



**Auditor of State
Betty Montgomery**

VILLAGE OF CASTALIA
ERIE COUNTY

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Village of Castalia
Erie County
126 Main Street, P.O. Box 451
Castalia, Ohio 44824-0451

To the Village Council:

We have audited the accompanying financial statements of the Village of Castalia, Erie County, (the Village) as of and for the years ended December 31, 2002 and 2001. 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 of the Village as of December 31, 2002 and 2001, 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 30, 2003 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.

Village of Castalia
Erie County
Independent Accountants' Report
Page 2

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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

September 30, 2003

**VILLAGE OF CASTALIA
ERIE 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>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$ 93,904	\$ 8,924	\$ 8,638	\$ 111,466
Special Assessments		523		523
Intergovernmental Receipts	88,527	31,423	1,627	121,577
Fines, Licenses, Permits, and Fees	39,028			39,028
Earnings on Investments	2,396	423		2,819
Miscellaneous	7,112		500	7,612
	<u>230,967</u>	<u>41,293</u>	<u>10,765</u>	<u>283,025</u>
Total Cash Receipts				
Cash Disbursements:				
Current:				
Security of Persons and Property	107,781			107,781
Public Health Services	574			574
Leisure Time Activities	3,041			3,041
Community Environment	586			586
Basic Utility Services	60			60
Transportation	2,863	57,287		60,150
General Government	79,710			79,710
Debt Service:				
Principal Payments	5,000			5,000
Interest Payments	74			74
Capital Outlay			13,887	13,887
	<u>199,689</u>	<u>57,287</u>	<u>13,887</u>	<u>270,863</u>
Total Cash Disbursements				
Total Receipts Over/(Under) Disbursements	<u>31,278</u>	<u>(15,994)</u>	<u>(3,122)</u>	<u>12,162</u>
Other Financing Receipts and (Disbursements):				
Transfers-In		15,000		15,000
Transfers-Out	(15,000)			(15,000)
	<u>(15,000)</u>	<u>15,000</u>		
Total Other Financing Receipts/(Disbursements)				
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	16,278	(994)	(3,122)	12,162
Fund Cash Balances, January 1	109,151	44,770	53,986	207,907
Fund Cash Balances, December 31	<u>\$ 125,429</u>	<u>\$ 43,776</u>	<u>\$ 50,864</u>	<u>\$ 220,069</u>

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

**VILLAGE OF CASTALIA
ERIE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$ 85,517	\$ 9,493	\$ 8,653	\$ 103,663
Special Assessments		11,533		11,533
Intergovernmental Receipts	94,414	28,895	189,722	313,031
Fines, Licenses, Permits and Fees	29,117			29,117
Earnings on Investments	3,233	598		3,831
Miscellaneous	25,202	5,084		30,286
	<u>237,483</u>	<u>55,603</u>	<u>198,375</u>	<u>491,461</u>
Total Cash Receipts				
	<u>237,483</u>	<u>55,603</u>	<u>198,375</u>	<u>491,461</u>
Cash Disbursements:				
Current:				
Security of Persons and Property	101,108	11,024		112,132
Leisure Time Activities	2,126			2,126
Community Environment	753			753
Basic Utility Services	4,208			4,208
Transportation	2,126	42,824	2,079	47,029
General Government	53,101			53,101
Debt Service:				
Principal Payments	5,000			5,000
Interest Payments	451			451
Capital Outlay	8,100		222,745	230,845
	<u>176,973</u>	<u>53,848</u>	<u>224,824</u>	<u>455,645</u>
Total Cash Disbursements				
	<u>176,973</u>	<u>53,848</u>	<u>224,824</u>	<u>455,645</u>
Total Receipts Over/(Under) Disbursements	<u>60,510</u>	<u>1,755</u>	<u>(26,449)</u>	<u>35,816</u>
Other Financing Receipts and (Disbursements):				
Sale of Assets	600			600
Other Financing Sources	1,500			1,500
	<u>2,100</u>			<u>2,100</u>
Total Other Financing Receipts/(Disbursements)				
	<u>2,100</u>			<u>2,100</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>62,610</u>	<u>1,755</u>	<u>(26,449)</u>	<u>37,916</u>
Fund Cash Balances, January 1	<u>46,541</u>	<u>43,015</u>	<u>80,435</u>	<u>169,991</u>
Fund Cash Balances, December 31	<u>\$ 109,151</u>	<u>\$ 44,770</u>	<u>\$ 53,986</u>	<u>\$ 207,907</u>

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

**VILLAGE OF CASTALIA
ERIE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Castalia, Erie 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, park operations (leisure time activities), and police services. The Village is covered for emergency medical services and fire protection as the Village lies within Margaretta Township which provides these services from taxes levied on all the Township and Village property owners.

