

**EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
YOUNGSTOWN, OHIO**

AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 1999

James G. Zupka, Inc.
Certified Public Accountant

**EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
YOUNGSTOWN, OHIO**

AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 1999

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 1999

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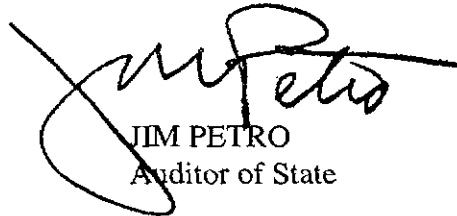
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OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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Board of Directors
Eastgate Development and Transportation Agency
Youngstown, Ohio

We have reviewed the Independent Auditor's Report of the Eastgate Development and Transportation Agency, Mahoning County, prepared by James Zupka, CPA, Inc., for the audit period July 1, 1998 to June 30, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Eastgate Development and Transportation Agency is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

April 3, 2000

JAMES G. ZUPKA, C.P.A., INC.

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Garfield Heights, Ohio 44125*

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Eastgate Development and
Transportation Agency
Youngstown, Ohio

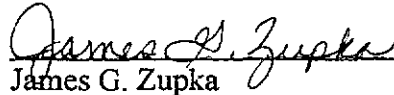
We have audited the accompanying financial statements of Eastgate Development and Transportation Agency, Ohio as of and for the year ended June 30, 1999 as listed in the Table of Contents. These financial statements are the responsibility of Eastgate Development and Transportation Agency, Ohio's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Eastgate Development and Transportation Agency, Ohio as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 9, 1999 on our consideration of EDATA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Eastgate Development and Transportation Agency taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The supplemental data on pages 21 through 35 (as listed in the Table of Contents) is presented for additional analysis and are not a required part of the financial statements of Eastgate Development and Transportation Agency, Ohio. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly presented in all material respects in relation to the financial statements taken as a whole.


James G. Zupka
Certified Public Accountant

December 9, 1999

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
BALANCE SHEET
JUNE 30, 1999

ASSETS

Current Assets

Cash	\$ 165,952
Accounts Receivable (Net)	224,492
Prepaid Expenditures	9,665
Total Current Assets	400,109

Other Assets

Deferred Charges	765
Total Other Assets	765

Property and Equipment (Note A):

Furniture and Fixtures	16,832
Equipment	135,334
Leasehold Improvements	18,755
Less: Accumulated Depreciation	(130,765)
Total Property and Equipment	40,156

TOTAL ASSETS **\$ 441,030**

LIABILITIES AND FUND BALANCE

Current Liabilities

Accounts Payable	\$ 44,307
Payroll Withholding	1,408
Accrued Payroll	36,984
Fringe Benefits (Note D)	68,921
Payroll Taxes	5,357
Deferred Revenue	77,670
Total Current Liabilities	234,647

Total Liabilities **234,647**

Fund Balance **206,383**

TOTAL LIABILITIES AND FUND BALANCE **\$ 441,030**

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

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 1999

REVENUES

Intergovernmental Revenue	\$ 939,859
Interest Revenue	1,446
Membership Dues	140,166
Charge for Services	100,480
TOTAL REVENUES	1,181,951

EXPENSES

Direct Expenses

Salaries	470,678
Other Direct Expenses	211,643
Total Direct Expenses	682,321

Indirect Expenses

General Administrative & Fiscal Costs	77,819
Travel	8,217
Telephone	12,920
Duplicating and Printing	4,527
Machine Rental & Maintenance	4,365
Office Supplies	1,560
Occupancy	52,179
Insurance	1,599
Professional Services	26,589
Postage	1,048
Miscellaneous	2,229
Depreciation	4,297
Depreciation - Local Assets	30,330
Total Indirect Expenses	227,679

Fringe Benefits

Paid Leave	97,995
Hospitalization	87,468
Payroll Taxes	102,348
Total Fringe Benefits	287,811

TOTAL EXPENSES

1,197,811

Excess of Revenue Over (Under) Expenses	(15,860)
Fund Balance - July 1, 1998	224,009
Adjustments to Fund Balance (Note I)	(1,766)
Fund Balance - June 30, 1999	\$ 206,383

