



Mary Taylor, CPA
Auditor of State

VILLAGE OF BRADFORD
MIAMI COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Proprietary and Fiduciary Fund Types - For the Year Ended December 31, 2007	6
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2006	7
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Proprietary and Fiduciary Fund Types - For the Year Ended December 31, 2006	8
Notes to the Financial Statements	9
Schedule of Federal Awards Expenditures – For the Year Ended December 31, 2006	17
Notes to the Schedule of Federal Awards Expenditures – For the Year Ended December 31, 2006	18
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	19
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	21
Schedule of Findings.....	23
Schedule of Prior Audit Findings.....	29

This page intentionally left blank.



Mary Taylor, CPA
Auditor of State

Village of Bradford
Miami County
115 N. Miami Avenue
Bradford, Ohio 45308

To the Village Council:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 6, 2008

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Village of Bradford
Miami County
115 N. Miami Avenue
Bradford, Ohio 45308

To the Village Council:

We have audited the accompanying financial statements of Village of Bradford, Miami County, (the Village), as of and for the years ended December 31, 2007 and 2006. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Village has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP requires presenting entity wide statements and also presenting the Village's larger (i.e. major) funds separately. While the Village does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Villages to reformat their statements. The Village has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2007 and 2006, or its changes in financial position or cash flows of its proprietary funds for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Bradford, Miami County, as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Village has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2008, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

We conducted our audit to opine on the financial statements that collectively comprise the Village's financial statements. The federal awards expenditure schedule is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. We subjected the federal awards expenditure schedule to the auditing procedures applied in the audit of the financial statements. In our opinion, this information is fairly stated in all material respects in relation to the financial statements taken as a whole.



Mary Taylor, CPA
Auditor of State

October 6, 2008

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property and Local Taxes	\$25,759	\$119,149		\$144,908
Municipal Income Tax	225,091	1,180		226,271
Intergovernmental	219,716	567,658		787,374
Special Assessments		87,171		87,171
Charges for Services			\$570	570
Fines, Licenses and Permits	6,051			6,051
Earnings on Investments	21,498			21,498
Miscellaneous	22,105		950	23,055
Total Cash Receipts	<u>520,220</u>	<u>775,158</u>	<u>1,520</u>	<u>1,296,898</u>
Cash Disbursements:				
Current:				
Security of Persons and Property	189,502	81,190	9,945	280,637
Leisure Time Activities	175,784		1,640	177,424
Basic Utility Service			8,601	8,601
Transportation		629,813		629,813
General Government	175,816	1,928	85	177,829
Debt Service:				
Principal Payment		2,500		2,500
Total Cash Disbursements	<u>541,102</u>	<u>715,431</u>	<u>20,271</u>	<u>1,276,804</u>
Total Receipts Over/(Under) Disbursements	<u>(20,882)</u>	<u>59,727</u>	<u>(18,751)</u>	<u>20,094</u>
Other Financing Receipts:				
Other Financing Sources	5,940			5,940
Sale of Fixed Assets	38,037	24,700		62,737
Total Other Financing Receipts	<u>43,977</u>	<u>24,700</u>		<u>68,677</u>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements	23,095	84,427	(18,751)	88,771
Fund Cash Balances, January 1	<u>182,162</u>	<u>174,526</u>	<u>21,277</u>	<u>377,965</u>
Fund Cash Balances, December 31	<u>\$205,257</u>	<u>\$258,953</u>	<u>\$2,526</u>	<u>\$466,736</u>

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

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Charges for Services	\$722,764		\$722,764
Miscellaneous	3,075		3,075
Total Operating Cash Receipts	<u>725,839</u>		<u>725,839</u>
Operating Cash Disbursements:			
Personal Services	162,442		162,442
Contractual Services	152,234		152,234
Supplies and Materials	69,644		69,644
Capital Outlay	258,243		258,243
Total Operating Cash Disbursements	<u>642,563</u>		<u>642,563</u>
Operating Income	<u>83,276</u>		<u>83,276</u>
Non-Operating Cash Receipts:			
Intergovernmental	213,993		213,993
Special Assessments	2,025		2,025
Other Non-Operating Cash Receipts		\$9,365	9,365
Total Non-Operating Cash Receipts	<u>216,018</u>	<u>9,365</u>	<u>225,383</u>
Non-Operating Cash Disbursements:			
Debt Service	192,067		192,067
Other Non-Operating Cash Disbursements		9,597	9,597
Total Non-Operating Cash Disbursements	<u>192,067</u>	<u>9,597</u>	<u>201,664</u>
Net Receipts Over/(Under) Disbursements	107,227	(232)	106,995
Fund Cash Balances, January 1	<u>415,252</u>	<u>1,433</u>	<u>416,685</u>
Fund Cash Balances, December 31	<u><u>\$522,479</u></u>	<u><u>\$1,201</u></u>	<u><u>\$523,680</u></u>