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 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 Lighting Fund -This fund receives special assessment tax proceeds for constructing, repairing, and maintaining street lighting within the Village.

**VILLAGE OF CASTALIA
ERIE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

3. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Village had the following significant capital project funds:

Road, Street, and Bridge Fund - This fund receives real estate and personal property tax proceeds for the construction, maintenance, and repair of the Village roads, streets and bridges.

Issue II Fund - This fund receives proceeds from a State grant program for a street project within the Village.

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 Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 canceled, and need reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2002 and 2001 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.

F. 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.

**VILLAGE OF CASTALIA
ERIE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

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:

	2002	2001
Demand deposits	\$ 155,856	\$ 144,932
Savings account	64,213	62,975
Total deposits and investments	\$ 220,069	\$ 207,907

Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by securities specifically pledged by the financial institution to the Village

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 228,827	\$ 230,967	\$ 2,140
Special Revenue	64,130	56,293	(7,837)
Capital Projects		10,765	10,765
Total	\$ 292,957	\$ 298,025	\$ 5,068

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 216,760	\$ 214,689	\$ 2,071
Special Revenue	68,270	57,287	10,983
Fiduciary	50,300	13,887	36,413
Total	\$ 335,330	\$ 285,863	\$ 49,467

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 198,956	\$ 239,583	\$ 40,627
Special Revenue	43,000	55,603	12,603
Capital Projects	10,070	198,375	188,305
Total	\$ 252,026	\$ 493,561	\$ 241,535

**VILLAGE OF CASTALIA
ERIE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 230,777	\$ 176,973	\$ 53,804
Special Revenue	80,777	53,848	26,929
Capital Projects	40,082	224,824	(184,742)
Total	\$ 351,636	\$ 455,645	\$ (104,009)

The Village did not properly certify funds as being available for expenditure prior to making the purchase as required by § 5705.41 (D) of the Revised Code. The Village had expenditures that exceeded appropriations in the Capital Project fund type which is in violation of § 5705.41 (B) of the Revised Code.

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.

5. RETIREMENT SYSTEMS

The Village's law enforcement officers belong to the Ohio Police and Fire Pension Funds (OP&F). Other full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. These plans provide 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 2002 and 2001, OP&F participants contributed 10 percent of their wages. The Village contributed an amount equal to 19.5 percent of police participant wages. Members of OPERS contributed 8.5 percent of their wages. The Village contributed an amount equal to 13.55 percent of participants' gross salaries for 2002 and 2001. The Village has paid all contributions required through December 31, 2002.

**VILLAGE OF CASTALIA
ERIE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

6. RISK MANAGEMENT

Risk Pool Membership

The Village belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty insurance for its members.

PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

PEP retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, from the General Reinsurance Corporation.

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

PEP retains property risks, including automobile physical damage, up to \$10,000 on any specific loss with an annual aggregate of \$700,000 for 2001 and \$1,250,000 for 2002. The Travelers Indemnity Company reinsures losses exceeding \$10,000 if the annual aggregate is reached and all specific losses exceeding \$100,000. APEEP's Operating Fund and Guarantee Fund pay for losses and loss adjustment expenses should they exceed operating contributions.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

VILLAGE OF CASTALIA
ERIE COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)

<u>Casualty Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$ 20,174,977	\$ 19,358,458
Liabilities	(8,550,749)	(8,827,588)
Retained Earnings	<u>\$ 11,624,228</u>	<u>\$ 10,530,870</u>

<u>Property Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$ 2,565,408	\$ 1,890,323
Liabilities	(655,318)	(469,100)
Retained Earnings	<u>\$ 1,910,090</u>	<u>\$ 1,421,223</u>



**Auditor of State
Betty Montgomery**

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

Village of Castalia
Erie County
126 Main Street, P.O. Box 451
Castalia, Ohio 44824-0451

To the Village Council:

We have audited the accompanying financial statements of the Village of Castalia, Erie County, (the Village) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated September 30, 2003. 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2002-001 and 2002-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated September 30, 2003.

