERS contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% for 1999 and 10.84% for 2000 of participants' gross salaries. The Village has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The Village is a member of the Ohio Municipal League Joint Self Insurance Pool (the Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

- General liability and casualty
- Public official's liability
- Vehicle

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OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

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

Village of Brice
Franklin County
5990 Columbus Street
P.O. Box 65
Brice, Ohio 43109

To the Village Council:

We have audited the accompanying financial statements of the Village of Brice, Franklin County, Ohio (the Village), as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated April 20, 2001. We conducted our audit in accordance with generally accepted auditing standards 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, and contracts, 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated April 20, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted 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 20, 2001.

Village of Brice
Franklin County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

This report is intended 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.

JIM PETRO
Auditor of State

April 20, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

VILLAGE OF BRICE

FRANKLIN 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
MAY 29, 2001**