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

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1999

	<u>June 30,</u> <u>1999</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Increase (Decrease) in Fund Balance	\$ (17,626)
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities	
Depreciation	34,627
(Increase) Decrease in Operating Assets:	
(Increase) Decrease in Accounts Receivable	(83,038)
(Increase) Decrease in Prepaid Expenditures	(1,216)
Increase (Decrease) in Operating Liabilities:	
Increase in Accounts Payable	25,299
Increase in Accrued Wages and Benefits	(11,336)
(Decrease) in Payroll Withholding	107
Increase in Payroll Taxes	3,258
Increase in Deferred Revenue	15,174
Net Cash Provided by Operating Activities	<u>(34,751)</u>
<u>CASH FLOWS USED IN INVESTING ACTIVITIES</u>	
Disposed of Equipment	895
Net Cash Provided in Investment Activities	<u>895</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(33,856)</u>
Beginning Cash and Cash Equivalents	<u>199,808</u>
Ending Cash and Cash Equivalents	<u><u>\$ 165,952</u></u>

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

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE A: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

General

Eastgate Development and Transportation Agency (EDATA) was established on January 1, 1973. EDATA is a government entity created under the provisions of Chapter 167 of the Ohio Revised Code.

EDATA is organized as a voluntary organization of local government subdivisions in Ashtabula, Columbiana, Mahoning, and Trumbull counties. Its purpose is to foster a cooperative effort in regional planning, programming, and the implementation of regional plans and programs. It is a forum for the discussion and study of common problems of a regional nature and for the development of policy and action recommendations relating thereto. EDATA is considered a jointly governed organization since each of the participating counties have equal representation and the counties have no financial responsibility.

EDATA derives its funds to support its operations from Federal and State grants, dues from local government bodies desiring membership in EDATA, and contractual agreements between local government bodies and EDATA for the performance of specific studies and surveys. Because the Agency derives a majority of its revenue from dues and charges for services, these statements are shown as proprietary activities.

With respect to proprietary activities, the Agency has adopted GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Units That Use Proprietary Fund Accounting*. The Agency has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board pronouncements and Accounting Principles Board Opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict pronouncements.

EDATA is governed by a General Policy Board which utilizes an administrative staff headed by a director for daily operations.

Method of Accounting

The Agency's funds are accounted for using the accrual basis of accounting. Revenues are recognized as earned from grant agencies when the related expenses are recognized. Direct costs are billed to grantor agencies at actual cost; indirect costs are billed at a provisional rate and an adjustment is made annually for differences between amount billed and indirect costs incurred. Local revenue funds are recognized as revenue in the period in which they are assessed. The recognition of local revenue funds received which relate to assessments for subsequent years is deferred.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999
(CONTINUED)

NOTE A: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Property and Equipment

Property and equipment are stated at cost. The Agency's policy as to depreciation is to amortize the cost of depreciable assets over their estimated useful lives computed by the straight-line method. Furniture and equipment are purchased principally with local funds.

NOTE B: **DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

State statutes classify monies held by EDATA into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in EDATA, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that EDATA has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit account including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

Protection of EDATA's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999
(CONTINUED)

NOTE B: **DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS** (Continued)

Legislation now permits interim monies to be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to daily, and that the term of the agreement must not exceed thirty days.
4. Bonds and other obligations of the State of Ohio;
5. No-loan money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999
(CONTINUED)

NOTE B: **DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS** (Continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purchase of arbitrage, the use of leverage, and short selling are prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of EDATA and must be purchased with the expectation that it will be held until maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classified deposits and investments by categories of risk as defined in GASB Statement No. 3, *Deposits with Financial Institutions, Investments, and Repurchase Agreements*.

Deposits

The Governmental Accounting Standards Board has established risk categories for deposits as follows:

- Category 1* - Insured or collateralized with securities held by EDATA or its agent in EDATA's name.
- Category 2* - Collateralize with securities held by the pledging financial institution's trust department or agent in EDATA's name.
- Category 3* - Uncollateralized. (This includes any bank balance that is collateralized with securities held by the pledging institution or its trust department or agent but not in EDATA's name.)

All deposits are carried at cost. At year end, the carrying amount of EDATA's cash and deposits was \$165,952, and the bank balance was \$240,902. Of the bank balance, \$177,357 was insured and \$63,545 was classified as Risk Category 3.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999
(CONTINUED)

NOTE B: **DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS** (Continued)

Investments

The Governmental Accounting Standards Board has established risk categories for investments as follows:

Category 1 - Investments that are insured or registered or for which the securities are held by EDATA or its agent in EDATA's name.