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 30, 2003.

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

This report is intended solely 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

September 30, 2003

**VILLAGE OF CASTALIA
ERIE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2002 AND 2001**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2002-001

Noncompliance Citation

Ohio Revised Code § 5705.41 (D) states that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section also provides two “exceptions” to the above requirement:

- A. Then and Now Certificate – If no certificate is furnished as required, upon receipt of the fiscal officer’s certificate that a sufficient sum was appropriated and free of any encumbrances, the Village council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within thirty days from the receipt of such certificate, if such certificate is other wise valid.

- B. If the amount involved is less than one thousand dollars (\$3,000 effective April 7, 2003), the fiscal officer may authorize it to be paid without the affirmation of the Village council.

The Village improperly certified purchase orders for 87 percent of transactions tested. For each compliance violation the Clerk had signed the fiscal certificate after the goods and services had been ordered or an invoice had already been received.

We recommend that the Clerk certify all purchase orders before an obligation is incurred. If this is not possible, the Clerk should use the “then and now” certificate and Council should pass the necessary resolution for those disbursements over \$1,000 (\$3,000 effective April 7, 2003). Failure to do this could result in incurred obligations exceeding available resources. Further, if obligations are incurred, but not paid by the end of the fiscal year, the payment for these obligations would be charged against the subsequent year’s appropriations.

The Auditor of State’s Office recommends that prior certification of obligations be a part of the routine purchasing procedures established by all local governments. Reliance on then and now certificates should be limited to situations where prior certification was not obtained due only to extreme circumstances that justify the failure to follow the routine purchasing process. The use of then and now certificates bypasses the encumbrance portion of the budgetary control process and can result in the inability to pay obligations when due.

FINDING NUMBER 2002-002

Noncompliance Citation

Ohio Revised Code § 5705.41 (B) prohibits a subdivision from making an expenditure unless it has been properly appropriated. As of December 31, 2001, we identified instances in which expenditures exceeded appropriations in the following funds:

**FINDING NUMBER 2002-002
 (Continued)**

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
Road, Street, and Bridge Fund	\$ 38,003	\$ 52,845	\$ (14,842)
OPWC - Issue II Fund		169,990	(169,990)

Management was advised that the failure to monitor the budgetary operations of the Village could result in deficit spending.

We recommend that the Village monitor appropriations and expenditures to ensure budgetary modifications are made in a timely manner.

Auditor of State Bulletin 2002-004 requires that all local governments participating in Issue II Funds (single or multi-project grant) must, for each project awarded, establish a capital projects fund to account for both the Issue II monies and local matching funds.

Included as part of the bulletin is budgetary accounting guidance for entities subject to Ohio Revised Code Chapter 5705. Once the grant is awarded or the application is approved, the fiscal officer must obtain an official certificate of estimated resources or an amended certificate of estimated resources for all or part of the grant or project, based on the expected cash disbursements to be made on the local government's behalf in the current fiscal year. The fiscal officer shall record the appropriation in accordance with the terms and conditions of the grant or project agreement. In addition, prior to recording the appropriations, Ohio Revised Code § 5705.40 requires the legislative authority to pass an appropriation measure for the grant expenditures.

The Village participated in a State Issue II project for the year ended December 31, 2001. The project involved improvements to Village streets. The State paid the contractor directly for the costs of the project. The Township did not report the costs paid by the State, on its behalf, as intergovernmental receipts and capital outlay expenditures in a capital projects fund, nor did the Village follow budgetary procedures for these on-behalf-of revenues and expenditures.

We recommend the Village account for Issue II on-behalf-of receipts and disbursements in accordance with the provisions set forth in Auditor of State Bulletin 2002-004. The failure to do so could result in revenues and disbursements being understated, ultimately resulting in misleading financial statements.

**VILLAGE OF CASTALIA
ERIE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2002**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-30522-001	Ohio Revised Code § 5705.41 (D), failure to certify funds	No	Not corrected. Reissued as finding number 2002-001.



**Auditor of State
Betty Montgomery**

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VILLAGE OF CASTALIA

ERIE COUTY

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 6, 2003**