

VILLAGE OF HARTVILLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED
DECEMBER 31, 2007 AND DECEMBER 31, 2006

Varney, Fink & Associates, Inc.
Certified Public Accountants



Mary Taylor, CPA

Auditor of State

Village Council
Village of Hartville
202 West Maple Street
P.O. Box 760
Hartville, Ohio 44632

We have reviewed the *Independent Auditor's Report* of the Village of Hartville, Stark County, prepared by Varney, Fink & Associates, Inc., for the audit period January 1, 2006 through December 31, 2007. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State 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. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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 Village of Hartville is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 14, 2009

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**VILLAGE OF HARTVILLE, OHIO
STARK COUNTY
FOR THE YEARS ENDED
DECEMBER 31, 2007 AND DECEMBER 31, 2006**

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INDEPENDENT AUDITOR'S REPORT

Village of Hartville, Stark County
P.O. Box 760
Hartville, OH 44632-0760

To the Village Council:

We have audited the accompanying financial statements of the Village of Hartville, Stark 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 *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 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.

Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2007 and 2006. Instead of the combined funds the accompanying financial statements present for 2007 and 2006, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2007 and 2006. 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 reformat its statements. Since the Village does not use GAAP to measure financial statement amounts, 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.

INDEPENDENT AUDITOR'S REPORT (continued)

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 and reserves for encumbrances of the Village, 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 aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion and Analysis for the years ended December 31, 2007 and 2006. 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 31, 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 express an opinion 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.

Varney, Fink & Associates

VARNEY, FINK & ASSOCIATES, INC.
Certified Public Accountants

October 31, 2008

Village of Hartville, Stark 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

	General	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
Receipts					
Property and Other Local Taxes	\$128,564	\$334,744	\$0	\$0	\$463,308
Municipal Income Taxes	0	907,238	0	0	907,238
Intergovernmental	312,555	133,717	0	25,894	472,166
Charges for Services	8,949	0	0	0	8,949
Fines, Licenses and Permits	32,325	0	0	0	32,325
Earnings on Investments	42,732	1,544	0	0	44,276
Miscellaneous	25,109	0	0	18,952	44,061
<i>Total Receipts</i>	<u>550,234</u>	<u>1,377,243</u>	<u>0</u>	<u>44,846</u>	<u>1,972,323</u>
Disbursements					
Current:					
Security of Persons and Property	588,438	283,838	0	0	872,276
Public Health Services	16,704	0	0	0	16,704
Leisure Time Activities	9,516	0	0	0	9,516
Community Environment	5,084	0	0	0	5,084
Basic Utility Services	950	0	0	0	950
Transportation	67,043	187,209	0	0	254,252
General Government	184,160	39,830	0	0	223,990
Capital Outlay	0	0	0	558,276	558,276
<i>Total Disbursements</i>	<u>871,895</u>	<u>510,877</u>	<u>0</u>	<u>558,276</u>	<u>1,941,048</u>
Excess/(Deficiency) of Cash Receipts Over/ (Under) Cash Disbursements Before Other Financing Sources/(Uses)	<u>(321,661)</u>	<u>866,366</u>	<u>0</u>	<u>(513,430)</u>	<u>31,275</u>
Other Financing Sources (Uses)					
Transfers-In	350,000	60,000	0	350,000	760,000
Transfers Out	(60,000)	(700,000)	0	0	(760,000)
Other Financing Uses	(2,470)	(2,282)	0	0	(4,752)
<i>Total Other Financing Sources (Uses)</i>	<u>287,530</u>	<u>(642,282)</u>	<u>0</u>	<u>350,000</u>	<u>(4,752)</u>
Total Receipts Over/(Under) Disbursements	(34,131)	224,084	0	(163,430)	26,523
Fund Cash Balances/(Deficits), January 1, 2007	<u>62,513</u>	<u>(16,308)</u>	<u>49,056</u>	<u>515,986</u>	<u>611,247</u>
Fund Cash Balance, December 31, 2007	<u>\$28,382</u>	<u>\$207,776</u>	<u>\$49,056</u>	<u>\$352,556</u>	<u>\$637,770</u>
Reserve for Encumbrances	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,558</u>	<u>\$11,558</u>

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

Village of Hartville, Ohio
Stark County
Combined Statement of Cash Receipts, Cash Disbursements and Change in Fund Cash
Balances - All Proprietary and Fiduciary Fund Types
For the Year Ended December 31, 2007