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

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property and Local Taxes	\$24,940	\$117,612		\$142,552
Municipal Income Tax	197,244			197,244
Intergovernmental		1,962,549		1,962,549
Special Assessments	182,164	27,506		209,670
Charges for Services			\$300	300
Fines, Licenses and Permits	5,710	1,252		6,962
Earnings on Investments	18,681			18,681
Miscellaneous	27,343		4,995	32,338
Total Cash Receipts	<u>456,082</u>	<u>2,108,919</u>	<u>5,295</u>	<u>2,570,296</u>
Cash Disbursements:				
Current:				
Security of Persons and Property	174,788	67,116	6,987	248,891
Leisure Time Activities	62,696			62,696
Basic Utility Service			3,980	3,980
Transportation		1,834,933		1,834,933
General Government	121,787		40	121,827
Capital Outlay	55,506	140,406		195,912
Total Cash Disbursements	<u>414,777</u>	<u>2,042,455</u>	<u>11,007</u>	<u>2,468,239</u>
Total Receipts Over/(Under) Disbursements	<u>41,305</u>	<u>66,464</u>	<u>(5,712)</u>	<u>102,057</u>
Other Financing Receipts:				
Other Financing Sources	<u>986</u>	<u>136</u>		<u>1,122</u>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements	42,291	66,600	(5,712)	103,179
Fund Cash Balances, January 1	<u>139,871</u>	<u>107,926</u>	<u>26,989</u>	<u>274,786</u>
Fund Cash Balances, December 31	<u><u>\$182,162</u></u>	<u><u>\$174,526</u></u>	<u><u>\$21,277</u></u>	<u><u>\$377,965</u></u>

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

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
Operating Cash Receipts:			
Charges for Services	\$707,782		\$707,782
Miscellaneous	6,350		6,350
Total Operating Cash Receipts	<u>714,132</u>		<u>714,132</u>
Operating Cash Disbursements:			
Personal Services	170,811		170,811
Contractual Services	153,454		153,454
Supplies and Materials	60,619		60,619
Other	1,306,146		1,306,146
Total Operating Cash Disbursements	<u>1,691,030</u>		<u>1,691,030</u>
Operating (Loss)	<u>(976,898)</u>		<u>(976,898)</u>
Non-Operating Cash Receipts:			
Intergovernmental	1,285,308		1,285,308
Special Assessments	1,400		1,400
Miscellaneous Receipts	272		272
Other Non-Operating Cash Receipts		\$10,718	10,718
Total Non-Operating Cash Receipts	<u>1,286,980</u>	<u>10,718</u>	<u>1,297,698</u>
Non-Operating Cash Disbursements:			
Debt Service	194,567		194,567
Other Non-Operating Cash Disbursements		17,715	17,715
Total Non-Operating Cash Disbursements	<u>194,567</u>	<u>17,715</u>	<u>212,282</u>
Net Receipts Over/(Under) Disbursements	115,515	(6,997)	108,518
Fund Cash Balances, January 1	<u>299,737</u>	<u>8,430</u>	<u>308,167</u>
Fund Cash Balances, December 31	<u>\$415,252</u>	<u>\$1,433</u>	<u>\$416,685</u>

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

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Bradford, Miami County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and law enforcement services. The Village contracts with the Miami County Sheriff's department to provide security of persons and property effective September 14, 2007. The Village appropriates fire levy money to support a volunteer fire department.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

C. Cash and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively. Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

D. Fund Accounting

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

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

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

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

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Street Light Fund – This fund receives funds from assessments on street lights in the Village.

Fire Levy Fund – This fund receives funds through taxes to pay for fire protection for the Village.

3. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project fund:

Equipment Fund – This fund receives interest transferred from the General Fund.

4. Enterprise Funds

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

Water Fund - This fund receives charges for services from residents to cover water service costs.

Sewer Fund - This fund receives charges for services from residents to cover sewer service costs.

Refuse Fund - This fund receives charges for services from residents to cover cost of refuse service costs.