Category 2 - Uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in EDATA's name.

Category 3 - Uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in EDATA's name.

EDATA's uncategorized investments at June 30, 1999 were none.

NOTE C: **PUBLIC EMPLOYEES RETIREMENT SYSTEM (the PERS OF OHIO)**

The PERS of Ohio adopted GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and GASB Statement No. 26, *Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans* in 1994 and have applied the provisions of these statements retroactively to January 1, 1993. The following information was provided by the PERS of Ohio to assist EDATA in complying with GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*.

1. **Pension Benefit Obligation**

All employees of EDATA participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999
(CONTINUED)

NOTE C: **PUBLIC EMPLOYEES RETIREMENT SYSTEM (the PERS OF OHIO)**
(Continued)

1. **Pension Benefit Obligation** (Continued)

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for employees is 8.5%. The 1999 employer rate for local government employer units was 13.55% of covered payroll, 8.44% to fund the pension benefit obligation and 5.11% to fund health care. The contribution requirements of plan members and EDATA are established and may be amended by the Public Employees Retirement Board. EDATA's contributions to the PERS of Ohio for the years ending June 30, 1999, 1998, and 1997 were \$94,049, \$83,394 and \$76,398, respectively, which represents 100 percent contributions for all three years.

2. **Other Postemployment Benefits**

In addition to the pension benefit obligation described above, the PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is also available. A portion of each employer's contribution to the PERS of Ohio is set aside for funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions and requires employers to fund postemployment health care through their contribution rate (identified above). The portion that was used to fund health care for the year 1999 was 5.11%, which amounted to \$28,028 of covered payroll.

Other Postemployment Benefits (OPEB) are financed through employer contributions and investment earnings thereon. Funding and accounting were on a pay-as-you-go basis. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures for other postemployment benefits during 1997 were \$393,559,827. As of December 31, 1997, the unaudited estimated net assets available for future OPEB payments were \$8,292,570,002. The number of benefit recipients eligible for OPEB at December 31, 1997 was 113,906.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999
 (CONTINUED)

NOTE C: **PUBLIC EMPLOYEES RETIREMENT SYSTEM (the PERS OF OHIO)**
 (Continued)

2. **Other Postemployment Benefits** (Continued)

During 1997, the Retirement board adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1998, employer contributions, equal to 4.2% of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

NOTE D: **ACCUMULATED UNPAID EMPLOYEE BENEFITS**

EDATA employees generally earn vacation leave ranging 10 to 25 days per year based on length of service. Sick leave is not accrued on the financial statements. The amount accrued for vacation leave was \$68,921.

NOTE E: **LEASE**

The Agency originally leased its office facility under an operating lease which began October 1, 1989 and was for a five year term expiring September 30, 1994. The lease had been amended three times, for additional space and to extend the lease period through November 30, 1996. A fourth amendment was agreed upon December 11, 1996. The lease was renewed for an annual rent of \$52,718.28 or \$4,393.19 per month for the term of five years beginning December 1, 1996 and ending November 30, 2001.

Minimum future rental commitments under a non-cancelable operating lease having an initial or remaining term in excess of one year as of June 30, 1999, are as follows:

July 1, 1999 to June 30, 2000	\$ 52,718
July 1, 2000 to June 30, 2001	52,718
July 1, 2001 to November 30, 2001	21,966
Total Minimum Payments Required	\$ 127,402

Rental charged to operations amounted to \$52,179 in 1999.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999
 (CONTINUED)

NOTE E: **LEASE** (Continued)

The Agency leases its copy machine from American Business Center. The lease commenced October 22, 1997 for a term of thirty nine (39) months which expires December, 2000. A security deposit was not required. Minimum future rental commitments under the lease are:

July 1, 1999 - June 30, 2000	\$	5,038
July 1, 2000 - December 22, 2000		2,519
Total Minimum Payments Required	\$	7,557

NOTE F: **COST ALLOCATION METHOD**

EDATA annually has a Cost Allocation Plan agreement with the Ohio Department of Transportation (ODOT). This agreement establishes a preliminary fringe benefit rate and an indirect cost rate in advance of the beginning of the agreement year so that a budget can be prepared. However, the approved rates are based on estimates and will be revised by ODOT as an adjustment in future cost allocation plan agreements. Periodic billings are prepared based on the preliminary approved rates.