	Enterprise	Agency	Total (Memorandum Only)
Operating Cash Receipts:			
Charges for Services	\$675,753	\$0	\$675,753
Fines, Licenses and Permits	76,705	0	76,705
Total Operating Cash Receipts	752,458	0	752,458
Operating Cash Disbursements:			
Personal Services	173,918	0	173,918
Transportation	538	0	538
Contractual Services	89,938	0	89,938
Supplies and Materials	82,092	0	82,092
Total Operating Cash Disbursements	346,486	0	346,486
Operating Income	405,972	0	405,972
Non-Operating Cash Receipts:			
Loan Proceeds	416,632	0	416,632
Other Sources	15,428	27,495	42,923
Total Non-Operating Cash Receipts	432,060	27,495	459,555
Net Income Before Non-Operating Cash Disbursements	838,032	27,495	865,527
Non-Operating Cash Disbursements			
Capital Outlay	(532,692)	0	(532,692)
Redemption of Principal	(381,086)	0	(381,086)
Interest and Other Fiscal Charges	(32,547)	0	(32,547)
Other Uses	0	(27,545)	(27,545)
Total Non-Operation Cash Disbursements	(946,325)	(27,545)	(973,870)
Net (Loss)	(108,293)	(50)	(108,343)
Fund Cash Balances, January 1, 2007	684,517	2,526	687,043
Fund Cash Balances, December 31, 2007	<u>\$576,224</u>	<u>\$2,476</u>	<u>\$578,700</u>
Reserve For Encumbrances	<u>\$25,558</u>	<u>\$0</u>	<u>\$25,558</u>

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

Village of Hartville, Stark 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

	General	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
Receipts					
Property and Other Local Taxes	\$126,946	\$332,881	\$0	\$0	\$459,827
Municipal Income Taxes	0	850,519	0	0	850,519
Intergovernmental	89,592	125,082	0	0	214,674
Charges for Services	6,226	0	0	0	6,226
Fines, Licenses and Permits	44,100	0	0	0	44,100
Earnings on Investments	37,980	1,345	0	0	39,325
Miscellaneous	22,729	0	0	88,663	111,392
<i>Total Receipts</i>	<u>327,573</u>	<u>1,309,827</u>	<u>0</u>	<u>88,663</u>	<u>1,726,063</u>
Disbursements					
Current:					
Security of Persons and Property	542,605	356,333	0	0	898,938
Public Health Services	16,012	0	0	0	16,012
Leisure Time Activities	12,109	0	0	0	12,109
Community Environment	5,007	0	0	0	5,007
Basic Utility Services	2,600	0	0	0	2,600
Transportation	76,900	183,191	0	0	260,091
General Government	197,429	22,940	0	0	220,369
Capital Outlay	0	0	0	660,539	660,539
<i>Total Disbursements</i>	<u>852,662</u>	<u>562,464</u>	<u>0</u>	<u>660,539</u>	<u>2,075,665</u>
Excess/(Deficiency) of Cash Receipts Over/ (Under) Cash Disbursements Before Other Financing Sources/(Uses)	<u>(525,089)</u>	<u>747,363</u>	<u>0</u>	<u>(571,876)</u>	<u>(349,602)</u>
Other Financing Sources (Uses)					
Sale of Assets	0	0	0	383,847	383,847
Transfers-In	500,000	90,000	0	500,000	1,090,000
Transfers Out	(90,000)	(1,000,000)	0	0	(1,090,000)
Other Financing Uses	(1,490)	(7,184)	0	0	(8,674)
<i>Total Other Financing Sources (Uses)</i>	<u>408,510</u>	<u>(917,184)</u>	<u>0</u>	<u>883,847</u>	<u>375,173</u>
Total Receipts Over/(Under) Disbursements	(116,579)	(169,821)	0	311,971	25,571
Fund Cash Balances, January 1, 2006	<u>179,092</u>	<u>153,513</u>	<u>49,056</u>	<u>204,015</u>	<u>585,676</u>
Fund Cash Balance/(Deficits), December 31, 2006	<u>\$62,513</u>	<u>(\$16,308)</u>	<u>\$49,056</u>	<u>\$515,986</u>	<u>\$611,247</u>
Reserve for Encumbrances	<u>\$13,853</u>	<u>\$71</u>	<u>\$0</u>	<u>\$292,497</u>	<u>\$306,421</u>

