



**VILLAGE OF SUGARCREEK
TUSCARAWAS COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-98



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types and Expendable Trust Funds For the Year Ended December 31, 1999	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types and Expendable Trust Funds For the Year Ended December 31, 1998	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Proprietary Fund Type For the Years Ended December 31, 1999 and 1998	5
Notes to the Financial Statements	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	15

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Village of Sugarcreek
Tuscarawas County
202 North Broadway
Sugarcreek, Ohio 44681

To the Mayor and Village Council:

We have audited the accompanying financial statements of the Village of Sugarcreek, Tuscarawas County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998. 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 audits.

We conducted our audits 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 audits 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 audits provide 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, 1999 and 1998, 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 September 19, 2000 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.

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

September 19, 2000

VILLAGE OF SUGARCREEK

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

	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	<u>(Memorandum Only) Total</u>
Cash Receipts:				
Local taxes	\$465,721	\$265,030	\$125,745	\$856,496
Intergovernmental	124,003	99,663		223,666
Charges for services	65,360			65,360
Fines, licenses, and permits	3,010	382		3,392
Interest	44,425	2,936		47,361
Miscellaneous	3,251	670		3,921
Total Cash Receipts	705,770	368,681	125,745	1,200,196
Cash Disbursements:				
Current:				
Security of persons and property	284,240			284,240
Public health services	2,546	17,075		19,621
Leisure time activities	12,968			12,968
Community environment	9,790			9,790
Basic utility services	76,920			76,920
Transportation	2,703	184,613	42,478	229,794
General government	263,277		22,130	285,407
Debt service		67,709		67,709
Capital outlay	12,309	68,227	74,897	155,433
Total Cash Disbursements	664,753	337,624	139,505	1,141,882
Total Cash Receipts Over/(Under) Cash Disbursements	41,017	31,057	(13,760)	58,314
Other Financing Receipts (Disbursements):				
Sale of fixed assets	1,751			1,751
Transfers-out			(35,000)	(35,000)
Total Other Financing Receipts (Disbursements)	1,751	0	(35,000)	(33,249)
Total Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	42,768	31,057	(48,760)	25,065
Fund Cash Balances, January 1, 1999	98,434	40,645	172,975	312,054
Fund Cash Balances, December 31, 1999	\$141,202	\$71,702	\$124,215	\$337,119
Reserves for Encumbrances, December 31, 1999	\$7,385	\$14,756	\$19,715	\$41,856

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

VILLAGE OF SUGARCREEK

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1998

	General	Special Revenue	Expendable Trust	(Memorandum Only) Total
Cash Receipts:				
Local taxes	\$168,760	\$38,884	\$591,671	\$799,315
Intergovernmental	195,053	98,530		293,583
Charges for services	39,189		2,290	41,479
Fines, licenses, and permits	4,021	172		4,193
Interest	39,775	1,509		41,284
Miscellaneous	26,919	487		27,406
Total Cash Receipts	473,717	139,582	593,961	1,207,260
Cash Disbursements:				
Current:				
Security of persons and property	258,294			258,294
Public health services	2,580	16,399		18,979
Leisure time activities	10,026			10,026
Community environment	9,268		2,207	11,475
Basic utility services	77,050		6,350	83,400
Transportation	2,190	152,018	18,850	173,058
General government	261,751		25,844	287,595
Debt service		771,777		771,777
Capital outlay	45,079	71,702	13,799	130,580
Total Cash Disbursements	666,238	1,011,896	67,050	1,745,184
Total Cash Receipts Over/(Under) Cash Disbursements	(192,521)	(872,314)	526,911	(537,924)
Other Financing Receipts (Disbursements):				
Bond proceeds		696,000		696,000
Sale of fixed assets	4,530			4,530
Transfers-in	191,750	189,000		380,750
Transfers-out			(415,750)	(415,750)
Total Other Financing Receipts (Disbursements)	196,280	885,000	(415,750)	665,530
Total Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	3,759	12,686	111,161	127,606
Fund Cash Balances, January 1, 1998	94,675	27,959	61,814	184,448
Fund Cash Balances, December 31, 1998	\$98,434	\$40,645	\$172,975	\$312,054
Reserves for Encumbrances, December 31, 1998	\$10,466	\$11,639	\$14,390	\$36,495

