



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



VILLAGE OF BAIRDSTOWN  
WOOD COUNTY

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## REPORT OF INDEPENDENT ACCOUNTANTS

Village of Bairdstown  
Wood County  
101½ West Main Street  
North Baltimore, Ohio 45872-9309

To the Village Council:

We have audited the accompanying financial statements of the Village of Bairdstown, Wood County, Ohio, (the Village) as of and for the years ended December 31, 2000 and 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 audits.

We conducted our audits 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 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, 2000 and 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 August 14, 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, 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 audits.

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

**Jim Petro**  
Auditor of State

August 14, 2001

**VILLAGE OF BAIRDSTOWN  
WOOD 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>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Property Tax and Other Local Taxes	\$2,024			\$2,024
Special Assessments		\$1,323	\$1,388	2,711
Intergovernmental Receipts	9,659	2,279		11,938
Charges for Services	2			2
Fines, Licenses, and Permits	8,273			8,273
Miscellaneous	328			328
	<u>20,286</u>	<u>3,602</u>	<u>1,388</u>	<u>25,276</u>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons and Property	6,577		1,817	8,394
Public Health Services	36			36
Leisure Time Activities		25		25
General Government	23,910	2,455	839	27,204
	<u>30,523</u>	<u>2,480</u>	<u>2,656</u>	<u>35,659</u>
Total Receipts Over/(Under) Disbursements	<u>(10,237)</u>	<u>1,122</u>	<u>(1,268)</u>	<u>(10,383)</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Proceeds from Loan	6,500			6,500
Proceeds from Insurance Claim	5,727			5,727
Transfers-In			780	780
Transfers-Out	(780)			(780)
	<u>11,447</u>		<u>780</u>	<u>12,227</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	1,210	1,122	(488)	1,844
Fund Cash Balances, January 1	<u>2,885</u>	<u>5,942</u>	<u>6,494</u>	<u>15,321</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$4,095</u></b>	<b><u>\$7,064</u></b>	<b><u>\$6,006</u></b>	<b><u>\$17,165</u></b>
Reserves for Encumbrances, December 31	<u>\$4,000</u>			<u>\$4,000</u>

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

**VILLAGE OF BAIRDSTOWN  
WOOD COUNTY**

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

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$21,356
Miscellaneous	275
	21,631
Total Operating Cash Receipts	21,631
<b>Operating Cash Disbursements:</b>	
Personal Services	5,080
Returned Deposits	82
Contractual Services	11,324
Supplies and Materials	111
	16,597
Total Operating Cash Disbursements	16,597
Operating Income	5,034
<b>Non-Operating Cash Disbursements:</b>	
Debt Service	2,705
Excess of Receipts Over Disbursements Before Interfund Transfers and Advances	2,329
Transfers-In	3,074
Transfers-Out	(3,074)
Net Receipts Over Disbursements	2,329
Fund Cash Balances, January 1	27,722
<b>Fund Cash Balances, December 31</b>	<b>\$30,051</b>
Reserve for Encumbrances, December 31	

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



**VILLAGE OF BAIRDSTOWN  
WOOD 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>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Property Tax and Other Local Taxes	\$1,448			\$1,448
Special Assessments		\$1,407	\$978	2,385
Intergovernmental Receipts	8,895	2,262		11,157
Charges for Services		35		35
Fines, Licenses, and Permits	13,255			13,255
Miscellaneous	1,288	200		1,488
<b>Total Cash Receipts</b>	<u>24,886</u>	<u>3,904</u>	<u>978</u>	<u>29,768</u>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons and Property	11,969			11,969
Public Health Services	33			33
Leisure Time Activities		2,018		2,018
Community Environment			1,821	1,821
Transportation		310		310
General Government	15,860		798	16,658
<b>Total Cash Disbursements</b>	<u>27,862</u>	<u>2,328</u>	<u>2,619</u>	<u>32,809</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(2,976)</u>	<u>1,576</u>	<u>(1,641)</u>	<u>(3,041)</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Sale of Fixed Assets	2,000			2,000
Transfers-In			960	960
Transfers-Out	(960)			(960)
<b>Total Other Financing Receipts/(Disbursements)</b>	<u>1,040</u>		<u>960</u>	<u>2,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(1,936)	1,576	(681)	(1,041)
Fund Cash Balances, January 1	4,821	4,366	7,175	16,362
<b>Fund Cash Balances, December 31</b>	<u><u>\$2,885</u></u>	<u><u>\$5,942</u></u>	<u><u>\$6,494</u></u>	<u><u>\$15,321</u></u>
Reserves for Encumbrances, December 31	<u>\$407</u>			<u>\$407</u>

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

**VILLAGE OF BAIRDSTOWN  
WOOD COUNTY**

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

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	\$20,478
Miscellaneous	652
	21,130
Total Operating Cash Receipts	21,130
<b>Operating Cash Disbursements:</b>	
Personal Services	4,360
Fringe Benefits	243
Contractual Services	11,617
Supplies and Materials	553
	16,773
Total Operating Cash Disbursements	16,773
Operating Income	4,357
<b>Non-Operating Cash Disbursements:</b>	
Debt Service	2,740
Excess of Receipts Over Disbursements Before Interfund Transfers and Advances	1,617
Transfers-In	3,158
Transfers-Out	(3,158)
	1,617
Net Receipts Over Disbursements	1,617
Fund Cash Balances, January 1	26,105
<b>Fund Cash Balances, December 31</b>	<b>\$27,722</b>
Reserve for Encumbrances, December 31	

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

**VILLAGE OF BAIRDSTOWN  
WOOD 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 Bairdstown, Wood 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, including water and sewer utilities, park operations (leisure time activities), 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. Fund Accounting**

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

**1. General Fund**

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

**2. Special Revenue Fund**

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

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

*Street Light Operating Fund* - This fund receives special assessment tax money for the maintenance and operation of Village lights.