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

Village of Hartville, Ohio
Stark County
Combined Statement of Cash Receipts, Cash Disbursements and Change in Fund Cash
Balances - All Proprietary and Fiduciary Fund Types
For the Year Ended December 31, 2006

	Enterprise	Agency	Total (Memorandum Only)
Operating Cash Receipts:			
Charges for Services	\$659,824	\$0	\$659,824
Fines, Licenses and Permits	6,770	0	6,770
Total Operating Cash Receipts	666,594	0	666,594
Operating Cash Disbursements:			
Personal Services	174,175	0	174,175
Transportation	1,782	0	1,782
Contractual Services	89,719	0	89,719
Supplies and Materials	85,407	0	85,407
Total Operating Cash Disbursements	351,083	0	351,083
Operating Income	315,511	0	315,511
Non-Operating Cash Receipts:			
Other Sources	10,830	38,727	49,557
Loan Proceeds	3,615,294	0	3,615,294
Total Non-Operating Cash Receipts	3,626,124	38,727	3,664,851
Net Income Before Non-Operating Cash Disbursements	3,941,635	38,727	3,980,362
Non-Operating Cash Disbursements			
Capital Outlay	(3,679,710)	0	(3,679,710)
Redemption of Principal	(106,860)	0	(106,860)
Interest and Other Fiscal Charges	(34,928)	0	(34,928)
Other Uses	(256)	(37,760)	(38,016)
Total Non-Operation Cash Disbursements	(3,821,754)	(37,760)	(3,859,514)
Net Income	119,881	967	120,848
Fund Cash Balances, January 1, 2006	564,636	1,559	566,195
Fund Cash Balances, December 31, 2006	<u>\$684,517</u>	<u>\$2,526</u>	<u>\$687,043</u>
Reserve For Encumbrances	<u>\$4,312</u>	<u>\$0</u>	<u>\$4,312</u>

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

VILLAGE OF HARTVILLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2007 AND DECEMBER 31, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Village of Hartville, Stark County, Ohio (the Village) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including sewer, park operations (leisure time activities), police, fire protection and emergency medical services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

The Village's cash and investments include demand deposits and STAR Ohio.

Investments are included in the fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Investments in STAR Ohio (the State Treasurer's investment pool) are valued at amounts reported by the State Treasurer.

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:

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

VILLAGE OF HARTVILLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2007 AND DECEMBER 31, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Special Revenue Funds - These funds are used to account for proceeds from specific sources that are legally restricted to expenditure for specific purposes. The Village has the following significant Special Revenue Funds:

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

State Highway Improvement Fund – This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing State Highways within the Villages boundaries.

Fire Fund – This fund receives levy monies for the purpose of affording emergency protection to the residents of Hartville.

Lake EMS Fund – This fund receives levy monies for the purpose of affording emergency protection to the residents of Hartville.

Income Tax Fund – This fund is used to account for the costs of collecting the self assessed taxes and the cost of administering and enforcing the income tax in accordance with the Village ordinance.

Debt Service Fund – This fund is used to accumulate resources for payment of debt.

Capital Projects Funds – This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise funds).

Proprietary Fund Types

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

Sanitary Sewer Fund – This fund receives charges for services from residents to cover the cost of providing this utility.

VILLAGE OF HARTVILLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2007 AND DECEMBER 31, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds Types

These funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other government, and/or other funds. The following are the Village's fiduciary fund types:

Agency Funds – This fund is used to account for the collection of fines, fees, and costs from the Village's Mayor's Court.

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

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

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

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

VILLAGE OF HARTVILLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2007 AND DECEMBER 31, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Village's basis of accounting.

H. Total Columns on Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to consolidation. Interfund-type eliminations have not been made in the aggregation of this data.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>2007</u>	<u>2006</u>
Demand deposits	\$409,944	\$191,001
STAR Ohio	<u>806,526</u>	<u>1,107,289</u>
Total deposits and investments	<u><u>\$1,216,470</u></u>	<u><u>\$1,298,290</u></u>

Deposits – Deposits are either insured by the Federal Depository Insurance Corporation; collateralized by the financial institution's public entity deposit pool; or covered by Surety Bonds.