Costs were distributed to the projects and activities pursuant to a cost allocation plan and/or a method of allocation, as applicable, as required by Office Management and Budget Circular A-87 and Handbook 6042.1 Rev. We reviewed the method used to allocate indirect costs and found it to be consistent and reasonable.

NOTE G: **DEFERRED COMPENSATION PLAN**

The Agency offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all agency employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Payments of the deferred compensation are made to the Ohio Public Employees Deferred Compensation Board which is authorized by Ohio Revised Code Sections 145.71 through 145.73.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999
(CONTINUED)

NOTE G: **DEFERRED COMPENSATION PLAN** (Continued)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Agency (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Agency's general creditors. Participants' rights under the plan are equal to those of general creditor's of the Agency in an amount equal to the fair market value of the deferred account for each participant.

The plan agreement states that the Agency and the Ohio Public Employees Deferred Compensation Board have no liability for losses under the plan with the exception of fraud or wrongful taking.

NOTE H: **CONTINGENCIES**

Under the terms of federal and state grants, periodic audits are required and certain expenditures may be questioned as not appropriate under terms of the grants. Such audits could lead to reimbursement to the grantor agencies. Management believes disallowances, if any, will be immaterial.

NOTE I: **ADJUSTMENT TO FUND BALANCE**

During the current fiscal year, EDA billed EDATA \$1,181 as a settlement amount for a prior year. The amount was paid and is shown as a decrease to fund balance. Certain other expenses were paid that related to a prior period. These amounted to \$585 and are also included as a decrease in fund balance. The total decrease is \$1,766.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 1999

PROGRAM	Period		CFDA Number	Grant or Program Number	Revenue		Expenditures
	From	To			Federal	Other	
U.S. Department of Transportation							
Pass through the Ohio Department of Transportation							
Federal Highway Administration							
Highway Research	07/01/97	06/30/98	20.205	8617	\$ 388,634	\$ 97,160	\$ 485,794
STP	07/01/98	06/30/99	20.205	8617	44,760	11,190	55,950
STP Carryover	07/01/98	06/30/99	20.205	8617	22,594	5,670	28,264
ITS	10/29/98	06/30/99	20.205	8218A	111,963	27,991	139,954
Federal Aid Urban System							
Rideshare Program	07/01/97	06/30/98	20.205	8429	74,775	8,308	83,083
Subtotal - CFDA No. 20.205					642,726	150,319	793,045
Total Ohio Department of Transportation					642,726	150,319	793,045
Pass through the Western Reserve Transit Authority							
- Federal Transit Administration							
Section 9							
1998 Program	01/01/98	12/31/98	20.507	5307	19,380	4,845	24,225
1999 Program	01/01/99	12/31/99	20.507	5307	13,564	3,391	16,955
Total Western Reserve Authority					32,944	8,236	41,180
Total U.S. Department of Transportation					675,670	158,555	834,225
U.S. Environmental Protection Agency							
- Water Quality Planning	07/01/98	06/30/99	66.454	604(b)	32,000	10,668	42,668
Total U.S. Environmental Protection Agency					32,000	10,668	42,668
U.S. Department of Defense							
Pass Through the Mahoning Valley							
Economic Development Corporation							
1997 Program	11/01/97	10/31/98	12.002	SCAP97-1	9,921	85	10,006
1998 Program	11/01/98	10/31/99	12.002	SCAP98-1	9,237	10,184	19,421
Total U.S. Department of Defense					19,158	10,269	29,427
U.S. Department of Commerce							
Pass Through the State and Urban							
Area Economic Development							
Planning Program	07/01/97	06/30/98	11.303	06-05-11105-96	53,000	17,667	70,667
Total U.S. Department of Commerce					53,000	17,667	70,667
TOTAL FEDERAL FINANCIAL ASSISTANCE					\$ 779,828	\$ 197,159	\$ 976,987

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

JAMES G. ZUPKA, C.P.A., INC.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Eastgate Development and
Transportation Agency
Youngstown, Ohio

We have audited the financial statements of Eastgate Development and Transportation Agency (EDATA), Ohio, as of and for the year ended June 30, 1999, and have issued our report thereon dated December 9, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

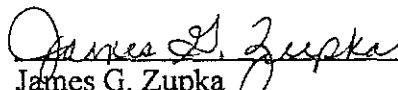
Compliance

As part of obtaining reasonable assurance about whether the Eastgate Development and Transportation Agency, Ohio'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 Eastgate Development and Transportation Agency, Ohio'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.

