

***VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO***

AUDIT REPORT

FOR THE YEARS ENDED DECEMBER 31, 2008 & 2007

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Mary Taylor, CPA
Auditor of State

Village Council
Village of Mineral City
8503 N. High Street
P.O. Box 336
Mineral City, Ohio 44656

We have reviewed the *Report of Independent Accountants* of the Village of Mineral City, Tuscarawas County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2007 through December 31, 2008. 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 *Report of Independent Accountants* 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 *Report of Independent Accountants* 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 Mineral City is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

July 2, 2009

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**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY
For Years Ending December 31, 2008 and 2007**

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

REPORT OF INDEPENDENT ACCOUNTANTS

Village of Mineral City
Tuscarawas County
Village Hall
Mineral City, Ohio 44656

To the Village Council:

We have audited the accompanying financial statements of the Village of Mineral City, Tuscarawas County, Ohio as and for the years ended December 31, 2008 and 2007. 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 that 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, 2008 and 2007. Instead of the combined funds the accompanying financial statements present for 2008 and 2007, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2008 and 2007. 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 the new GAAP presentation requirements. The Auditor of State permits, but does not require governments 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.

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, 2008 and 2007, 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, 2008 and 2007, or its changes in financial position 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 Mineral City, Tuscarawas County, as of December 31, 2008 and 2007, 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, 2008 and 2007. 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 June 22, 2009, 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 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.

Charles E. Harris & Associates, Inc.

June 22, 2009

VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUNDS
For the Year Ended December 31, 2008

	Governmental Fund Types		(Memorandum Only)
	General	Special Revenue	Total
Receipts:			
Property Tax and Other Local Taxes	\$ 41,993	\$ 4,619	\$ 46,612
Municipal Income Taxes	34,054	-	34,054
Charges for Services	22,000	-	22,000
Intergovernmental	30,102	63,588	93,690
Fines, Licenses and Permits	4,351	-	4,351
Interest	1,493	84	1,577
Other	12,914	296	13,210
Total Receipts	146,907	68,587	215,494
Disbursements:			
General Government	44,711	31,955	76,666
Security of Persons & Property	3,310	7,455	10,765
Community Environment	1,470	-	1,470
Basic Utilities	21,331	9,521	30,852
Public Health Services	239	-	239
Transportation	3,512	11,936	15,448
Leisure time Activities	5,555	-	5,555
Capital Outlay	3,422	3,895	7,317
Debt Service			
Principal	-	27,223	27,223
Interest	-	13,923	13,923
Total Disbursements	83,550	105,908	189,458
Receipts over(under) disbursements	63,357	(37,321)	26,036
Other Financing Sources (Uses)			
Transfers in	-	23,357	23,357
Transfers out	(23,357)	-	(23,357)
Other Financing uses	-	(1,336)	(1,336)
Total Other Financing Sources (Uses)	(23,357)	22,021	(1,336)
Total Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing Uses	40,000	(15,300)	24,700
Fund Balance 1/1/2008	105,186	79,806	184,992
Fund Balance 12/31/2008	<u>\$ 145,186</u>	<u>\$ 64,506</u>	<u>\$ 209,692</u>

See accompanying Notes to the Financial Statements.

VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUNDS
For the Year Ended December 31, 2007

	Governmental Fund Types		(Memorandum Only)
	General	Special Revenue	Total
Receipts:			
Property Tax and Other Local Taxes	\$ 41,945	\$ 3,687	\$ 45,632
Municipal Income Taxes	32,297	-	32,297
Charges for Services	26,500	-	26,500
Intergovernmental	29,601	57,069	86,670
Fines, Licenses and Permits	4,375	-	4,375
Interest	3,629	479	4,108
Other	9,146	577	9,723
Total Receipts	147,493	61,812	209,305
Disbursements:			
General Government	57,551	26,939	84,490
Security of Persons & Property	1,920	5,096	7,016
Community Environment	1,470	-	1,470
Basic Utilities	20,248	7,853	28,101
Public Health Services	232	-	232
Transportation	11,951	11,429	23,380
Leisure time Activities	7,236	-	7,236
Capital Outlay	978	15,711	16,689
Debt Service			
Principal	-	26,779	26,779
Interest	-	14,393	14,393
Total Disbursements	101,586	108,200	209,786
Receipts over(under) disbursements	45,907	(46,388)	(481)
Other Financing Sources (Uses)			
Transfers in	-	27,271	27,271
Transfers out	(27,271)	-	(27,271)
Other Financing uses	-	(1,468)	(1,468)
Total Other Financing Sources (Uses)	(27,271)	25,803	(1,468)
Total Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing Uses	18,636	(20,585)	(1,949)
Fund Balance 1/1/2007	86,550	100,391	186,941
Fund Balance 12/31/2007	<u>\$ 105,186</u>	<u>\$ 79,806</u>	<u>\$ 184,992</u>

See accompanying Notes to the Financial Statements.