Investments – Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

VILLAGE OF HARTVILLE

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2007 and December 31, 2006 was as follows:

2007 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$846,254	\$900,234	\$53,980
Special Revenue	1,557,338	1,437,243	(120,095)
Capital Projects	78,170	394,846	316,676
Proprietary	1,240,872	1,184,518	(56,354)
Fiduciary	5,836	27,495	21,659
Total	<u>\$3,728,470</u>	<u>\$3,944,336</u>	<u>\$215,866</u>

2007 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$912,912	\$934,365	(\$21,453)
Special Revenue	1,399,243	1,213,159	186,084
Capital Projects	569,503	569,834	(331)
Proprietary	1,649,324	1,318,369	330,955
Fiduciary	5,836	27,545	(21,709)
Total	<u>\$4,536,818</u>	<u>\$4,063,272</u>	<u>\$473,546</u>

2006 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$910,728	\$827,573	(\$83,155)
Special Revenue	1,847,714	1,399,827	(447,887)
Debt Service	47,978	0	(47,978)
Capital Projects	923,892	972,510	48,618
Proprietary	4,493,073	4,292,718	(200,355)
Fiduciary	5,722	38,727	33,005
Total	<u>\$8,229,107</u>	<u>\$7,531,355</u>	<u>(\$697,752)</u>

VILLAGE OF HARTVILLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2007 AND DECEMBER 31, 2006

3. BUDGETARY ACTIVITY (continued)

2006 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$1,076,040	\$958,005	\$118,035
Special Revenue	1,830,018	1,569,719	260,299
Debt Service	96,823	0	96,823
Capital Projects	881,464	953,036	(71,572)
Proprietary	1,063,390	4,177,149	(3,113,759)
Fiduciary	27,216	37,760	(10,544)
Total	<u>\$4,974,951</u>	<u>\$7,695,669</u>	<u>(\$2,720,718)</u>

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then reimbursed to the Village by the State of Ohio. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20. Under certain circumstances, state statute permits later payment dates to be established.

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. INCOME TAX

This locally levied tax of 1% is applied to gross salaries, wages and other personal service compensation earned by residents both in and out of the Village and earnings of nonresidents (except certain transients) earned in the Government. It also applies to net income of business organizations conducted within the Village. Tax receipts are credited 50% to the General Fund and 50% to the Capital Projects Funds and equaled \$907,238 for 2007 and \$850,519 for 2006.

VILLAGE OF HARTVILLE

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

6. DEBT

Debt outstanding is as follows:

	<u>Balance 1/1/2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2006</u>	<u>Due Within One Year</u>
CS805 WWTP, 0.00%					
01/01/2007 maturity	\$342,291	\$0	(\$31,117)	\$311,174	\$31,117
OWDA 2285, 3.12%					
07/01/2018 maturity	1,138,287	0	(75,743)	1,062,544	78,123
OWDA 3722, 0.00%					
07/01/2023 maturity	174,109	0	0	174,109	10,552
OWDA 4414, 0.00%					
07/01/2026 maturity	<u>0</u>	<u>3,615,294</u>	<u>0</u>	<u>3,615,294</u>	<u>209,365</u>
	<u>\$1,654,687</u>	<u>\$3,615,294</u>	<u>(\$106,860)</u>	<u>\$5,163,121</u>	<u>\$329,157</u>
	<u>Balance 1/1/2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2007</u>	<u>Due Within One Year</u>
CS805 WWTP, 0.00%					
01/01/2007 maturity	\$311,174	\$0	(\$31,117)	\$280,057	\$31,117
OWDA 2285, 3.12%					
07/01/2018 maturity	1,062,544	0	(78,123)	984,421	80,580
OWDA 3722, 0.00%					
07/01/2023 maturity	174,109	0	(10,552)	163,557	10,552
OWDA 4414, 0.00%					
07/01/2026 maturity	<u>3,615,294</u>	<u>416,632</u>	<u>(209,365)</u>	<u>3,822,561</u>	<u>209,365</u>
	<u>\$5,163,121</u>	<u>\$416,632</u>	<u>(\$329,157)</u>	<u>\$5,250,596</u>	<u>\$331,614</u>

VILLAGE OF HARTVILLE

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

6. DEBT (continued)

The following is a summary of the Village's future annual debt service requirements:

