



**Auditor of State
Betty Montgomery**

VILLAGE OF PHILLIPSBURG
MONTGOMERY COUNTY

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Village of Phillipsburg
Montgomery County
P.O. Box 172
Phillipsburg, Ohio 45354

To the Mayor and Village Council:

We have audited the accompanying financial statements of the Village of Phillipsburg, Montgomery 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 August 25, 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 Phillipsburg
Montgomery County
Independent Accountants' Report
Page 2

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

August 25, 2004

**VILLAGE OF PHILLIPSBURG
MONTGOMERY COUNTY**

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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$13,287	\$152,899		\$166,186
Municipal Income Taxes	89,345			89,345
Special Assessments		14,970		14,970
Intergovernmental Receipts	25,152	53,430		78,582
Charges for Services	110	60,647		60,757
Fines, Licenses, and Permits	16,570	3,160		19,730
Earnings on Investments	3,583	17		3,600
Miscellaneous	5,236	5,438		10,674
	<u>153,283</u>	<u>290,561</u>		<u>443,844</u>
Cash Disbursements:				
Current:				
Security of Persons and Property		176,488		176,488
Leisure Time Activities		15,554		15,554
Community Environment	2,780			2,780
Basic Utility Services	20,000			20,000
Transportation	25,728	8,929		34,657
General Government	68,339	2,112		70,451
Debt Service:				
Principal Payments			\$34,100	34,100
Interest Payments			8,829	8,829
Capital Outlay	8,864	23,351		32,215
	<u>125,711</u>	<u>226,434</u>	<u>42,929</u>	<u>395,074</u>
Total Receipts Over/(Under) Disbursements	<u>27,572</u>	<u>64,127</u>	<u>(42,929)</u>	<u>48,770</u>
Other Financing Receipts and (Disbursements):				
Sale of Fixed Assets		823		823
Transfers-In			42,929	42,929
Other Financing Sources	61	135		196
Transfers-Out	(10,567)	(32,863)		(43,430)
Other Financing Uses	(8,526)	(7,891)		(16,417)
	<u>(19,032)</u>	<u>(39,796)</u>	<u>42,929</u>	<u>(15,899)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	8,540	24,331		32,871
Fund Cash Balances, January 1	<u>174,257</u>	<u>153,094</u>		<u>327,351</u>
Fund Cash Balances, December 31	<u>\$182,797</u>	<u>\$177,425</u>	<u>\$0</u>	<u>\$360,222</u>
Reserves for Encumbrances, December 31	<u>\$4,378</u>	<u>\$2,351</u>	<u>\$0</u>	<u>\$6,729</u>

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

**VILLAGE OF PHILLIPSBURG
MONTGOMERY 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, 2003**

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Charges for Services	\$51,314		\$51,314
Miscellaneous	4,000		4,000
Total Operating Cash Receipts	<u>55,314</u>		<u>55,314</u>
Operating Cash Disbursements:			
Personal Services	18,884		18,884
Contractual Services	16,656		16,656
Supplies and Materials	4,101		4,101
Capital Outlay	10,947		10,947
Total Operating Cash Disbursements	<u>50,588</u>		<u>50,588</u>
Operating Income/(Loss)	<u>4,726</u>		<u>4,726</u>
Non-Operating Cash Receipts:			
Other Non-Operating Receipts		\$21,195	21,195
Total Non-Operating Cash Receipts		<u>21,195</u>	<u>21,195</u>
Non-Operating Cash Disbursements:			
Other Non-Operating Cash Disbursements	2,649	21,195	23,844
Total Non-Operating Cash Disbursements	<u>2,649</u>	<u>21,195</u>	<u>23,844</u>
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	2,077		2,077
Transfers-In	1,000		1,000
Transfers-Out	(499)		(499)
Net Receipts Over/(Under) Disbursements	2,578		2,578
Fund Cash Balances, January 1	<u>44,034</u>		<u>44,034</u>
Fund Cash Balances, December 31	<u>\$46,612</u>	<u>\$0</u>	<u>\$46,612</u>
Reserve for Encumbrances, December 31	<u>\$2,027</u>	<u>\$0</u>	<u>\$2,027</u>

