VILLAGE OF MOUNT PLEASANT
JEFFERSON COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007-2006

Dave Yost • Auditor of State

VILLAGE OF MOUNT PLEASANT
JEFFERSON COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT

Village of Mount Pleasant
Jefferson County
PO Box 445
Mount Pleasant, Ohio 43939-0445

To the Village Council:

We have selectively tested accounts, financial records, files and reports of the Village of Mt. Pleasant, Jefferson County, (the Village) as of December 31, 2007 and 2006 following Ohio Administrative Code Section 117-4-02.

There are reportable findings and conditions as a result of performing these procedures. Our reportable findings and conditions follow the financial presentation. Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, and we do express no opinion on them.

This report is intended solely for the information and use of management, the Village Council, and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Dave Yost

Dave Yost
Auditor of State

October 3, 2011

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VILLAGE OF MOUNT PLEASANT
JEFFERSON 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

	Governmental Fund Types		
	General	**Special Revenue**	**Totals (Memorandum Only)**
Cash Receipts:			
Total Cash Receipts	$70,108	$67,541	$137,649
Cash Disbursements:			
Total Cash Disbursements	79,770	60,400	140,170
Total Receipts Over/(Under) Disbursements	(9,662)	7,141	(2,521)
Fund Cash Balances, January 1	16,793	11,707	28,500
Fund Cash Balances, December 31	**$7,131**	**$18,848**	**$25,979**

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

VILLAGE OF MOUNT PLEASANT
JEFFERSON COUNTY

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

	Enterprise
Cash Receipts:	
Total Cash Receipts	$96,968
Cash Disbursements:	
Total Cash Disbursements	89,723
Total Receipts Over/(Under) Disbursements	7,245
Fund Cash Balances, January 1	7,585
Fund Cash Balances, December 31	**$14,830**

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

VILLAGE OF MOUNT PLEASANT
JEFFERSON 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

	Governmental Fund Types		
	General	**Special Revenue**	**Totals (Memorandum Only)**
Cash Receipts:			
Total Cash Receipts	$66,354	$52,097	$118,451
Cash Disbursements:			
Total Cash Disbursements	76,464	65,284	141,748
Total Receipts Over/(Under) Disbursements	(10,110)	(13,187)	(23,297)
Fund Cash Balances, January 1	26,903	24,894	51,797
Fund Cash Balances, December 31	**$16,793**	**$11,707**	**$28,500**

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

VILLAGE OF MOUNT PLEASANT
JEFFERSON COUNTY

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

	Enterprise
Cash Receipts:	
Total Cash Receipts	$100,778
Cash Disbursements:	
Total Cash Disbursements	100,635
Total Receipts Over/(Under) Disbursements	143
Fund Cash Balances, January 1	7,442
Fund Cash Balances, December 31	**$7,585**

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

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 Mount Pleasant, Jefferson County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government, street construction, maintenance and repair, water utilities, park operations, and police services. The Village contracts with the Mount Pleasant Fire Department to receive fire protection services.

The Village participates in the Public Entities Pool of Ohio public entity risk pool. Note 8 to the financial statements provide additional information for this entity. This organization is:

Public Entity Risk Pool:
The Village belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP).

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. 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 Fund:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

3. Enterprise Funds

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

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

D. 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. Appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2007 and 2006 budgetary activity appears in Note 4.

E. 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 DEPOSITS

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

	2007	2006
Demand deposits	$40,809	$36,085

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

3. RESTATEMENT OF BEGINNING FUND BALANCE

Enterprise Fund Type – Water Fund	
Prior Year Ending Fund Balance 12/31/05	$10,096
Restatement Amount – 2005 Receipt posted twice.	- 5,000
Restated Beginning Fund Balance 1/1/2006	$ 5,096

4. BUDGETARY ACTIVITY

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

2007 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General		$70,108	$70,108
Special Revenue		67,541	67,541
Enterprise		96,968	96,968
Total	$0	$234,617	$234,617

2007 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General		$79,770	($79,770)
Special Revenue		60,400	(60,400)
Enterprise		89,723	(89,723)
Total	$0	$229,893	($229,893)