Year	WWTP		OWDA 2285		OWDA 3722	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$31,117	\$0	\$80,580	\$30,090	\$10,552	\$0
2009	31,117	0	83,114	27,557	10,552	0
2010	31,117	0	85,727	24,943	10,552	0
2011	31,117	0	88,423	22,248	10,552	0
2012	31,117	0	91,203	19,467	10,552	0
2013-2017	124,472	0	500,879	52,474	52,760	0
2018-2022	0	0	54,495	843	52,760	0
2023-2027	0	0	0	0	5,277	0
	<u>\$280,057</u>	<u>\$0</u>	<u>\$984,421</u>	<u>\$177,622</u>	<u>\$163,557</u>	<u>\$0</u>

The Waste Water Treatment Plant Replacement and Improvement (WWTP) loan through the Ohio Public Works Commission relates to a project for the increase in amount of gallons passing through the Waste Water Treatment Plant. The loan will be repaid with semiannual installments of \$15,559 until its maturity in 2017. The loan is secured by sewer receipts.

The Ohio Water Development Authority (OWDA) loan 2285 relates to a project for the expansion of the aerobic digester/sludge storage facilities and chlorine contact tank. The loan will be repaid with semiannual installments of \$55,335 until its maturity in 2018.

The Ohio Water Development Authority (OWDA) loan 3722 relates to a project for the construction of sanitary sewer to connect to the existing Sunnyside lift station. The loan will be repaid with semiannual installments of \$5,276 until its maturity in 2023. The loan is secured by sewer receipts.

The Village had an outstanding loan balance at December 31, 2005 for OWDA 3722 of \$235,462. However, the entire loan was not needed and the OWDA adjusted the ending total amount financed to reflect actual loan disbursements. Therefore, the December 31, 2005 ending balance in the prior year audit report does not agree to the January 1, 2006 beginning balance for the loan as stated above.

VILLAGE OF HARTVILLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2007 AND DECEMBER 31, 2006

6. DEBT (continued)

During 2006 and 2007, the Village obtained 2 OWDA loans (loan 4414 and loan 4538) for improvements to the waste water treatment plant. These loans will not have an accurate repayment schedule until the loans are finalized, and therefore, are not included in the schedule of future annual debt service requirements. Both loans are secured by sewer receipts. There were no proceeds received on OWDA loan 4538 as of December 31, 2007. However, the loan agreement called for debt service payments of \$51,929 which the Village paid in December 2007.

7. RETIREMENT SYSTEMS

The Village's Police officers belong to the Ohio Police and Fire Pension Funds (OP&F). The Village's officials and other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

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 police participant wages. For 2007 and 2006, OPERS members contributed 9.5% and 9%, respectively, of their gross salaries and the Village contributed an amount equal to 13.85% and 13.70%, respectively, of participants' gross salaries. The Village has paid all contributions required through December 31, 2007.

8. RISK MANAGEMENT

The Village has obtained commercial insurance for comprehensive property and general liability; vehicles; and errors and omissions.

9. CONTINGENT LIABILITIES

The Village is a defendant in several lawsuits. Although management cannot determine the outcome of these suits, management believes that the resolution of these matters will not materially affect the Village's financial condition.

10. COMPLIANCE

Contrary to Section 5705.10, Revised Code, the Village incurred negative fund balances at various times during 2007 and 2006.

Contrary to Section 5705.41(B), Revised Code, the Village incurred expenditures and encumbrances greater than authorized appropriations.

VILLAGE OF HARTVILLE

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

10. COMPLIANCE (continued)

Contrary to Section 5705.14, 5705.15 and 5705.16, Revised Code, some transfers were not authorized by Council

Contrary to Section 5705.41(D), the Village entered into contracts or orders without proper certification of the fiscal officer.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Village Council
Village of Hartville, Stark County
P.O. Box 760
Hartville, OH 44632-0760

We have audited the financial statements of Village of Hartville, Stark County (the Village) as of and for the years ended December 31, 2007 and December 31, 2006, and have issued our report thereon dated October 31, 2008, wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than the 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion 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 the normal course of 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 accounting practices the Auditor of State prescribes such that there is more than a remote likelihood that a misstatement of the Village's financial statements that is more than inconsequential will not be prevented or detected by the Village's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as items 2007-01 through 2007-03 to be significant deficiencies in internal control over financial reporting.

Village of Hartville
Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements performed in
Accordance with *Government Auditing Standards*
Page 2

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of the section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider items 2007-01 through 2007-03 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompany Schedule of Findings and Responses as items 2007-03 through 2007-08.