5. Fiduciary Funds

Fiduciary funds include private purpose trust funds and agency funds. The Village had no trust funds.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency fund accounts for the Mayor's Court Fund. This fund receives revenue from fines and fees issued by the Mayor's Court and then distributed to other governments.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) 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.

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 individual commitments are made. The Village did not use the encumbrance method of accounting.

A summary of 2007 and 2006 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Village maintains a cash and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	2007	2006
Demand deposits	\$811,138	\$624,267
STAR Ohio	179,278	170,383
Total deposits and investments	\$990,416	\$794,650

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village; or collateralized by the financial institution's public entity deposit pool.

Investments: Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2007 and 2006 follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$473,187	\$564,197	\$91,010
Special Revenue	464,389	799,858	335,469
Capital Projects	20,000	1,520	(18,480)
Enterprise	933,500	941,857	8,357
Fiduciary	2,500	9,365	6,865
Total	<u>\$1,893,576</u>	<u>\$2,316,797</u>	<u>\$423,221</u>

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$636,666	\$541,102	\$95,564
Special Revenue	638,913	715,431	(76,518)
Capital Projects	59,958	20,271	39,687
Enterprise	1,303,753	834,630	469,123
Fiduciary	3,150	9,597	(6,447)
Total	<u>\$2,642,440</u>	<u>\$2,121,031</u>	<u>\$521,409</u>

2006 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$394,379	\$457,068	\$62,689
Special Revenue	981,488	2,109,055	1,127,567
Capital Projects	12,000	5,295	(6,705)
Enterprise	2,051,000	2,001,112	(49,888)
Fiduciary	2,500	10,718	8,218
Total	<u>\$3,441,367</u>	<u>\$4,583,248</u>	<u>\$1,141,881</u>

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$589,756	\$414,777	\$174,979
Special Revenue	1,250,777	2,042,455	(791,678)
Capital Projects	38,989	11,007	27,982
Enterprise	2,473,963	1,885,597	588,366
Fiduciary	10,820	17,715	(6,895)
Total	<u>\$4,364,305</u>	<u>\$4,371,551</u>	<u>(\$7,246)</u>

Negative expenditure variances noted in the 2007 and 2006 Special Revenue Fund are due to audit adjustments to present "on-behalf" of funding received. Negative variances in the Fiduciary Fund for both years resulted from audit adjustments required to include Mayor's Court activity.

The Village also had appropriations which exceeded estimated resources in the General, Street, and Water Funds during 2006.

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Village Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, 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. LOCAL INCOME TAX

The Village levies a municipal income tax of one percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

6. DEBT

Debt outstanding at December 31, 2007 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority (#3752)	\$466,021	4.84%
Ohio Water Development Authority (#8027)	145,260	6.04%
Ohio Water Development Authority (#2693)	441,072	2.00%
Ohio Water Development Authority (#4135)	238,590	0%
Ohio Public Works Commission (CK333)	62,500	0%
Ohio Public Works Commission (CT34H)	40,500	0%
Ohio Public Works Commission (CT221)	97,500	0%
Ohio Public Works Commission (CT23J)	81,504	0%
Total	<u>\$1,572,947</u>	

The Ohio Water Development Authority (OWDA) and the Ohio Public Works Commission (OPWC) loans relate to water and sewer plant improvements and reconstruction of streets that are mandated by the Ohio Environmental Protection Agency. OWDA and OPWC loans will be repaid in semiannual installments including interest, over twenty years. The loans are collateralized by water and sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

6. DEBT (Continued)

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

<u>Year ending December 31:</u>	<u>OPWC Principal</u>	<u>OWDA Principal</u>	<u>OWDA Interest</u>	<u>Total</u>
2008	\$19,750	\$140,375	\$39,443	\$199,568
2009	19,750	144,012	35,805	199,567
2010	19,750	147,781	32,036	199,567
2011	19,750	151,690	28,128	199,568
2012	19,750	104,212	24,112	148,074
2013-2017	36,250	279,449	83,297	398,996
2018-2022	36,250	242,963	34,208	313,421
2023-2027	29,250	80,461	1,483	111,194
Total	<u>\$200,500</u>	<u>\$1,290,943</u>	<u>\$278,512</u>	<u>\$1,769,955</u>

The Villages has been making loan payments to the Ohio Public Works Commission (OPWC) for the E. Main Street Project #CT23J. This project was completed in 2005 but was never officially closed out by OPWC. This loan was not included in the amortization schedule above because at December 31, 2007 the State of Ohio had not provided a loan amortization schedule.

