



Mary Taylor, CPA  
Auditor of State



VILLAGE OF SOMERVILLE  
BUTLER 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, 2008.....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007 .....	6
Notes to the Financial Statements .....	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	13
Schedule of Findings.....	15
Schedule of Prior Audit Findings.....	17

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Mary Taylor, CPA  
Auditor of State

Village of Somerville  
Butler County  
146 Main Street  
Somerville, Ohio 45064

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

December 16, 2009

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

Village of Somerville  
Butler County  
146 Main Street  
Somerville, Ohio 45064

To the Village Council:

We have audited the accompanying financial statements of the Village of Somerville, Butler County, Ohio (the Village), as of 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. The Village processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Village because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. 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 require 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, 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 and reserves for encumbrances of the Village of Somerville, Butler 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 General Fund had negative fund balances of \$771 at December 31, 2007 and \$10,648 at December 31, 2008. Management's plan regarding this matter is described in Note 7 to the financial statements.

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 December 16, 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 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.



**Mary Taylor, CPA**  
Auditor of State

December 16, 2009



**VILLAGE OF SOMERVILLE  
BUTLER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<b>General</b>	<b>Special Revenue</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Property and Local Taxes	\$6,942	\$0	\$6,942
Intergovernmental	21,568	13,176	34,744
Charges for Services	0	1,500	1,500
Fines, Licenses and Permits	1,039	0	1,039
Earnings on Investments	89	95	184
Miscellaneous	773	0	773
 Total Cash Receipts	 30,411	 14,771	 45,182
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	10,480	0	10,480
Leisure Time Activities	420	0	420
Transportation	3,500	9,783	13,283
General Government	22,563	0	22,563
Capital Outlay	0	371	371
 Total Cash Disbursements	 36,963	 10,154	 47,117
 Total Receipts Over/(Under) Disbursements	 (6,552)	 4,617	 (1,935)
<b>Other Financing Receipts / (Disbursements):</b>			
Advances-In	0	3,325	3,325
Advances-Out	(3,325)	0	(3,325)
 Total Other Financing Receipts / (Disbursements)	 (3,325)	 3,325	 0
 Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	 (9,877)	 7,942	 (1,935)
 Fund Cash Balances, January 1	 (771)	 22,640	 21,869
 <b>Fund Cash Balances, December 31</b>	 <b>(\$10,648)</b>	 <b>\$30,582</b>	 <b>\$19,934</b>
 Reserve for Encumbrances, December 31	 \$472	 \$1,841	 \$2,313

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

**VILLAGE OF SOMERVILLE  
BUTLER 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**

	<b>General</b>	<b>Special Revenue</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Property and Local Taxes	\$9,971	\$0	\$9,971
Intergovernmental	27,385	14,171	41,556
Charges for Services	0	2,267	2,267
Fines, Licenses and Permits	2,459	0	2,459
Earnings on Investments	184	170	354
Miscellaneous	1,030	0	1,030
 Total Cash Receipts	 41,029	 16,608	 57,637
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	7,033	1,300	8,333
Leisure Time Activities	449	0	449
Transportation	10,518	14,801	25,319
General Government	26,685	0	26,685
Capital Outlay	0	297	297
 Total Cash Disbursements	 44,685	 16,398	 61,083
 Total Receipts Over/(Under) Disbursements	 (3,656)	 210	 (3,446)
 Fund Cash Balances, January 1	 2,885	 22,430	 25,315
 <b>Fund Cash Balances, December 31</b>	 <b>(\$771)</b>	 <b>\$22,640</b>	 <b>\$21,869</b>
 Reserve for Encumbrances, December 31	 \$472	 \$1,841	 \$2,313

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

**VILLAGE OF SOMERVILLE  
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007**

**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 Somerville, Butler County, Ohio (the Village), as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government services, including fire protection and park operations.

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 Deposits**

The Village funds are pooled in a checking account with a local commercial bank.

**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 and motor vehicle tax money for constructing, maintaining, and repairing Village streets.

State Highway Fund – This fund receives gasoline tax money for constructing, maintaining, and repairing state highways.