We noted certain matters that we reported to management of the Village in a separate letter dated October 31, 2008.

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

This report is intended solely for the information and use of management and Village Council, and is not intended to be and should not be used by anyone other than those specified parties.

Varney, Fink & Associates

VARNEY, FINK & ASSOCIATES, INC.
Certified Public Accountants

October 31, 2008

VILLAGE OF HARTVILLE
STARK COUNTY
SCHEDULE OF AUDIT FINDINGS AND RESPONSES
YEARS ENDING DECEMBER 31, 2007 AND DECEMBER 31, 2006

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

Finding 2007-01 Significant Deficiency/Material Weakness

Cash Receipts

Our testing revealed weaknesses with respect to the posting and reporting of receipts. These weaknesses include, but were not limited to, revenues being posted to incorrect funds and/or accounts, numerous adjusting entries to reverse previous transactions, not posting transactions timely and lack of sufficient supporting documentation. The weaknesses could lead to insufficient operation of the Village's finance functions, and financial statement errors. In addition, these weaknesses may compromise management's ability to effectively monitor the finances and make appropriate decisions for the Village. The following posting errors were noted:

Reclassification of homestead and roll back receipts from property tax receipts to intergovernmental receipts:

- General Fund – (2006 - \$7,785); (2007 - \$4,598)
- Fire Fund – (2006 - \$10,965); (2007 - \$4,364)
- EMS Fund – (2006 - \$8,224); (2007 - \$5,818)

Recorded homestead and roll back receipts in the incorrect fund in 2007:

- 2007 from General Fund \$10,181 to EMS Fund \$4,363 and Fire Fund \$5,818
- 2006 from Fire Fund to EMS Fund \$2,954

Recorded gas tax in the incorrect fund in 2007:

- From General Fund \$2,594 to Street Maintenance \$2,594

Reclassification of charges for services from licenses and permits in the Sewer Fund in 2007 - \$59,756

Record unrecorded Sewer revenues in 2007- \$3,701.

Reclassification of local government funds from licenses and permits in the General Fund, 2006 - \$3,266

Reclassification of miscellaneous receipts from property tax receipts in the General Fund, 2006 - \$14,459

Special assessment taxes improperly recorded in the Debt Service Fund in 2006 that should have been recorded in the Sewer Fund - \$3,867

VILLAGE OF HARTVILLE
STARK COUNTY
SCHEDULE OF AUDIT FINDINGS AND RESPONSES
YEARS ENDING DECEMBER 31, 2007 AND DECEMBER 31, 2006

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

Recorded oil/gas royalties in the General Fund that should have been recorded in the Capital Improvement Fund, 2006 - \$1,472

Reclassified miscellaneous receipts to sale of assets in the Capital Improvement Fund, 2006 - \$383,847

Moved loan proceeds from intergovernmental receipts in the Capital Improvement Fund to loan proceeds in the Sewer Fund.

2006 - \$3,615,294

2007 - \$416,632

The Village should take the necessary steps to ensure receipts are accounted for and properly classified when posted to the Village's accounting system. The Village has made the necessary adjustments to the financial statements and their books.

Officials Response:

The Village of Hartville has taken steps to ensure receipts are accounted for and properly classified through three primary changes to the accounting controls:

1. Receipts will now be reviewed on a monthly basis by the Fiscal Officer,
2. The process of recording receipts has been simplified to reduce the potential of errors incurred when transferring information from one format to another,
3. The Fiscal Officer has created quick reference guides to aid in the proper classification and accounting of receipts.

Finding 2007-02 Significant Deficiency/Material Weakness

Cash Disbursements

Our testing revealed weaknesses with the processing of non-payroll related expenditures. These weaknesses included checks written out of sequence, checks voided but not retained or accounted for and checks written but not recorded in the accounting system. These weaknesses could lead to insufficient operation of the Village's finance function and financial statement errors. In addition, these weaknesses may compromise management's ability to effectively monitor the finances and make appropriation decisions for the Village. The following posting errors were noted:

VILLAGE OF HARTVILLE
STARK COUNTY
SCHEDULE OF AUDIT FINDINGS AND RESPONSES
YEARS ENDING DECEMBER 31, 2007 AND DECEMBER 31, 2006

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

In the Enterprise Sewer Fund interest payments were incorrectly posted as principal retirement:

2007 - \$32,547
2006 - \$34,928

A transfer from the General Fund to the Enterprise Sewer Fund for \$2,858 was improperly made.

