



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

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**STATE OF OHIO**

**VILLAGE OF WOODLAWN**  
**HAMILTON COUNTY**  
**FISCAL WATCH ANALYSIS**

Local Government Services Division  
Auditor of State's Office

VILLAGE OF WOODLAWN, HAMILTON COUNTY  
FISCAL WATCH ANALYSIS

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### **FISCAL ANALYSIS**

At the request of the Mayor of the Village of Woodlawn, the Auditor of State performed a fiscal analysis of the Village of Woodlawn to determine if a fiscal watch condition existed as of December 31, 2000.

Based on requirements set forth in Sections 118.021 and 118.022 of the Ohio Revised Code, a "fiscal watch" condition does not exist at the Village of Woodlawn, Hamilton County, Ohio as of December 31, 2000.

This report, which sets forth the steps taken to make this determination and our conclusions, is hereby submitted and filed with Susan Upton Farley, Mayor of the Village of Woodlawn; Ronnise Handy, Finance Director, Village of Woodlawn; and the Hamilton County Budget Commission.

JIM PETRO  
Auditor of State

December 21, 2001

# Village of Woodlawn, Hamilton County

## Fiscal Watch Analysis

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### **Introduction**

As provided by Section 118.021 of the Ohio Revised Code, the Mayor of Woodlawn requested that a fiscal watch review be performed by the Auditor of State for the Village of Woodlawn, Hamilton County, Ohio. The purpose of the analysis was to determine if the financial condition of the Village justifies the declaration of a fiscal watch.

In 2001, the Village was declared unauditible for the year ended December 31, 2000. Our analysis commenced upon the reconstruction and reconciliation of the financial records for 2000. This report sets forth an analysis of fiscal watch as of December 31, 2000. For a fiscal watch to be declared, any one of three conditions must exist.

The guidelines for performing the analysis are set forth in Section 118.022 of the Ohio Revised Code. The specific procedures performed for each of the conditions and the corresponding results are presented below.

### **General and Special Funds Accounts Payable**

Section 118.022(A)(1) of the Ohio Revised Code defines a fiscal watch condition as the existence of either of the following situations:

- (a) "All accounts that were due and payable from the general fund of a municipal corporation, county, or township at the end of the preceding fiscal year that had been due and payable for at least thirty days at the end of the fiscal year or to which a penalty was added for failure to pay by the end of the fiscal year, less the year-end balance in the general fund, exceeded one-twelfth of the general fund budget for that year."
- (b) "All accounts that were due and payable at the end of the preceding fiscal year from all funds of the municipal corporation, county, or township and that had been due and payable for at least thirty days at the end of the fiscal year or to which a penalty was added for failure to pay by the end of the fiscal year, less the year-end balance in the general fund and in the respective special funds available to pay such accounts, exceeded one-twelfth of the available revenues during the preceding fiscal year, excluding nonrecurring receipts, of the general fund and of all special funds from which such accounts are payable."

We prepared a schedule of accounts payable as of December 31, 2000, that were due and payable from the general fund, and that had been due and payable for at least thirty days or to which a penalty had been added for failure to pay as of December 31, 2000, including, but not limited to, final judgments, fringe benefit payments due and payable, and amounts due and payable to persons and other governmental entities including any interest and penalties. We subtracted any general fund balance available to pay these obligations and then determined if the "net" accounts payable exceeded one-twelfth of the general fund budget during the fiscal year 2000.

**Village of Woodlawn, Hamilton County**

**Fiscal Watch Analysis**

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**Schedule I**

General Fund Accounts Payable Over 30 Days Past Due  
Ohio Revised Code Section 118.022(A)(1)(a)  
As of December 31, 2000

	Payables Over 30 Days Past Due	Less General Fund Balance Available	Payables In Excess of Available Balance	Less One-Twelfth Of The Budget	Accounts Payable Surplus
General	\$43,277	\$0	(\$43,277)	\$291,024	\$247,747

From the invoices provided to us, a schedule of accounts payable was prepared (as defined above) for all funds which were at least thirty days past due or to which a penalty was added as of December 31, 2000. From this amount we subtracted the year-end fund balances available to pay such outstanding bills. We then determined if the accounts payable in excess of the available fund balance exceeded one-twelfth of the available revenues during 2000, excluding non-recurring receipts, of the general fund and of all special funds from which such accounts are lawfully payable.