This report is intended for the information of the Eastgate Development and Transportation Agency, the Auditor of State, and the federal awarding agencies. However, this report is a matter of public record and its distribution is not limited.


James G. Zupka
Certified Public Accountant

December 9, 1999

JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
5240 East 98th Street
Garfield Heights, Ohio 44125*

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Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Eastgate Development and
Transportation Agency
Youngstown, Ohio

Compliance

We have audited the compliance of the Eastgate Development and Transportation Agency (EDATA), Ohio, with the types of compliance requirements described in the U.S. Office of Management and Budget Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. The Eastgate Development and Transportation Agency, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Eastgate Development and Transportation Agency, Ohio's management. Our responsibility is to express an opinion on the Eastgate Development and Transportation Agency, Ohio's compliance based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Eastgate Development and Transportation Agency, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Eastgate Development and Transportation Agency, Ohio's compliance with those requirements.

In our opinion, the Eastgate Development and Transportation Agency, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999. The results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

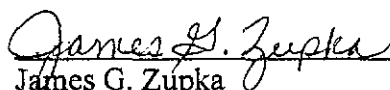
Internal Control Over Compliance

The management of the Eastgate Development and Transportation Agency, Ohio, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Eastgate Development and Transportation Agency, Ohio's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program 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 matter involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Eastgate Development and Transportation Agency, Ohio, the Auditor of the State of Ohio, and the federal awarding agencies. However, this report is a matter of public record and its distribution is not limited.

December 9, 1999


James G. Zupka
Certified Public Accountant

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
SCHEDULE OF FRINGE BENEFITS AND
COMPUTATION OF FRINGE BENEFIT RATES
FOR THE YEAR ENDED JUNE 30, 1999

Fringe Benefits	
Sick, Vacation and Holiday Pay	\$ 97,995
Hospitalization and Life Insurance	87,468
PERS	94,049
Worker's Compensation, Unemployment & Medicare	8,299
	<hr/>
TOTAL FRINGE BENEFIT COSTS (A)	\$ 287,811
	<hr/>
Direct and Administrative Salaries	
Direct Salaries	\$ 470,678
Indirect Salaries - Administrative	77,819
	<hr/>
TOTAL DIRECT & ADMINISTRATIVE SALARIES (B)	\$ 548,497
	<hr/>
FRINGE BENEFIT RATE (A/B)	52.47%
	<hr/>

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 SCHEDULE OF INDIRECT COSTS AND
 COMPUTATION OF INDIRECT COST RATES
 FOR THE YEAR ENDED JUNE 30, 1999

Indirect Costs	
Administrative & Fiscal Management	\$ 77,819
Fringe Benefits - \$77,819 x 52.47%	40,832
Postage	1,048
Travel Conference & Meetings	8,217
Telephone	12,920
Machine Rental & Maintenance	4,365
Duplication and Printing	4,527
Office Supplies	1,560
Depreciation	4,297
Occupancy	52,179
Insurance	1,599
Legal & Audit	26,589
Miscellaneous	2,204
	<hr/>
TOTAL INDIRECT COSTS (A)	\$ 238,156
	<hr/> <hr/>
*DIRECT SALARIES (B)	\$ 453,898
	<hr/> <hr/>
INDIRECT COST RATE (A/B)	52.47%
	<hr/> <hr/>

*Direct Salaries exclude MVEDC programs for indirect cost computation.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 FHWA/ODOT GRANT
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
FHWA Grant Funds	\$ 388,634
ODOT Grant Funds	48,580
Local Match	48,580
Total Revenue	<u>485,794</u>
Expenditures:	
Direct Salaries	217,805
Direct Expenditures	32,115
Fringe Benefits	114,282
Indirect Costs	114,282
Total Expenditures	<u>478,484</u>
Revenue Over/(Under) Expenditures	<u>\$ 7,310</u>
Grant Funds Received	\$ 437,215
90% of Total Expenditures	<u>430,636</u>
Amount in Excess of 90%	<u>\$ 6,579</u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instructions by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 ODOT - STP
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
Grant Funds	\$ 44,760
Local Match	11,190
Total Revenue	55,950
Expenditures:	
Direct Salaries	25,712
Direct Expenditures	2,269
Fringe Benefits	13,491
Indirect Costs	13,491
Total Expenditures	54,963
Revenue Over/(Under) Expenditures	\$ 987
Grant Funds Received	\$ 50,355
90% of Total Expenditures	49,467
Amount in Excess of 90%	\$ 888