Moved Capital Outlay disbursements related to the waste water treatment plant improvements from the Capital Improvement Fund to the Sewer Fund:

2007 - \$416,632
2006 - \$3,615,294

Numerical control should be kept over all checks, voided checks should be defaced and the signature portion of the check removed and the check should be retained and accounted for in numerical sequence. Checks should not be prepared manually but rather processed through the system so they are recorded. The fiscal officer should also review the chart of accounts to make sure disbursements are posted to the correct account. The Village has made the necessary adjustments to the financial statements and their books.

Officials Response:

Checks for Payroll, General Fund and Sewer Fund are grouped in a common place and in numerical sequence. Each check run is double checked to see if the proper sequence is being followed, confirmed in the check journal.

As noted in the Finding, checks that are to be voided will have the 'void' marking written on the face of the check and the signature(s) will be physically removed from the voided check. Additionally, these checks will be kept with the other paperwork accumulated with month end reconciliation.

If a manual check is a necessity, it will be immediately entered into the accounting system and posted.

Finding 2007-03 Noncompliance/Significant Deficiency/Material Weakness

Ordinance No. 1-68.18 Section XIV requires income tax revenue to be disbursed as follows:

1. First, such part thereof as shall be necessary to deliver all expenses of collecting the tax and of administering and enforcing the provisions of within Ordinance shall be paid.

VILLAGE OF HARTVILLE
 STARK COUNTY
 SCHEDULE OF AUDIT FINDINGS AND RESPONSES
 YEARS ENDING DECEMBER 31, 2007 AND DECEMBER 31, 2006

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

2. Five tenths of the balance remaining after providing for the payment of the expenses referred to in paragraph above, shall be appropriated for general municipal operations.
3. Five tenths of the balance remaining, after providing for the payment of the expenses referred to above, shall be deposited in a special fund to be known as the Capital Improvements Fund.

In 2006, the General Fund received \$25,000 more than the Capital Improvements Fund. The Village has made the necessary adjustment so that income tax revenue has been distributed per Ordinance No. 1-68.18.

Officials Response:

Per Ord No. 1-681.18, the Village of Hartville has made the necessary adjustments so that income tax revenue is distributed appropriately between the General Fund and Capital Improvements Fund.

Finding 2007-04 Noncompliance

Section 5705.41(B), Revised Code, requires that no subdivision or taxing unit is to expend money unless it has been appropriated.

Per our budgetary analysis it was noted that expenditures exceeded appropriations in the following funds:

<u>Fund</u>	<u>Amount</u>
<u>2006</u>	
Lake EMS Fund	\$7,208
Capital Improvements Fund	\$71,572
Sewer Fund	\$3,113,759
<u>2007</u>	
General Fund	\$21,453
Capital Projects Fund	331

In addition to expenditures and encumbrances exceeding appropriations at the fund level above, expenditures and encumbrances exceeded appropriations in various line-item accounts (the legal level of control) in various funds. Also, appropriations posted to the Village's Appropriation ledgers did not always reconcile to the Village's Annual Appropriation Measure plus supplemental appropriations. The Village Fiscal Officer should frequently compare actual expenditures plus outstanding encumbrances to appropriations at the legal level of control to avoid potential overspending. The Fiscal Officer should also periodically review the Village's Appropriation Ledgers to ensure appropriation amounts are posted accurately and timely.

VILLAGE OF HARTVILLE
STARK COUNTY
SCHEDULE OF AUDIT FINDINGS AND RESPONSES
YEARS ENDING DECEMBER 31, 2007 AND DECEMBER 31, 2006

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

Officials Response:

The Fiscal Officer will on a monthly basis compare actual expenditures plus outstanding encumbrances to appropriations. During the same period of review, the Fiscal Officer will inspect the Appropriation Ledgers to ensure accurate appropriation postings.

Finding 2007-05 Noncompliance

Section 5705.14, 5705.15, 5705.16, Revised Code, requires approval of the taxing authority for transfers.