7. RETIREMENT SYSTEMS

The Village's full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2007 and 2006, OP&F participants contributed 10% of their wages. For 2007 and 2006, the Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. For 2007 and 2006, OPERS members contributed 9.5 and 9%, respectively, of their gross salaries and the Village contributed an amount equaling 13.85 and 13.7%, respectively, of participants' gross salaries. The Village has paid all contributions required through December 31, 2007.

8. RISK MANAGEMENT

Risk Pool Membership

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

The Pool cedes certain premiums to re-insurers or excess re-insurers. The Pool is contingently liable should any re-insurer be unable to meet its reinsurance obligations.

VILLAGE OF BRADFORD
MIAMI COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)

8. RISK MANAGEMENT (Continued)

The Pool's financial statements (audited by other auditors) conform with the generally accepted accounting principles, and reported the following assets, liabilities, and accumulated deficit at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Total Assets	\$2,405,834	\$2,331,284
Total Liabilities	2,877,385	3,130,475
Accumulated Deficit	<u>(\$471,551)</u>	<u>(\$799,191)</u>

This page intentionally left blank.

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2006**

FEDERAL GRANTOR Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			
(Passed Through Ohio Department of Development)			
Community Development Block Grants/State's Program	CW -05 - 372 - 1	14.228	\$500,000
(Passed Through Miami County)	CW -05 - 372 - 1	14.228	<u>\$175,000</u>
Total Community Development Block Grant/State's Program		14.228	<u>675,000</u>
Total U.S. Department of Housing & Urban Development			<u>675,000</u>
U.S. DEPARTMENT OF TRANSPORTATION			
(Passed Through Ohio Department of Transportation)			
Highway Planning and Construction (Federal-Aid Highway Program)	PID - 78230	20.205	149,298
Total U.S. Department of Transportation			<u>149,298</u>
Total Federal Assistance			<u><u>\$824,298</u></u>

The accompanying notes are an integral part of this schedule.

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2006**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the Village's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require that the Village contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Village has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Village of Bradford
Miami County
115 N. Miami Avenue
Bradford, Ohio 45308

To the Village Council:

We have audited the financial statements of the Village of Bradford, Miami County, (the Village), as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated October 6, 2008, wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Village's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Village's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Village's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: Finding Numbers 2007-001 and 2007-002.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Village's internal control will not prevent or detect a material financial statement misstatement.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688
www.auditor.state.oh.us

**Internal Control over Financial Reporting
(Continued)**

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. However, we believe Finding Numbers 2007-001 and 2007-002 to be material weaknesses.

We also noted certain internal control matters that we reported to the Village's management in a separate letter dated October 6, 2008.

Compliance and Other Matters

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards*, which are described in the accompanying schedule of findings as items 2007-002 through 2007-005.

We also noted certain noncompliance or other matters that we reported to the Village's management in a separate letter dated October 6, 2008.

The Village's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Village's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of the management, Village Council, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

October 6, 2008



Mary Taylor, CPA

Auditor of State

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

Village of Bradford
Miami County
115 N. Miami Avenue
Bradford, Ohio 45308

To the Village Council:

Compliance

We have audited the compliance of the Village of Bradford, Miami County, (the Village), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2006. The summary of auditor's results section of the accompanying schedule of findings identifies the Village's major federal program. The Village's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the Village's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Village's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Village's compliance with those requirements.

In our opinion, the Village of Bradford complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2006. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that OMB Circular A-133 requires us to report, which is described in the accompanying schedule of findings as item 2007-006. In a separate letter to the Village's management dated October 6, 2008, we reported other matters related to federal noncompliance not requiring inclusion in this report.

Internal Control over Compliance

The Village's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Village's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of the Village's internal control over compliance.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688
www.auditor.state.oh.us

**Internal Control over Compliance
(Continued)**

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a time basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affect the Village's ability to administer a federal program such that there is more than a remote likelihood that the Village's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the Village's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The Village's response to the finding we identified is described in the accompanying schedule of findings. We did not audit the Village's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of the management, Village Council, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

October 6, 2008

VILLAGE OF BRADFORD
MIAMI COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007 AND 2006

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	GAAP: adverse Regulatory Basis: unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	Yes
(d)(1)(vii)	Major Programs (list):	CFDA # 14.228 Community Development Block Grant
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

FINDING NUMBER 2007-001

Material Weakness

The Village's annual financial statements for 2006 and 2007 had numerous errors due to the Village incorrectly posting their financial activity. Numerous adjustments had to be made so that the financial statements were materially correct for both years as follows;