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

VILLAGE OF SUGARCREEK

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES - PROPRIETARY FUND TYPE
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u> <u>Enterprise</u>	<u>1998</u> <u>Enterprise</u>
Operating Cash Receipts:		
Charges for services	<u>\$618,375</u>	<u>\$605,629</u>
Operating Cash Disbursements:		
Personal services	142,653	127,309
Travel transportation	1,113	184
Contractual services	180,558	52,766
Supplies and materials	90,156	83,963
Capital outlay	<u>90,734</u>	<u>70,243</u>
Total Operating Cash Disbursements	<u>505,214</u>	<u>334,465</u>
Operating Income	113,161	271,164
Non-Operating Cash Receipts:		
Interest	22,644	19,226
Local taxes	314,363	314,653
Proceeds of debt:		
Bond proceeds	934,646	
Note proceeds		740,000
Sale of other public debt	7,544	12,102
Other	6,202	880
Sale of fixed assets	<u>1,010</u>	
Total Non-Operating Cash Receipts	1,286,409	1,086,861
Non-Operating Cash Disbursements:		
Debt service	<u>1,244,344</u>	<u>1,214,969</u>
Total Cash Receipts Over Cash Disbursements Before Interfund Transfers	155,226	143,056
Transfers-in	<u>35,000</u>	<u>35,000</u>
Net Receipts Over Disbursements	190,226	178,056
Fund Cash Balances, January 1	<u>953,009</u>	<u>774,953</u>
Fund Cash Balances, December 31	<u>\$1,143,235</u>	<u>\$953,009</u>
Reserves for Encumbrances, December 31	<u>\$15,497</u>	<u>\$34,656</u>

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

This page intentionally left blank.

**VILLAGE OF SUGARCREEK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Sugarcreek, Tuscarawas 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 governmental services, fire protection, street maintenance and repair, park operations (leisure time activities), and police services.

The Village is associated with the Swiss Valley Joint Ambulance District and the Tuscarawas County Tax Incentive Review Council which are defined as Jointly Governed Organizations. These organizations are presented in Note 8.

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 expenditures were made).

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

C. Cash and Investments

The Village maintains all cash in a checking account or in repurchase agreements, which are valued at cost.

D. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

**VILLAGE OF SUGARCREEK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Street Maintenance and Repair Fund - This fund is used to account for gasoline taxes and motor vehicle tax monies for constructing, maintaining and repairing Village streets.

Fire and Emergency Medical Services Levy - This fund is used to account for tax proceeds used to fund Village emergency medical response services.

3. Enterprise Funds

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

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

Sanitary Sewer Fund - This fund is used to account for charges for services from residents to cover the cost of providing this utility.

Debt Service Sewer 1/2% Income Tax Fund - This fund is used to account for income tax receipts used to pay OWDA debt related to sewer improvement projects.

Sewer Construction Fund - This fund is used to account for loan proceeds from the Ohio Water Development Authority to fund a utility plant expansion. This loan will be repaid from a utility surcharge, also accounted for in this fund.

4. Fiduciary Fund (Trust Funds)

These 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 Non-Expendable Trust Fund. Other trust funds are classified as Expendable. The Village had the following significant Expendable Trust Fund:

Income Tax Fund - This fund is used to record the collection of self assessed taxes, the cost of collecting such tax and the distribution to various other funds in accordance with Village ordinances.

**VILLAGE OF SUGARCREEK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements) may not exceed appropriations at the fund, function, or object level of control, and appropriations may not exceed estimated resources. The 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.

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.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation and sick leave. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Village.

**VILLAGE OF SUGARCREEK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(CONTINUED)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Village maintains a cash and investment 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>1999</u>	<u>1998</u>
Demand deposits	\$ 120,354	\$ 91,063
Repurchase Agreement	<u>1,360,000</u>	<u>1,174,000</u>
Total deposits and investments	<u>\$ 1,480,354</u>	<u>\$ 1,265,063</u>

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

Investments: Repurchase agreement securities are held by the counter-party, or by its trust department or agent but not in the name of the Village.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 620,136	\$ 707,521	\$ 87,385
Special Revenue	330,600	368,681	38,081
Expendable Trust	116,000	125,745	9,745
Enterprise	1,845,044	1,939,784	94,740
Total	<u>\$ 2,911,780</u>	<u>\$ 3,141,731</u>	<u>\$ 229,951</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 718,569	\$ 672,138	\$ 46,431
Special Revenue	371,243	352,380	18,863
Expendable Trust	288,975	194,220	94,755
Enterprise	2,798,052	1,765,055	1,032,997
Total	<u>\$ 4,176,839</u>	<u>\$ 2,983,793</u>	<u>\$ 1,193,046</u>