**VILLAGE OF SOMERVILLE  
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**E. Budgetary Process**

The Ohio Revised Code requires that each fund 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. 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 cancelled and reappropriated in the subsequent year; however, the Village carries over payroll encumbrances at year end.

A summary of 2008 and 2007 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.

**2. Equity in Pooled Cash and Deposits**

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

	<u>2008</u>	<u>2007</u>
Demand deposits	<u>\$19,934</u>	<u>\$21,869</u>

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**VILLAGE OF SOMERVILLE  
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$37,341	\$30,411	(\$6,930)
Special Revenue	15,101	14,771	(330)
Total	\$52,442	\$45,182	(\$7,260)

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$48,172	\$37,435	\$10,737
Special Revenue	23,091	11,995	11,096
Total	\$71,263	\$49,430	\$21,833

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$36,176	\$41,029	\$4,853
Special Revenue	15,000	16,608	1,608
Total	\$51,176	\$57,637	\$6,461

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$40,325	\$45,157	(\$4,832)
Special Revenue	35,574	18,239	17,335
Total	\$75,899	\$63,396	\$12,503

Contrary to Ohio law, at December 31, 2007, the General and State Highway Funds had cash deficit balances of \$771 and \$810, respectively. At December 31, 2008, the General Fund had a cash deficit balance of \$10,648.

**4. Property Tax**

Real property taxes become a lien on January 1 preceding the October 1 date for which the 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.

**VILLAGE OF SOMERVILLE  
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**4. Property Tax (Continued)**

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. Retirement Systems**

Two Village employees belong to the Ohio Public Employees Retirement System (OPERS). 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 2008 and 2007, For 2008 and 2007, OPERS members contributed 9.5 and 10%, respectively, of their gross salaries and the Village contributed an amount equaling 13.85 and 14%, respectively, of participants' gross salaries. The Village has paid all contributions required through December 31, 2008.

Effective July 1, 1991, all employees not otherwise covered by the Ohio Public Employees Retirement System (OPERS) have an option to choose Social Security. As of December 31, 2008, the remaining employees of the Village have elected Social Security. The employees' liability is 6.2 percent of wages paid. As of December 31, 2008 all payments have been made.

**6. Risk Management**

**Commercial Insurance**

The Village has obtained commercial insurance in May 2008 for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

**Risk Pool Membership**

The Village belonged to the Ohio Municipal Joint Self-Insurance Pool, (the "Pool"), an unincorporated non-profit association available to municipal corporations and their instrumentalities, from the beginning of the audit period to May 2008. The Pool is a separate legal entity per Section 2744 of the Ohio Revised Code. The Pool provides property and casualty insurance for its members. The Pool pays judgments, settlements and other expenses resulting for covered claims that exceed the members' deductibles.

The Pool cedes certain premiums to reinsurers or excess reinsurers. The Pool is contingently liable should any reinsurer be unable to meet its reinsurance obligations.

VILLAGE OF SOMERVILLE  
BUTLER COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)

**6. Risk Management (Continued)**

Members may withdraw at the end of any coverage period upon 60 days' prior notice to the Pool. A withdrawing member not providing the required notification remains responsible for its unpaid claims, and also remains liable for additional assessments (if any) for years during which they were members.

The Pool's financial statements (audited by other auditors) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained deficit at December 31, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Assets	\$2,552,519	\$ 2,405,834
Liabilities	<u>(2,814,306)</u>	<u>(2,877,385)</u>
Accumulated deficit	<u>(\$261,787)</u>	<u>(\$471,551)</u>

**7. Negative General Fund Balance**

The Village had negative fund balances in the General Fund of \$771 at December 31, 2007 and \$10,648 at December 31, 2008.

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# 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 Somerville  
Butler County  
146 Main Street  
Somerville, Ohio 45064

To the Village Council:

We have audited the financial statements of the Village of Somerville, Butler County, Ohio (the Village), as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated December 16, 2009 wherein we noted the Village prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We also noted the Village uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Village. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. 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 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 finding 2008-001 described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting.