- Mayor's Court activity was not presented on the financial statements as an Agency Fund for either year. Mayor's Court revenue and expenditures should be presented as an Agency Fund. In 2007, revenue and expenditures were \$9,365 and \$9,597, respectively. In 2006, revenue and expenditures were \$10,718 and \$10,045.
- The Equipment Fund was incorrectly presented as a Special Revenue Fund for both 2006 and 2007. The Equipment Fund had to be reclassified as a Capital Projects Fund in order to be properly presented on the financial statements.
- Intergovernmental revenue for the Miami Avenue Project was incorrectly posted as miscellaneous revenue in the Enterprise Fund. In 2006, revenue in the amount of \$44,067 for the Water Fund and \$655,275 for the Sewer Fund was incorrectly posted as miscellaneous revenue. In 2007, the Sewer Fund had \$213,993 of intergovernmental revenue, which was also incorrectly posted as miscellaneous revenue.
- In 2007, the Village sold land to the Bradford Community Improvement Corporation in amount of \$38,037. Proceeds from the sale were incorrectly posted as miscellaneous revenue in the General Fund. An adjustment was made to move the proceeds from miscellaneous revenue to Sale of Fixed Assets.
- In 2007, the Village collected special assessment revenues for new sidewalks which amounted to \$57,119, which was incorrectly posted as Other Financing Sources in the Street Fund. An adjustment had to be made to post these revenues as Special Assessments in the Street Fund.
- In 2006 and 2007, the Ohio Public Works Commission (OPWC) made payments "on-behalf of" the Village for the Miami Avenue project. The Village's financial statements had to be adjusted to reflect the "on behalf of" funding. Both revenues and the associated expenditures in the amount of \$1,316,430 for 2006 and \$272,779 for 2007 were posted to the financial statements in the Street Fund (Special Revenue).
- In 2006, the Village received \$66,257 to be used for the Village's park that was incorrectly posted to miscellaneous revenue in the General Fund. These monies were received from Darke and Miami County, and the State of Ohio and were reclassified to intergovernmental revenue.
- In 2006, the Village received a donation in the amount of \$4,995 which was incorrectly posted to the Capital Projects Fund as intergovernmental revenue. In 2007, the Village received additional donations of \$950 which were incorrectly posted to the Capital Projects Fund as charges for services. The financial statements were adjusted to reclass donations that should have been recorded as miscellaneous revenue.

**FINDING NUMBER 2007-001
(Continued)**

- In 2006, the Village purchased three buildings and two parcels of land as part of the Miami Avenue Project. The building purchases amounted to \$140,406 and were posted incorrectly as transportation disbursements instead of capital outlay. The land purchases of \$55,506 were also incorrectly posted as general government disbursements instead of capital outlay.

The clerk/treasurer should utilize the Village Officer's Handbook in order to determine the proper classifications of revenues and disbursements. The proper classification of the Village's financial activity is essential for the annual financial reports to accurately reflect the activity of the village.

Officials' Response:

I have received some information from the onsite assistant auditor in regards to revenue posting. The Village does not currently have an updated officer's handbook. I will make this request and use along with other information required.

FINDING NUMBER 2007-002

Material Noncompliance / Material Weakness

Ohio Rev. Code Section 135.21 provides for the allocation of interest among funds. Interest earned on monies deposited by a treasurer which do not belong in the treasury of the subdivision, due to their status as custodial funds, because he is acting as ex officio treasurer, or otherwise, generally must be appropriated to the funds to which the principal belongs (including undivided tax funds);

All interest earned must be credited to the general funds of the subdivision, with the following exceptions;

- Interest earned on money derived from a motor vehicle license or fuel tax must follow the principal (Article XII, Section 5a, Ohio Const and 1982 Op. Atty Gen No. 82-031).
- Interest earned on money received from the federal government may be due to the fund to which the principal belongs.

For 2006 and 2007 the Village posted all interest earned to the Equipment Fund, which is contrary to the above statute. To ensure compliance with this provision, the Village should implement procedures to ensure the proper allocation of interest among funds. The financial statements have been adjusted to reflect the proper allocation of interest earnings to the General Fund in the amount of \$18,681 for 2006 and \$21,498 for 2007.

Officials' Response:

Interest is currently being posted to the equipment fund per Village resolution R-81-11.

FINDING NUMBER 2007-003

Material Noncompliance

Ohio Rev. Code Section 9.38 requires public money to be deposited with the treasurer of the public office or to a designated depository on the business day following the day of receipt.