2006 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General		$66,354	$66,354
Special Revenue		52,097	52,097
Enterprise		100,778	100,778
Total	$0	$219,229	$219,229

4. BUDGETARY ACTIVITY- (Continued)

2006 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General		$76,464	($76,464)
Special Revenue		65,284	(65,284)
Enterprise		100,635	(100,635)
Total	$0	$242,383	($242,383)

Contrary to Ohio law, the Village did not adopt appropriations, therefore, budgetary expenditures exceeded appropriation authority in all funds for the years ended December 31, 2007 and 2006. Also, contrary to Ohio law, all appropriations exceeded estimated resources in all funds as the Village did not obtain a certificate of estimated resources.

5. 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.

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.

6. DEBT

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
Ohio Public Works Commission Loan #CN22B	$48,438	0%
Fire Truck Loan #19319	$57,114	7.00%
Water Tank Project Loan #6931	$2,241	5.50%
Water Tank Project Loan #19445	$2,439	7.00%
Issue II Matching Funds Loan # 3785	32,256	6.75%
Total	$142,488	

The Ohio Public Works Commission (OPWC) Loan #CN22B was used for the Water System Improvement Phase II Project. The outstanding balance is being repaid in yearly installments of $3,726 and will mature in 2020. The loan is collateralized by future water revenue.

6. DEBT - (Continued)

The Fire Truck Loan #19319 dated October 21, 1998 with an interest rate of 7.0% was used to purchase a fire truck. The original loan amount of $68,000 is due in semi-annual payments of $2,904.64 for 25 years and will mature on November 1, 2022. The fire truck is the collateral for the loan.

The Water Tank Project Loan #6931 dated September 16, 2003 with an interest rate of 5.5% was used to complete a water tank project. The original loan amount of $14,000 is due in monthly payments of $267.42 for five years and will mature on September 16, 2008. The loan is collateralized by future water revenue.

The Water Tank Project Loan #19445 dated October 22, 1998 with an interest rate of 7% was used to complete a water tank project. The original loan amount of $21,000 is due in monthly payments of $243.83 for 10 years and will mature on October 22, 2008. The loan is collateralized by future water revenue.

The Issue II Matching Funds Loan #3785 dated April 6, 1995 with an interest rate of 6.75% was used to pay the Village's matching funds required for a Street Improvement Project. The original loan amount of $64,078 is due in monthly payments of $487.23 for twenty years and will mature on July 6, 2015. The loan is collateralized by the Village's taxing authority.

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

Year Ending December 31:	OPWC Loan	Fire Truck Loan	Water Tank Project Loan #6931	Water Tank Project Loan #19455	Issue II Matching Funds Loan
2008	$3,726	$5,798	$2,406	$2,063	$5,847
2009	3,726	5,798			5,847
2010	3,726	5,798			5,847
2011	3,726	5,798			5,847
2012	3,726	5,798			5,847
2013-2017	18,630	24,306			
2018-2023	11,178	18,508			11,305
Total	$48,438	$71,804	$2,406	$2,063	$40,540

7. RETIREMENT SYSTEM

The Village employees belong to the Ohio Public Employees Retirement System (OPERS). PERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2007 and 2006, OPERS members contributed 9.5 and 9% respectively, of their gross salaries and the Village contributed an amount equaling 13.85 and 13.7%, respectively, of participants' gross salaries. The Village has paid all contributions required through December 31, 2007.

8. RISK MANAGEMENT

Risk Pool Membership

The Village is exposed to various risks of property and casualty losses, and injuries to employees.

The Village insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Village belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage
For an occurrence prior to January 1, 2006 PEP retains casualty risks up to $250,000 per occurrence, including claim adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding $250,000, up to $1,750,000 per claim and $10,000,000 in the aggregate per year.

For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to $350,000 per occurrence. Claims exceeding $350,000 are reinsured with APEEP in an amount not to exceed $2,650,000 for each claim and $10,000,000 in the aggregate per year. Governments can elect up to $10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with PEP.