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instruction by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 ODOT STP - TRC SOFTMATCH CARRYOVER
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
Grant Funds	\$ 22,594
Local Match	5,670
Total Revenue	28,264
Expenditures:	
Direct Salaries	11,741
Direct Expenditures	3,835
Fringe Benefits	6,161
Indirect Costs	6,161
Total Expenditures	27,898
Revenue Over/(Under) Expenditures	\$ 366
Grant Funds Received	\$ 25,438
90% of Total Expenditures	25,108
Amount in Excess of 90%	\$ 330

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instruction by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 ODOT STP - TRC SOFTMATCH
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
Grant Funds	\$ 74,775
Local Match	8,308
Total Revenue	<u>83,083</u>
Expenditures:	
Direct Salaries	33,345
Direct Expenditures	13,602
Fringe Benefits	17,496
Indirect Costs	17,496
Total Expenditures	<u>81,939</u>
Revenue Over/(Under) Expenditures	<u>\$ 1,144</u>
Grant Funds Received	\$ 74,775
90% of Total Expenditures	<u>73,745</u>
Amount in Excess of 90%	<u>\$ 1,030</u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instruction by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 ODOT - INTELLIGENT TRANSPORTATION SYSTEM (ITS)
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
Grant Funds	\$ 111,963
ODOT Match	27,991
Local Match	0
Total Revenue	<u>139,954</u>
Expenditures:	
Direct Salaries	3,103
Direct Expenditures	133,480
Fringe Benefits	1,628
Indirect Costs	1,628
Total Expenditures	<u>139,839</u>
Revenue Over/(Under) Expenditures	<u>\$ 115</u>
Grant Funds Received	\$ 111,963
80% of Total Expenditures	<u>111,871</u>
Amount in Excess of 80%	<u>\$ 92</u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instruction by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 FTA SECTION 9
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	ACTUAL (7/1/98 - <u>12/31/98</u>)
Revenue:	
Grant Funds	\$ 19,380
Local Match	4,845
Total Revenue	<u>24,225</u>
Expenditures:	
Direct Salaries	11,505
Direct Expenditures	228
Fringe Benefits	6,037
Indirect Costs	6,037
Total Expenditures	<u>23,807</u>
Revenue Over/(Under) Expenditures	<u>\$ 418</u>
Grant Funds Received	\$ 19,380
80% of Total Expenditures	<u>19,046</u>
Amount in Excess of 80%	<u>\$ 334</u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instruction by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 FTA SECTION 9
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	ACTUAL (1/1/99- <u>6/30/99</u>)
Revenue:	
Grant Funds	\$ 13,564
Local Match	3,391
Total Revenue	<u>16,955</u>
Expenditures:	
Direct Salaries	8,046
Direct Expenditures	156
Fringe Benefits	4,222
Indirect Costs	4,222
Total Expenditures	<u>16,646</u>
Revenue Over/(Under) Expenditures	<u>\$ 309</u>
Grant Funds Received	\$ 13,564
80% of Total Expenditures	<u>13,317</u>
Amount in Excess of 80%	<u>\$ 247</u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instruction by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 EPA - WATER QUALITY PLANNING - 604(B)
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
Grant Funds	\$ 32,000
Local Match	10,668
Total Revenue	42,668
Expenditures:	
Element #1200.01	
Direct Salaries	6,286
Direct Expenditures	782
Fringe Benefits	3,298
Indirect Costs	3,298
Total Expenditures Element #1200.01	13,664
Element #1200.02	
Direct Salaries	3,151
Direct Expenditures	26
Fringe Benefits	1,653
Indirect Costs	1,653
Total Expenditures Element #1200.02	6,483
Element #1200.03	
Direct Salaries	10,569
Direct Expenditures	1,062
Fringe Benefits	5,546
Indirect Costs	5,546
Total Expenditures Element #1200.03	22,723
Total Expenditures	42,870
Revenue Over/(Under) Expenditures	\$ (202)
Grant Funds Received	\$ 32,000
75% of Total Expenditures	\$ 32,152
Amount in Excess of 75%	\$ (152)