Per our analysis of transfers, it was noted that certain transfers were not authorized by Council in the minutes. A listing of those transfers follows:

Transfer from General Fund to Street Construction Fund	\$10,000	12/27/2007
Transfer from Income Tax Fund to General Fund	\$100,000	12/27/2007
Transfer from Income Tax Fund to Capital Projects Fund	\$100,000	12/27/2007

Officials Response:

Transfers will continue to follow Ohio Revised Code, section 5705.14; to be authorized by council in the legal minutes. The Fiscal Officer will prepare an ordinance/resolution for every transfer to be authorized by Council.

Finding 2007-06 Noncompliance

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

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

- a. Then and Now Certificate – If no certificate is furnished as required, upon receipt of the fiscal officer’s certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, Village Council may authorize the issuance of a warrant in

VILLAGE OF HARTVILLE
 STARK COUNTY
 SCHEDULE OF AUDIT FINDINGS AND RESPONSES
 YEARS ENDING DECEMBER 31, 2007 AND DECEMBER 31, 2006

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

payment of the amount due upon such contract or order by resolution with 30 days from the receipt of such certificate.

- b. If the amount is less than \$3,000 the Fiscal Officer may authorize payment through a Then and Now Certificate without the affirmation of the Village Council, if such expenditure is otherwise valid.

During our testing of expenditures 20% of the expenditures tested in 2007 and 17% of the expenditures tested in 2006 were not certified by the Fiscal Officer prior to incurring the obligation. It was also found that neither of the two exceptions were utilized for the items found to be in non-compliance. The Village should certify the availability of funds prior to incurring the obligation for expenditures. The Village should also implement the use of Then and Now Certificates and Blanket Certificates as further permitted by Ohio Revised Section 5705.41.

Officials Response:

The Village will certify the availability of funds prior to incurring the obligation for expenditure through the use of a Purchase Order that has the Fiscal Officer's certification on it as part of the standard form.

Additionally, the use of Then and Now certificates will be used in case of emergency or quick response, as needed. The use of Super Blankets will be added to the acceptable means of handling repeated orders from the same vendor.

Finding 2007-07 Noncompliance

Section 5705.10, Revised Code, states that money paid into a fund must be used only for the purposes for which such fund has been established. As a result, a negative fund balance indicates that money from one fund was used to cover the expense of another fund.

The following funds had negative fund balances for the following periods and amounts:

<u>Fund</u>	<u>As of</u>	<u>Amount</u>
General Fund	June 30, 2006	(\$25,820)
Capital Project Fund	June 30, 2006	(\$87,516)
Income Tax Fund	December 31, 2006	(\$92,284)
General Fund	February 28, 2007	(\$23,549)
General Fund	September 30, 2007	(\$23,329)
Fire Fund	September 30, 2007	(\$9,070)

VILLAGE OF HARTVILLE
STARK COUNTY
SCHEDULE OF AUDIT FINDINGS AND RESPONSES
YEARS ENDING DECEMBER 31, 2007 AND DECEMBER 31, 2006

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

Negative cash balances are an indication that revenues from other sources were used to pay obligations of those funds. Fund activity should be monitored to prevent future expenditures in excess of available resources.

Officials Response:

Fiscal Officer will monthly review/inspect Fund balances and Appropriation line item balance detail, monitoring all Fund activity to prevent future expenditures being in excess of resources.

Finding 2007-08

Noncompliance

Section 135.21, Revised Code, states in part, that all investment earnings, except as otherwise expressly provided by law, shall be credited to the General Fund of the Village.

The Fiscal Officer distributed interest earnings to the Capital Projects Fund (2007-\$1,822) and Sewer Fund (2007-\$22,221; 2006-\$20,109) that should have been distributed to the General Fund. An adjustment has been made to the financial statements and their books to properly reflect the interest earnings.

Officials Response:

Fiscal Officer has noted through the stated Revised Code, that all investment earnings (interest), except as otherwise expressly provided by law, will be credited to the General Fund. This will be conducted, in the least, once per month when receipts (Pay-Ins) are posted to the accounting system in preparation for the monthly bank reconciliations.

VILLAGE OF HARTVILLE
STARK COUNTY, OHIO

SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2007
AND DECEMBER 31, 2006

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected</u>	<u>Not Corrected, Partially Corrected, Significantly Different Corrective Action Taken, or Finding No Longer Valid; Explain</u>
2005-01	ORC Section 5705.41(D) Certification of fiscal officer	No	Not Corrected



Mary Taylor, CPA
Auditor of State

VILLAGE OF HARTVILLE

STARK 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
MAY 26, 2009