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.

Our consideration of the 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 the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe finding number 2008-001 is also a material weakness.

We also noted certain internal control matters that we reported to the Village's management in a separate letter dated December 16, 2009.

#### **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 an instance of noncompliance or other matter that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2008-002.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated December 16, 2009.

We intend this report solely for the information and use of the audit committee, management, and Village Council. We intend it for no one other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

December 16, 2009

**VILLAGE OF SOMERVILLE  
BUTLER COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2008-001**

**Material Weakness**

When designing the public office's system of internal control and the specific control activities, management should consider ensuring that all transactions are properly authorized in accordance with management's policies, ensuring that accounting records are properly designed, and verifying the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The Village lacked management oversight in the proper posting of intergovernmental revenue. The Village incorrectly posted:

- Rollback receipts in the General Fund to Taxes instead of Intergovernmental in 2007 (\$1,362) and in 2008 (\$1,379).
- Permissive tax receipts in the Permissive Motor Vehicle License Tax Fund to Taxes instead of Intergovernmental in 2008 (\$591).
- A cents per gallon receipt in the General Fund to Intergovernmental instead of splitting it between the Street Construction, Maintenance and Repair Fund (\$252) and the State Highway Fund (\$20) in 2007.
- Two motor vehicle fees receipts in the State Highway and Permissive Motor Vehicle License Tax Funds to Intergovernmental instead of to the Street, Construction, Maintenance and Repair Fund in 2007 (\$230).
- A public utility receipt in the General Fund to Fines, Licenses and Permits instead of Intergovernmental in 2007 (\$188).

The Village made audit adjustments to the accompanying financial statements and the accounting records for the above items.

The Village lacked management oversight in the proper posting of transportation expenditures. The Village incorrectly posted street lighting expenses to the Street Construction, Maintenance and Repair Fund (\$9,518) and Permissive Motor Vehicle License Tax Fund (\$1,000) in 2007 and the Street Construction, Maintenance and Repair Fund (\$1,000); State Highway Fund (\$2,000); and Permissive Motor Vehicle License Tax Fund (\$500) in 2008. This is not an allowable disbursement for these funds and the expenses should have been posted to the General Fund. The Village made the audit adjustments to the accompanying financial statements and the accounting records for these items.

Failure to properly post revenue and expenditures can result in inaccurate records and cause the Village to misappropriate funds. We recommend the Village properly post receipts and expenditures. The Village should review receipts and expenditures posted to the ledgers for accuracy. Comparisons between years may aid in the proper posting of receipts and expenditures. To improve accountability and record keeping, we recommend that the Village use due care in posting financial activity to the Village's books and financial statements.

**FINDING NUMBER 2008-002**

**Noncompliance Finding**

**Ohio Rev. Code, Section 5705.10(H)**, provides, in part, 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 expenses of another fund. The Village had a negative fund balance in the General Fund at December 31, 2007 of \$771 and at December 31, 2008 of \$10,648. In addition, the State Highway Fund had a negative fund balance at December 31, 2007 of \$810. These negative fund balances were the result of audit adjustments. We recommend the Village monitor their various fund balances to ensure negative fund balances do not exist and use due care in posting financial activity to the Village's books.

**Officials' Response:**

We did not receive a response from Officials to the findings reported above.

**VILLAGE OF SOMERVILLE  
BUTLER COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2006-001	Ohio Rev. Code 5705.41(D), certification of the availability of funds	Yes	
2006-002	Ohio Rev. Code 5705.38, approval of appropriations	Yes	
2006-003	Ohio Rev. Code 5705.40, approval of supplemental appropriations	Yes	
2006-004	Ohio Rev. Code 149.351, destruction of public records	Yes	
2006-005	Ohio Admin. Code 117-2-02 (C)(1), estimated resources and appropriations not accurately reflected on the accounting system	Yes	
2006-006	Lack of Internal controls and management oversight over the payroll system	Yes	





Mary Taylor, CPA  
Auditor of State

**VILLAGE OF SOMERVILLE**

**BUTLER 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  
JANUARY 12, 2010**