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

**VILLAGE OF PHILLIPSBURG
MONTGOMERY 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>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$12,057	\$152,143		\$164,200
Municipal Income Taxes	80,433			80,433
Special Assessments		14,781		14,781
Intergovernmental Receipts	22,625	29,292		51,917
Charges for Services		53,923		53,923
Fines, Licenses, and Permits	16,941	3,190		20,131
Earnings on Investments	6,102	81		6,183
Miscellaneous	3,190	10,000		13,190
	<u>141,348</u>	<u>263,410</u>		<u>404,758</u>
Cash Disbursements:				
Current:				
Security of Persons and Property	853	158,899		159,752
Leisure Time Activities		12,506		12,506
Community Environment	2,257			2,257
Basic Utility Services	5,085			5,085
Transportation	25,387	8,608		33,995
General Government	99,405	940		100,345
Debt Service:				
Principal Payments			\$32,200	32,200
Interest Payments			10,909	10,909
Capital Outlay	10,126	32,935		43,061
	<u>143,113</u>	<u>213,888</u>	<u>43,109</u>	<u>400,110</u>
Total Receipts Over/(Under) Disbursements	<u>(1,765)</u>	<u>49,522</u>	<u>(43,109)</u>	<u>4,648</u>
Other Financing Receipts and (Disbursements):				
Transfers-In	100	500	43,109	43,709
Other Financing Sources	2,446	845		3,291
Transfers-Out	(9,996)	(33,713)		(43,709)
Other Financing Uses	(8,224)	(10,610)		(18,834)
	<u>(15,674)</u>	<u>(42,978)</u>	<u>43,109</u>	<u>(15,543)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(17,439)	6,544		(10,895)
Fund Cash Balances, January 1	191,696	146,550		338,246
Fund Cash Balances, December 31	<u>\$174,257</u>	<u>\$153,094</u>	<u>\$0</u>	<u>\$327,351</u>
Reserves for Encumbrances, December 31	<u>\$2,016</u>	<u>\$1,857</u>	<u>\$0</u>	<u>\$3,873</u>

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

**VILLAGE OF PHILLIPSBURG
MONTGOMERY 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**

	Proprietary Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Agency	
Operating Cash Receipts:			
Charges for Services	\$51,803		\$51,803
Miscellaneous	4,000		4,000
Total Operating Cash Receipts	55,803		55,803
Operating Cash Disbursements:			
Personal Services	18,394		18,394
Contractual Services	14,852		14,852
Supplies and Materials	4,316		4,316
Capital Outlay	8,500		8,500
Total Operating Cash Disbursements	46,062		46,062
Operating Income/(Loss)	9,741		9,741
Non-Operating Cash Receipts:			
Other Non-Operating Receipts	220	\$24,760	24,980
Total Non-Operating Cash Receipts	220	24,760	24,980
Non-Operating Cash Disbursements:			
Other Non-Operating Cash Disbursements	847	24,760	25,607
Total Non-Operating Cash Disbursements	847	24,760	25,607
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	9,114		9,114
Transfers-In	500		500
Transfers-Out	(500)		(500)
Net Receipts Over/(Under) Disbursements	9,114		9,114
Fund Cash Balances, January 1	34,920		34,920
Fund Cash Balances, December 31	\$44,034	\$0	\$44,034
Reserve for Encumbrances, December 31	\$1,618	\$0	\$1,618

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

**VILLAGE OF PHILLIPSBURG
MONTGOMERY 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 Phillipsburg, Montgomery 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 general government services, water utilities, park operations (leisure time activities), police, and fire protection.

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

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 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:

Fire Fund - This fund receives levy monies and provides fire protection services to Village residents.

Rescue Fund – This fund receives levy monies and provides ambulance services to Village residents.

**VILLAGE OF PHILLIPSBURG
MONTGOMERY COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Debt Service Fund

These funds are used to accumulate resources for the payment of bonds and note indebtedness. The Village had the following significant debt service fund:

General Obligation Fund - This fund is used for the collection and disbursement of monies for bond issuances.

4. 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 funds:

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

5. Fiduciary Fund (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 fund:

Mayor's Court Fund (Agency Fund) – The fund reports the financial activity of the Village Mayor's Court fines, forfeitures, and bonds.

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 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 PHILLIPSBURG
MONTGOMERY 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.