**Schedule II**

Accounts Payable From All Funds Over 30 Days Past Due  
Ohio Revised Code Section 118.022(A)(1)(b)  
As of December 31, 2000

	Payables Over 30 Days Past Due	Less Fund Balance Available	Payables In Excess of Available Balance	Less One-Twelfth Of Available Revenues	Accounts Payable Surplus (Deficiency)
General Fund	\$43,277	\$0	(\$43,277)	\$284,199	\$240,922
Street Fund	1,530	67,755	0	0	0
Swimming Pool Fund	21,037	0	(21,037)	14,441	(6,596)
Street and Road Improvement Fund	31,823	8,641	(23,182)	24,219	0
Food Grant Fund	12,388	8,852	(3,536)	738	(2,798)
Total					\$231,528

Schedules I and II indicate that at December 31, 2000, one-twelfth of all revenues available to pay the accounts payable of all funds were sufficient to eliminate those accounts payable which were at least thirty days past due.

Conclusion: Schedules I and II indicate that at December 31, 2000, a fiscal watch condition does not exist under Sections 118.022(A)(1)(a) or 118.022(A)(1)(b).

**Village of Woodlawn, Hamilton County**

**Fiscal Watch Analysis**

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**Deficit Fund Balances**

Section 118.022(A)(2) of the Ohio Revised Code defines a fiscal watch as the existence of a condition in which:

“The aggregate of deficit amounts of all deficit funds at the end of its preceding fiscal year, less the total of any year-end balance in the general fund and in any special fund that may be transferred as provided in sections 5705.14 of the Revised Code to meet such deficit, exceeded one-twelfth of the total of the general fund budget for that year and the receipts to those deficit funds during that year other than from transfers from the general fund.”

We computed the adjusted aggregate sum of all deficit funds as of December 31, 2000, by subtracting all accounts payable and encumbrances from the year-end cash fund balance of each fund. We then determined if the aggregate deficit fund balance exceeded one-twelfth of the general fund budget and the revenues lawfully available to those deficit funds. We then identified funds that may be transferred, as provided in Section 5705.14 of the Ohio Revised Code, to meet such deficits to arrive at the unprovided portion of the aggregate deficit. The general fund cash balance excludes any outstanding advance to the Recreational Facilities Fund. The money is available for return to the general fund, but is pending Council authorization.

**Schedule III**

Deficit Fund Balances  
Ohio Revised Code Section 118.022(A)(2)  
As of December 31, 2000

	Cash Fund Balance	Less Accounts Payable and Encumbrances	Adjusted Aggregate Sum of Funds with Deficit Balances	One-twelfth of Budget and Revenues Lawfully Available	Unprovided Portion of Aggregate Deficit
General Fund	(\$358,567)	\$296,980	(\$655,547)	\$291,024	(\$364,523)
Swimming Pool Fund	(97,126)	20,517	(117,643)	14,441	(103,202)
Cops Fast Fund	(974)	0	(974)	2,108	0
EMS Grant Fund	(4,592)	0	(4,592)	22	(4,570)
Property Acquisition Fund	(120,689)	0	(120,689)	118	(120,571)
Greenways Project Fund	(9,596)	0	(9,596)	0	(9,596)
Totals	(\$591,544)	\$317,497	(\$909,041)	\$307,713	(602,462)
Outstanding Advance Payable to the General Fund from the Recreational Facilities Fund					233,150
Funds Available for Transfer to the General Fund from the Building Improvement Fund					683,266
Total Unprovided Portion of Aggregate Deficit Funds					\$313,954

**Village of Woodlawn, Hamilton County**

**Fiscal Watch Analysis**

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Conclusion: Schedule III indicates that a fiscal watch condition does not exist under Section 118.022(A)(2) of the Ohio Revised Code as of December 31, 2000. The unprovided portion of the aggregate deficit fund balances did not exceed the amount available for advance and transfer from the recreational facilities fund and the building improvement fund, respectively.