**VILLAGE OF SUGARCREEK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(CONTINUED)**

3. BUDGETARY ACTIVITY (Continued)

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 739,962	\$ 669,997	\$ (69,965)
Special Revenue	1,027,100	1,024,582	(2,518)
Expendable Trust	549,500	593,961	44,461
Enterprise	1,722,111	1,727,490	5,379
Total	\$ 4,038,673	\$ 4,016,030	\$ (22,643)

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 790,636	\$ 676,704	\$ 113,932
Special Revenue	1,055,059	1,023,535	31,524
Expendable Trust	611,314	497,190	114,124
Enterprise	2,497,064	1,584,090	912,974
Total	\$ 4,954,073	\$ 3,781,519	\$ 1,172,554

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 SUGARCREEK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(CONTINUED)**

5. DEBT

Debt outstanding at December 31, 1999 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
O.W.D.A. Loans EV0455	\$27,512	0.00%
O.W.D.A. Loans 0077-C390460	265,057	5.50%
O.W.D.A. Loans 309SRF	2,892,152	3.85%
Various Purpose Improvement Bonds	640,000	8.00%
Improvement Bonds	870,000	5.83%
Water System Refunding Bonds	884,646	5.72%
Totals	<u>5,579,367</u>	

Bond and note proceeds were used to finance water and sanitary sewer system improvements and purchase equipment. Ohio Water Development Authority (OWDA) loan proceeds were used to finance sewer construction projects.

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

Year ending December 31	EV0455 OWDA Loans	0077- C390460 OWDA Loans	309SRF OWDA Loans	Various Purpose Improvement Bonds	Improvement Bonds	Water System Refunding Bonds
2000	\$3,439	\$27,008	\$236,686	\$105,340	\$75,713	\$74,120
2001	3,439	27,008	236,686	102,003	73,963	72,620
2002	3,439	27,008	236,686	73,665	72,213	71,060
2003	3,439	27,008	236,686	71,415	75,463	74,460
2004	3,439	27,008	236,686	69,140	73,843	72,615
Subsequent	10,317	256,578	2,900,229	441,210	1,095,438	1,033,023
Total	<u>\$27,512</u>	<u>\$391,618</u>	<u>\$4,083,659</u>	<u>\$862,773</u>	<u>\$1,466,633</u>	<u>\$1,397,898</u>

**VILLAGE OF SUGARCREEK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(CONTINUED)**

6. RETIREMENT SYSTEMS

The Village's law enforcement officers belong to the Police and Firemen's Disability & Pension Fund (PFDPF). Other full-time employees and the elected officials belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including post retirement 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 1999 and 1998, members of PFDPF contributed 10% of their wages to the PFDPF. The Village contributed an amount equal to 19.5% of their wages. PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries. The Village has paid all contributions required through December 31, 1999.

7. RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- General liability
- Public officials' liability
- Vehicles
- Commercial Inland Marine
- Employer's liability
- Employee benefits liability

8. JOINTLY GOVERNED ORGANIZATIONS

The Swiss Valley Joint Ambulance District (District) provides emergency medical services to the citizens within the District including the Village. The District is directed by an eight member Board of Trustees, who are appointed from participating villages and townships the District serves. During 1999 and 1998, the Village contributed \$16,500 and \$15,950, respectively, to the District.

The Tuscarawas County Tax Incentive Review Council (TCTIRC) is a jointly governed organization, created as a regional council of governments pursuant to Ohio Rev. Code Section 5705.62. TCTIRC has 44 members, consisting of 3 members appointed by the County Commissioners, 18 members appointed by municipal corporations, 14 members appointed by township trustees, 1 member from the County Auditor's Office and 8 members appointed by boards of education located within the County. The TCTIRC reviews and evaluates the performance of each Enterprise Zone Agreement. The body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however, the TCTIRC can make written recommendations to the legislative body that approved the agreement. There is no cost associated with being a member of the TCTIRC. The continued existence of the TCTIRC is not dependent upon the Village's continued participation and no measurable equity interest exists.

9. CONTINGENT LIABILITY

Amounts received from the grantor agencies are subject to audit and adjustments by the grantor. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

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

Village of Sugarcreek
Tuscarawas County
202 North Broadway
Sugarcreek, Ohio 44681

To the Mayor and Village Council:

We have audited the accompanying financial statements of the Village of Sugarcreek, Tuscarawas County, Ohio, (the Village) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated September 19, 2000. We conducted our audits 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, 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 audits 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 a certain immaterial instance of noncompliance that we have reported to management of the Village in a separate letter dated September 19, 2000.

Internal Control Over Financial Reporting

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

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated September 19, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

September 19, 2000



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 SUGARCREEK

TUSCARAWAS 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
NOVEMBER 14, 2000**