If losses exhaust PEP's retained earnings, APEEP provides *excess of funds available* coverage up to $5,000,000 per year, subject to a per-claim limit of $2,000,000 (prior to January 1, 2006) or $3,000,000 (on or subsequent to January 1, 2006) as noted above.

Property Coverage
Beginning in 2005, APEEP established a risk-sharing property program. Under the program, Travelers reinsures specific losses exceeding $250,000 up to $600 million per occurrence. This amount was increased to $300,000 in 2007. For 2007, APEEP reinsures members for specific losses exceeding $100,000 up to $300,000 per occurrence, subject to an annual aggregate loss payment. For 2006, APEEP reinsures members for specific losses exceeding $100,000 up to $250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between $100,000 and $250,000 in 2006, or $100,000 and $300,000 in 2007, Travelers will then reinsure specific losses exceeding $100,000 up to their $600 million per occurrence limit. The aggregate stop-loss limit for 2007 was $2,014,548.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

8. RISK MANAGEMENT - (Continued)

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position
PEP'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:

	2007	2006
Assets	$37,560,071	$36,123,194
Liabilities	(17,340,825)	(16,738,904)
Net Assets	$20,219,246	$19,384,290

At December 31, 2007 and 2006, respectively, the liabilities above include approximately $15.9 million and $15.0 million of estimated incurred claims payable. The assets and retained earnings above also include approximately $15.0 million and $14.4 million of unpaid claims to be billed to approximately 443 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Village's share of these unpaid claims collectible in future years is approximately $10,615. This payable includes the subsequent year's contribution due if the Village terminates participation, as described in the last paragraph below.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

Contributions to PEP	
2005	$9,223
2006	$9,230
2007	$9,230

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP provided they provide written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

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

Village of Mount Pleasant
Jefferson County
PO Box 445
Mount Pleasant, Ohio 43939-0445

To the Village Council:

We have selectively tested certain accounts, financial records, files and reports of the Village of Smithfield, Jefferson County, (the Village) as of and for the years ended December 31, 2009 and 2008 following Ohio Administrative Code Section 117-4-02. Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, internal control over financial reporting, or compliance. We therefore express no opinion on these matters.

Internal Control over Financial Reporting

During our procedures related to the internal control over financial reporting, we noted a matter that, in our judgment, could adversely affect the Village's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements. In addition, this matter could result in the occurrence of misstatements that are caused by error or fraud that would not be detected in a timely by employees when performing the assigned functions. This matter is described in the schedule of findings as item 2007-04.

Compliance and Other Matters

We tested compliance with certain provisions of laws, regulations, contract, and grant agreements, applicable to the Village. Noncompliance with these requirements could impact the Village's ability to determine financial statement amounts. The results of our tests disclosed instances of noncompliance or other matters that are reported in the accompanying schedule of findings as items 2007–01 through 2007-04.

We intend this report solely for the information and use of, management and Village Council. It is not intended for anyone other than these specified parties.

Dave Yost

Dave Yost
Auditor of State

October 3, 2011

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VILLAGE OF MOUNT PLEASANT
JEFFERSON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006

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

FINDING NUMBER 2007-01

Noncompliance Citation

Ohio Revised Code Section 5705.41(D) provides that no subdivision shall make any contract or give any 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 obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

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

1. **Then and Now Certificate** – If 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, Council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate, if such expenditure is otherwise valid.

   If the amount involved is less than $3,000 the fiscal officer may authorize payment through a Then and Now Certificate without affirmation of the Council if such expenditure is otherwise valid.

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

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

The Village did not certify the amount against the applicable appropriation accounts for 82% of the tested expenditures in fiscal year 2007 and 86% in 2006. Also, the Then and Now Certificates over $3,000 were not approved in the minutes by Council. The Village did not utilize the certification exceptions described above for those expenditures lacking prior certification.

Failure to certify the availability of funds and encumber appropriations could result in overspending and negative cash balances. Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, the Clerk/Treasurer should certify that the funds are or will be available prior to obligation by the Village. When prior certification is not possible, "then and now" certification should be used.