**Treasury Balances**

Section 118.022(A)(3) of the Ohio Revised Code defines a fiscal watch condition as:

“At the end of the preceding fiscal year, moneys and marketable investments in or held for the unsegregated treasury of the municipal corporation, county, or township, minus outstanding checks and warrants, were less in amount than the aggregate of the positive balances of the general fund and those special funds, the purposes of which the unsegregated treasury is held to meet, and such deficiency exceeded one-twelfth of the total amount received into the unsegregated treasury during the preceding fiscal year.”

We verified the Village's reconciled bank balances to its cash book balance as of December 31, 2000, which included subtracting outstanding checks and making the necessary adjustments, to arrive at a "net" treasury balance. From the treasury balance, we subtracted the aggregate sum of the positive fund balances, the purpose of which the unsegregated treasury is held to meet, to determine the treasury deficit. We then subtracted from the treasury deficit one-twelfth of the total amount received into the treasury during 2000 to determine whether the treasury deficiency exceeded one-twelfth of the treasury receipts as of December 31, 2000.

**Schedule IV**

Treasury Balances  
Revised Code Section 118.022(A)(3)  
As of December 31, 2000

Bank Cash Balances	\$1,035,214
Adjustments:	
General Outstanding Checks	(98,717)
Payroll Outstanding Checks	(27,508)
Deposit in Transit	196
Total Treasury Balance	<u>909,185</u>

Continued

Village of Woodlawn, Hamilton County

Fiscal Watch Analysis

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Treasury Balances  
Revised Code Section 118.022(A)(3)  
As of December 31, 2000  
(Continued)

Less: Positive Fund Balances	
Street Construction, Maintenance and Repair Fund	67,755
State Highway Improvement Fund	24,011
Law Enforcement Fund	1,463
Drug Law Enforcement Fund	87,615
Summer Youth Employment Fund	3,689
Street and Road Improvement Fund	8,641
Mayor's Court Fund	4,487
Enforcement and Education Fund	626
Curbside Recycling 1999 - ODNR Fund	3,006
Food Grant Fund	8,852
Building Improvement Fund	710,045
Capital Improvement Fund	120,311
Anthony Wayne Improvement Fund	42,063
Grove Road Improvement Fund	509
Recreational Facilities Improvement Fund	254,137
Chester/Marion Drainage Improvement Fund	167
Pool House Construction Fund	43,256
Inspection Fund	6,391
Escrow Fund	17,118
Special Assessment Bond Retirement Fund	20,707
Payroll Rotary Fund	75,880
Total Positive Cash Fund Balances	<u>1,500,729</u>
Treasury Balance Less Positive Fund Balances	(591,545)
One-Twelfth Treasury Receipts	<u>622,174</u>
Treasury Surplus	<u><u>\$30,629</u></u>

Conclusion: Schedule IV indicates that a fiscal emergency condition does not exist under Section 118.022(A)(3) of the Ohio Revised Code as of December 31, 2000. The treasury balance less the positive cash fund balances did not exceed one-twelfth of the treasury receipts as of December 31, 2000, the criteria for the existence of a fiscal watch.



## Village of Woodlawn, Hamilton County

### Fiscal Watch Analysis

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#### Summary

A fiscal watch is the existence of at least one of the above defined conditions. This analysis indicates that a fiscal watch does not exist at the Village of Woodlawn as defined in Section 118.022 of the Ohio Revised Code.

This report identifies an advance from the general fund to the recreational facilities fund in the amount of \$233,150 that has not yet been repaid. In addition, resources can be transferred to the general fund from the building improvement fund in the amount of \$683,266. These amounts were taken into account in order to eliminate the deficit funds and the related fiscal watch condition. It is the responsibility of the Village Council to take the appropriate action in order for these resources to be used to eliminate the deficits that currently exist in the general and other funds.

Because the above procedures were not sufficient to constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts and fund balances referred to above. Had we performed additional procedures or had we made an audit of the financial statements in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you.



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## VILLAGE OF WOODLAWN - FISCAL WATCH ANALYSIS

### HAMILTON 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  
DECEMBER 21, 2001