**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO
Notes to the Financial Statements
For the Year Ended December 31, 2008 and 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

The Village of Mineral City, (the Village) is a body corporate and politic established for the purpose of exercising 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 water and sewer utilities, police services and fire services and park services.

The Village's management believes these financial statements included in this report represent all of the funds of the Village over which the Village has the ability to exercise direct operating control.

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 disbursement basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e. when an encumbrance is approved.)

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

C. CASH AND INVESTMENTS

Investments are reported as assets. 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.

Certificates of deposit are valued at cost.

D. FUND ACCOUNTING

The Village maintains its accounting records in accordance with the principles of "Fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. The restrictions associated with each class of funds are as follows:

Governmental Fund Types:

General Fund: The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO
Notes to the Financial Statements
For the Year Ended December 31, 2008 and 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

D. FUND ACCOUNTING – (continued)

Special Revenue Funds: To account for the proceeds of specific revenue sources (other than trusts or capital projects) that are legally restricted to disbursements for specified 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 Fund – This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village highways.

Fire Protection Fund – This fund is used to account for proceeds restricted to providing fire protection to Village residents and those of Sandy Township.

E. BUDGETARY PROCESS

1. Estimated Resources

The county auditor calculates the estimated revenues available to the Village. He prepares a certificate of estimated resources based upon this calculation and upon other financial information supplied in the budget sent by the Village. The certificate is approved by the county budget commission and sent to the Village.

Prior to December 31, the Village must revise its budget so that the total budgeted expenditures for a fund will not exceed the amount of stated in the certificate of estimated resources. The revised budget serves as the basis for the annual appropriation measure.

On or about January 1, the Clerk/Treasurer sends the county auditor a certificate to which includes the actual unencumbered balances from the preceding year. The county auditor prepares an amended certificate, submits it to the county budget commission for approval. This amended certificate may be further amended during the year if projected increases or decreases in revenue are identified by the Clerk/Treasurer. The amounts reported in Note 5 reflect the amounts in the final amended certificates issued during 2008 and 2007.

Budget receipts, as shown in Note 5, do not include the unencumbered fund balances as of January 1, 2008 and 2007. However, those fund balances are available for appropriation.

**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO
Notes to the Financial Statements
For the Year Ended December 31, 2008 and 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

E. BUDGETARY PROCESS – (continued)

2. Appropriations

A temporary appropriation measure to control cash expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by March 31 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

The legal level of budgetary control is at the fund, function and object level in all funds. Any budgetary modifications at this level may only be made by ordinance of the Village Council.

3. Encumbrances

The Village is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Unencumbered appropriations lapse at year-end.

Encumbered appropriations are carried forward to the succeeding fiscal year without being re-appropriated. In Note 5, encumbrances are added to budgetary expenditures and compared to current year appropriations plus prior year carry-over appropriations.

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.

G. Unpaid Vacation and Sick Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation and sick leave. Unpaid vacation and sick leave are not reflected as liabilities on the accompanying financial statements.

**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO
Notes to the Financial Statements
For the Year Ended December 31, 2008 and 2007**

2. EQUITY IN POOLED CASH AND CASH EQUIVALENTS

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

Petty Cash	2008	2007
Demand Deposits	\$ 209,692	\$ 152,960
Certificates of Deposits	<u>-0-</u>	32,032
Total	<u>\$ 209,692</u>	<u>\$ 184,992</u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation; (2) collateralized by securities specifically pledged by the financial institution to the Township or (3) collateralized by the financial institution's public entity deposit pool.

3. PROPERTY TAXES

Real property taxes become a lien on all non-exempt real property located in the county on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

Real property owners' tax bills are further reduced by homestead and rollback deductions when applicable. The amount of these homestead and rollback reductions is reimbursed to the Village by the State of Ohio.

Owners of tangible personal property are required to file a list of such property including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

4. LOCAL INCOME TAX

The Village levies a municipal income tax of one (1) 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.