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instructions by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 EPA - ENVIRONMENTAL PROGRAM - OHIO LEGISLATIVE FUNDS
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
Grant Funds	\$ 75,000
Local Match	24,440
Total Revenue	99,440
Expenditures:	
Element #1200.15	
Direct Salaries	47,009
Direct Expenditures	3,099
Fringe Benefits	24,666
Indirect Costs	24,666
Total Expenditures	99,440
Revenue Over/(Under) Expenditures	\$ 0
Grant Funds Received	\$ 75,000
70% of Total Expenditures	69,608
Amount in Excess of 70%	\$ 5,392

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instructions by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 U.S. DEPARTMENT OF DEFENSE -
 PROCUREMENT TECHNICAL ASSISTANCE FOR BUSINESS FIRMS
 STATEMENT OF REVENUE AND EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u> <u>(07/01/98-</u> <u>10/31/98)</u>
Revenue:	
Grant Funds	\$ 9,921
Local Match	85
Total Revenue	<u>10,006</u>
Expenditures:	
Direct Salaries	6,444
Direct Expenditures	1,486
Fringe Benefits	3,381
Indirect Costs	0
Total Expenditures	<u>11,311</u>
Revenue Over/(Under) Expenditures	<u><u>\$ (1,305)</u></u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instructions by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
U.S. DEPARTMENT OF DEFENSE -
PROCUREMENT TECHNICAL ASSISTANCE FOR BUSINESS FIRMS
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u> <u>(11/1/98-</u> <u>6/30/99)</u>
Revenue:	
Grant Funds	\$ 9,237
Local Match	4,550
Total Revenue	<u>13,787</u>
Expenditures:	
Direct Salaries	7,107
Direct Expenditures	1,284
Fringe Benefits	3,729
Indirect Costs	0
Total Expenditures	<u>12,120</u>
Revenue Over/(Under) Expenditures	<u>\$ 1,667</u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.14% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instructions by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
U.S. DEPARTMENT OF COMMERCE (EDA)
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999

	<u>ACTUAL</u>
Revenue:	
Grant Funds	\$ 53,000
Local Match	17,667
Total Revenue	<u>70,667</u>
Expenditures:	
Direct Salaries	33,500
Direct Expenditures	1,050
Fringe Benefits	17,577
Indirect Costs	17,577
Total Expenditures	<u>69,704</u>
Revenue Over/(Under) Expenditures	<u>\$ 963</u>
Grant Funds Received	\$ 53,000
75% of Total Expenditures	<u>52,278</u>
Amount in Excess of 75%	<u>\$ 722</u>

Note: EDATA invoiced using a fixed rate of 53.62% for Fringe Benefits and 55.16% for Indirect Costs. The result of our audit revealed that the actual rates for the Fiscal Year should be 52.47% for Fringe Benefits and 52.47% for Indirect Costs. The actual rates are reflected in this statement, but adjustments to the financial statements were not made per instructions by EDATA Cognizant Agency.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
STATUS OF PRIOR AUDITOR'S REPORTABLE CONDITIONS
AND RECOMMENDATIONS
JUNE 30, 1999

The prior audit report for the period ending June 30, 1998 included no citations and no management comment recommendations to management.

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 JUNE 30, 1999

1. **SUMMARY OF AUDITOR'S RESULTS**

1999(i)	Type of Financial Statement Opinion	Unqualified
1999(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
1999(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
1999(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
1999(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
1999(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
1999(v)	Type of Major Programs' Compliance Opinion	Unqualified
1999(vi)	Are there any reportable findings under &.510?	No
1999(vii)	Major Programs (list):	Highway Research Planning and Construction
1999(viii)	Dollar Threshold: Type A/B Programs	Type A: >\$ 300,000 Type B: < \$300,000
1999(ix)	Low Risk Auditee?	Yes

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
(CONTINUED)
JUNE 30, 1999

2. **FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.



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

EASTGATE DEVELOPMENT AND TRANSPORTATION AGENCY

MAHONING 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.

By: *Susan Babbitt*

Date: APRIL 18, 2000