**VILLAGE OF BAIRDSTOWN  
WOOD COUNTY**

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

**3. Capital Project Funds**

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project funds:

*Sewer Improvement Fund* - This fund receives special assessment tax money for the construction, improvement, and maintenance of Village sewer lines.

**4. 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 Fund:

*Water Fund* - This fund receives charges for services from residents to cover the costs of providing this utility.

**D. Budgetary Process**

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

**1. Appropriations**

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

**2. Estimated Resources**

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

**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 2000 and 1999 budgetary activity appears in Note 3.

**E. 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.

**VILLAGE OF BAIRDSTOWN  
WOOD COUNTY**

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

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Village maintains a cash 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><b>2000</b></u>	<u><b>1999</b></u>
Demand deposits	<u>\$47,216</u>	<u>\$43,043</u>

Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

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

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$43,837	\$32,513	(\$11,324)
Special Revenue	1,545	3,602	2,057
Capital Projects	1,900	2,168	268
Enterprise	5,730	24,705	18,975
Total	<u>\$53,012</u>	<u>\$62,988</u>	<u>\$9,976</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$47,150	\$35,303	\$11,847
Special Revenue	5,972	2,480	3,492
Capital Projects	9,433	2,656	6,777
Enterprise	24,370	22,376	1,994
Total	<u>\$86,925</u>	<u>\$62,815</u>	<u>\$24,110</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$37,554	\$26,886	(\$10,668)
Special Revenue	1,555	3,904	2,349
Capital Projects	300	1,938	1,638
Enterprise	26,230	24,288	(1,942)
Total	<u>\$65,639</u>	<u>\$57,016</u>	<u>(\$8,623)</u>

**VILLAGE OF BAIRDSTOWN  
WOOD COUNTY**

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

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$40,935	\$29,229	\$11,706
Special Revenue	5,755	2,328	3,427
Capital Projects	9,250	2,619	6,631
Enterprise	23,779	22,671	1,108
Total	\$79,719	\$56,847	\$22,872

**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.

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. DEBT**

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
Mortgage Revenue Bonds	\$39,400	5.0%
Business Loan	5,151	7.5%
Total	\$44,551	

The Mortgage Revenue Bonds relate to water and sewer lines that were constructed in order to provide water and sewer services to Village residents. The loan will be repaid in annual installments, as set forth on the face of the bond certificate, including interest, over the next 27 years.

The Business Loan relates to the construction of a new roof on the Village Hall. The loan is being repaid in monthly installments in accordance with the loan agreement.

**VILLAGE OF BAIRDSTOWN  
WOOD COUNTY**

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

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

<u>Year ending December 31:</u>	<u>Business Loan</u>	<u>Mortgage Revenue Bonds</u>
2001	\$2,583	\$2,670
2002	2,583	2,735
2003	431	2,695
2004		2,655
2005		2,715
Subsequent		<u>59,130</u>
Total	<u><u>\$5,597</u></u>	<u><u>\$72,600</u></u>

**6. RETIREMENT SYSTEMS**

The Village's employees belong to the Public Employees Retirement System (PERS) of Ohio. 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. PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% for fiscal year 1999 and 10.84% for fiscal year 2000 of participants' gross salaries. The Village has paid all contributions required through December 31, 2000.

**7. RISK MANAGEMENT**

The Village belongs to the Ohio Municipal Joint Self-Insurance Pool, (the Pool), an unincorporated non-profit association available to municipal corporations and their instrumentalities. Pursuant to § 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Pool provides a program of property and casualty insurance for its members. The Plan pays judgments, settlements and other expenses resulting for covered claims that exceed the members' deductibles.

Casualty excess-of-loss contracts at December 31, 2000 and 1999 generally protect against individual losses over \$150,000 (\$100,000 for policies issued after March 31, 2000).

Property coverage contracts protect against losses, subject to a deductible of \$50,000 per occurrence, limited to an annual aggregate loss of the greater of \$300,000 or 1% of total coverage.

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

Village of Bairdstown  
Wood County  
101½ West Main Street  
North Baltimore, Ohio 45872-9309

To the Village Council:

We have audited the accompanying financial statements of the Village of Bairdstown, Wood County, Ohio (the Village), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated August 14, 2001. We conducted our audits 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 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 certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated August 14, 2001.

**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.

Village of Bairdstown  
Wood 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

August 14, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**VILLAGE OF BAIRDSTOWN**

**WOOD 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  
SEPTEMBER 11, 2001**