**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO
Notes to the Financial Statements
For the Year Ended December 31, 2008 and 2007**

5. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2008 follows:

2008 Budgeted Versus Actual Receipts

Fund Types	Budgeted Receipts	Actual Receipts	Variance
General	\$ 146,907	\$146,907	\$ -
Special Revenue	108,310	91,944	(16,366)

2008 Budgeted Versus Actual Budgetary Expenditures

Fund Types	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 180,879	\$ 106,907	\$ 73,972
Special Revenue	136,999	107,244	29,755

2007 Budgeted Versus Actual Receipts

Fund Types	Budgeted Receipts	Actual Receipts	Variance
General	\$ 147,493	\$ 147,493	\$ -
Special Revenue	106,083	89,083	(17,000)

2007 Budgeted Versus Actual Budgetary Expenditures

Fund Types	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 200,618	\$128,857	\$ 71,761
Special Revenue	139,563	109,668	29,895

6. DEBT

Debt outstanding at December 31, 2008 was as follows:

	Interest Rate	Balance December 31, 2008
Fire Truck Note	4.997%	\$ 224,769

The fire truck note relates to the purchase of a fire truck. The term of the note is 15 years. The note is collateralized by the fire truck.

**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO
Notes to the Financial Statements
For the Year Ended December 31, 2008 and 2007**

6. DEBT – (continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2008 are as follows:

Year ending December 31	Fire Truck Principal
2009	\$ 23,924
2010	23,924
2011	23,924
2012	23,924
2013	23,924
2014-2018	119,620
2019-2021	<u>71,772</u>
Total	<u>\$ 311,012</u>

7. RISK MANAGEMENT

Risk Pool Membership

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association with over 600 governmental entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services. Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible. The Plan uses conventional insurance coverages and reinsures these coverages 100%, rather than using a risk pool of member funds to pay individual and collective losses. Therefore, the individual members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

The Plan's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Assets	\$11,136,455	\$ 9,620,148
Liabilities	<u>(4,273,553)</u>	<u>(3,329,620)</u>
Members Equity	<u>\$ 6,862,902</u>	<u>\$6,290,528</u>

**VILLAGE OF MINERAL CITY
TUSCARAWAS COUNTY, OHIO
Notes to the Financial Statements
For the Year Ended December 31, 2008 and 2007**

8. RETIREMENT SYSTEM

The Ohio Public Employees Retirement System (OPERS) is a state operated, cost sharing, multiple employer public employee retirement system. OPERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. OPERS also provides survivor and disability benefits to vested employees.

Contributions rates are prescribed by the Ohio Revised Code. During 2008 the Village's OPERS members contributed 10 percent of their gross salaries. The Village contributed an amount equal to 14% for 2008 of participant's gross salaries. The Village has paid all contributions required through December 31, 2008.

9. INTERFUND-TRANSFERS

During 2008 and 2007 the Village transferred \$23,357 and \$27,271, respectively from the General Fund to various Special Revenue Funds. The transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

10. JOINTLY GOVERNED ORGANIZATIONS

A. The Village is associated with the Tuscarawas County Regional Planning commission as a jointly governed organization. The Commission is a statutorily created political subdivision of the State. The Commission is jointly governed among Tuscarawas County municipalities and townships. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economical and governmental characteristics, functions and services of the county.

B. The Tuscarawas County Tax Incentive Review Control (Council) is a jointly governed organization, created as a regional council of governments pursuant to State statutes. The Council has 22 members, consisting of three members appointed by the Tuscarawas County Commissioners, four members appointed by municipal corporations and six members appointed by boards of education located within the County. The Council reviews and evaluates the performance of each Enterprise Zone Agreement. This body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however the Council can make a written recommendation to the legislative authority which approved the agreement. There is no cost associated with being a member of the Council. The continued existence of the Council is not dependent upon the Village's continued participation and no measurable equity interests exist.

11. CONTINGENT LIABILITIES

Management believes there are no pending claims or lawsuits.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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*

Village of Mineral City
Tuscarawas County
Village Hall
Mineral City, Ohio 44629

To the Village Council:

We have audited the financial statements of the Village of Mineral City, Tuscarawas County (the Village) as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated June 22, 2009, wherein we noted the Village followed the cash basis of accounting, a comprehensive accounting basis other 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls 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.

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 its applicable accounting basis, 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.

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 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 financial reporting that we consider to be material weaknesses, as defined above.

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, grants agreements and other matters, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the Village in a separate letter dated June 22, 2009.

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

Charles E. Harris & Associates, Inc.

June 22, 2009

STATUS OF PRIOR AUDIT'S CITATIONS AND RECOMMENDATIONS

The prior audit report, for the years ending December 31, 2006 and 2005, reported no material citations or recommendations.



Mary Taylor, CPA
Auditor of State

VILLAGE OF MINERAL CITY

TUSCARAWAS 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
JULY 16, 2009