FINDING NUMBER 2007-003
(Continued)

This section also stipulates that if the amount of daily receipts does not exceed \$1,000 and the receipts can be safeguarded, public offices may adopt a policy permitting officials who receive money to hold it past the next business day, but the deposit must be made no later than 3 business days after receiving it. If the amount exceeds \$1,000 or a lesser amount cannot be safeguarded, the public official must then deposit the money on the next business day.

Boring and Associates (SAS 70 Organization) collected, processed, and deposited the Village's income tax revenue. Timely deposits were not always made by Boring and Associates. 43% of the time in 2006 and 36% of the time for 2007, revenue collected was held more than three days and frequently a week or more, which is not in accordance with this section of code.

The clerk/treasurer should review this section of Code with Boring and Associates and have them implement procedures so that deposits are made timely, and in accordance with Ohio Rev. Code requirements.

Officials' Response:

I will review with the Tax Administrator.

FINDING NUMBER 2007-004

Material Noncompliance

Ohio Rev. Code Section 5705.41(D) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. **"Then and Now" certificate** – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.

2. **Blanket certificate** – Fiscal officers may prepare "blanket" certificates not exceeding an amount established by resolution or ordinance adopted by the legislative authority, against any specific line item account over a period not running beyond the current year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

**FINDING NUMBER 2007-004
 (Continued)**

- 3. Super Blanket certificate** – The Village may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any one line item appropriation.

The Village did not properly certify the availability of funds for expenditures and there was no evidence that the Village followed the aforementioned exceptions for either 2006 or 2007. Failure to properly certify the availability of funds can result in overspending and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, we recommend that the Village's clerk/treasurer certify that the funds are or will be available prior to the obligation by the Village. When prior certification is not possible, "then and now" certification should be used. We recommend the Village certify purchases to which section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The clerk/treasurer should sign the certification at the time the Village incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The clerk/treasurer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

Officials' Response:

The Village has changed accounting systems and now has capabilities of issuing PO's. A procedure is being worked on bringing us into compliance moving forward.

FINDING NUMBER 2007-005

Material Noncompliance

Ohio Rev. Code Section 5705.39 provides in part that the total appropriation from each fund shall not exceed the estimated revenue available for expenditure there from as certified by the county budget commission, or in case of appeal, by the board of tax appeals. For 2006, appropriations exceeded estimated resources as follows:

<u>Fund Type</u>	<u>Estimated Resources</u>	<u>Appropriation</u>	<u>Variance</u>
General Fund	\$534,250	\$ 589,756	(\$55,506)
Street Fund	985,776	1,147,142	(161,366)
Water Fund	555,866	679,091	(123,225)

The Village should implement procedures for their budgetary process so that appropriations posted to the system do not exceed what was certified by the county for estimated resources.

Officials' Response:

Amendments were approved by Council and Miami County and never posted to the Village system due to clerical error.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Non-Compliance

Finding Number	2007-006
CFDA Title and Number	CFDA # 14.228
Federal Award Number / Year	CW-05-372-1
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	Ohio Department of Development and Miami County

OMB Circular A-133 Subpart C Section 320(a) & (b) require the Village Clerk-Treasurer to submit the Federal Single Audit data collection form described in Section 320(b) and the reporting package described Section 320(c) within the earlier of 30 days after receipt of the auditor's report, or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

The Village was unaware that it was a Single Audit in 2006. The Village Clerk-Treasurer did not submit the December 31, 2006 data collection form or the reporting package within either of the two prescribed time limits. The Federal Clearing House did not receive the required form or report.

Failure to complete and submit the Federal Single Audit data collection form described in Section 320(b) and the reporting package described Section 320(c) will result in the Village's designation as a high risk auditee requiring additional testing of federal programs and the possible loss of federal funding. The Village should implement controls to assist in timely submissions and to determine whether it met the Single Audit requirements.

Officials' Response:

As reported, I was unaware of this requirement. I have since found that a letter was sent to the former Mayor referencing this subject. Either this was not received or did not get passed along.

**VILLAGE OF BRADFORD
MIAMI COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-001	Ohio Rev. Code Section 5705.41(D) – certifying the availability of funds prior to entering into purchase obligations.	No	Not Corrected. Re-issued as Finding Number 2007-004.



Mary Taylor, CPA
Auditor of State

VILLAGE OF BRADFORD

MIAMI COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 6, 2008**