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:

	2003	2002
Demand deposits	\$ 306,834	\$ 271,385
Certificates of deposit	100,000	100,000
Total deposits	\$ 406,834	\$ 371,385

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

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	\$153,344	\$153,344	\$0
Special Revenue	292,005	291,519	(486)
Debt Service	42,929	42,929	0
Enterprise	56,314	56,314	0
Total	\$544,592	\$544,106	(\$486)

**VILLAGE OF PHILLIPSBURG
MONTGOMERY COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

2003 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$327,600	\$149,182	\$178,418
Special Revenue	418,360	269,539	148,821
Debt Service	42,929	42,929	0
Enterprise	99,034	55,763	43,271
Total	<u>\$887,923</u>	<u>\$517,413</u>	<u>\$370,510</u>

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Budgetary Expenditures	Variance
General	\$143,894	\$143,894	\$0
Special Revenue	264,758	264,755	3
Debt Service	43,109	43,109	0
Enterprise	56,523	56,523	0
Total	<u>\$508,284</u>	<u>\$508,281</u>	<u>\$3</u>

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$330,068	\$163,349	\$166,719
Special Revenue	359,373	260,068	99,305
Debt Service	43,109	43,109	0
Enterprise	91,444	49,027	42,417
Total	<u>\$823,994</u>	<u>\$515,553</u>	<u>\$308,441</u>

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.

**VILLAGE OF PHILLIPSBURG
MONTGOMERY COUNTY**

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

5. DEBT

Debt outstanding at December 31, 2003 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bond - Ambulance Acquisition	\$47,200	6.00%
General Obligation Bond - Maintenance Building	\$29,600	7.00%
General Obligation Bond - Fire Truck Acquisition	\$10,000	6.50%
General Obligation Bond - Building Improvement	15,000	7.00%
Lease Agreement - Air Packs	11,573	10.50%
Total	<u>\$113,373</u>	

The Ambulance Acquisition General Obligation Bond was issued on July 28, 1999 with a maturity date of July 1, 2006. The bond was for the acquisition of an ambulance.

The Maintenance Building General Obligation Bond was issued on January 29, 1996 with a maturity date of December 1, 2010. The bond was for the construction of a maintenance building.

The Fire Truck Maintenance General Obligation Bond was issued on February 1, 1995 with a maturity date of September 1, 2004. The bond was for the acquisition of a fire truck.

The Building Improvement General Obligation Bond was issued on February 1, 1990 with a maturity date of September 1, 2005. The bond was for the improvement of the Village Hall.

The Air Packs Lease Agreement was entered into on November 27, 2001 with a maturity date of November 1, 2004.

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

<u>Year ending December 31:</u>	<u>Ambulance Acquisition Bond</u>	<u>Maintenance Building Bond</u>	<u>Fire Truck Acquisition Bond</u>	<u>Building Improvement Bond</u>	<u>Air Pack Lease Agreement</u>
2004	\$17,732	\$5,472	\$10,650	\$8,069	\$12,262
2005	17,638	5,534		8,570	
2006	17,596	5,475			
2007		5,502			
2008		5,508			
2009-2010		10,950			
Total	<u>\$52,966</u>	<u>\$38,441</u>	<u>\$10,650</u>	<u>\$16,639</u>	<u>\$12,262</u>

6. RETIREMENT SYSTEMS

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 2003 and 2002, OPERS members contributed 8.5% of their wages. The Village contributed an amount equal to 13.55% of participants' gross salaries for 2003 and 2002. The Village has paid all contributions required through December 31, 2003.

**VILLAGE OF PHILLIPSBURG
MONTGOMERY COUNTY**

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

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 Phillipsburg
Montgomery County
P.O. Box 172
Phillipsburg, Ohio 45354

To the Village Mayor and Council:

We have audited the financial statements of the Village of Phillipsburg, Montgomery County, (the Village), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated August 25, 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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 the Village's management in a separate letter dated August 25, 2004.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688
www.auditor.state.oh.us

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

This report is intended for the information and use of the finance 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

August 25, 2004

**VILLAGE OF PHILLIPSBURG
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED 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>
2001-30357-001	Revised Code Section 5705.41(D), failure to certify funds.	Yes	



**Auditor of State
Betty Montgomery**

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 PHILLIPSBURG

MONTGOMERY 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
OCTOBER 7, 2004**