The Village should certify purchases to which section Ohio Revised Code Section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language which Ohio Revised Code Section 5705.41(D) requires authorizing disbursements. The Clerk/Treasurer should sign the certification at the time the Village incurs a commitment, and only when the requirements of Ohio Revised Code Section 5705.41(D) are satisfied. The Clerk/Treasurer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

FINDING NUMBER 2007-02

Noncompliance Citation

Ohio Revised Code Section 5705.36 states that on or about the first day of each fiscal year, the fiscal officer of each subdivision shall certify to the county auditor the total amount from all sources available for expenditures from each fund in their tax budget. The amount certified shall include any unencumbered balances that existed at the end of the preceding year.

The Village did not file the above certificate for fiscal year 2006 or 2007 with the county auditor as required. Failure to file the certificate could result in appropriations exceeding the amounts of available resources, overspending and negative cash balances. The Village should certify to the county auditor the total amount from all sources available for expenditures from each fund on a timely basis.

FINDING NUMBER 2007-03

Noncompliance Citation

Ohio Revised Code Section 5705.38 requires, in part, that on or about the first day of the fiscal year, an appropriation measure be passed. **Ohio Revised Code Section 5705.41(B)** states that no subdivision or taxing unit is to expend money unless it has been appropriated.

The Village did not adopt an appropriation measure for 2006 or 2007 causing 100% of the expenditures to exceed appropriations. Failure to pass an appropriation measure, which serves as a tool by which expenditures can be monitored could result in overspending. The Village should pass an appropriation measure as required so that expenditures can be monitored and compliance with the Ohio Revised Code provisions can be attained. Expenditures should be limited to established appropriation limitations.

FINDING NUMBER 2007-04

Noncompliance Citation/Material Weakness

Ohio Revised Code Section 733.28 and Ohio Administrative Code 117-2-02(A) requires the Village clerk/treasurer to maintain accurate and complete accounting records sufficient to assure accountability for all transactions. The following items were noted:

1. Accurate monthly bank reconciliations were not prepared and the Village was out of balance during 2006 and 2007. Several transactions were not posted to the Village ledgers.

FINDING NUMBER 2007-04
(Continued)

2. The Village's cash journal, receipts ledger and disbursement ledger were not complete or accurate. Monthly and year-to-date totals were not always presented on the ledgers. The ledgers were not reconciled to the cash journal and the cash journal did not agree to the bank reconciliation.

The deficiencies in the accounting records and the monthly bank to book reconciliations have resulted in adjustments to the financial statements. The Village Clerk/Treasurer has agreed to the adjustments and these corrected amounts are reflected in the accompanying financial statements. The Clerk/Treasurer has agreed to post the adjustments to the Village's accounting records. The adjustments are listed below.

Adjustment – 2006			
Fund Name	**Account Type**	**Amount**	**Description**
General	Revenue	$656	Certain revenue transactions were not recorded.
Water	Revenue	($1,204)	Certain revenue transactions were recorded twice
Water	Expenditures	$979	Certain expenditure transactions were not recorded.
Water Deposit	Revenue	$84	Certain revenue transactions were not recorded.
Adjustments – 2007			
Fund Name	**Account Type**	**Amount**	**Description**
General	Revenue	$2,070	Certain revenue transactions were not recorded
General	Expenditures	$2,319	Certain expenditure transactions were not recorded.
Water	Revenue	$148	Certain revenue transactions were not recorded.
Water	Expenditures	$398	Certain expenditure transactions were not recorded.

Failure to maintain accurate and complete accounting records and consistently follow a uniform chart of accounts increases the possibility that the Village will not be able to identify, assemble, analyze, classify, record, and report its transactions correctly or to document compliance with finance-related legal and contractual requirements. The Village Clerk/Treasurer should maintain accurate and complete accounting records sufficient to assure accountability for all transactions, including accurate and timely bank to book monthly cash reconciliations and complete and accurate accounting records. The Village Clerk/Treasurer should also maintain the accounting system to enable the Village to identify, assemble, analyze, classify, record, and report all transactions and to maintain accountability. All transactions should be properly coded and classified according to a uniform chart of accounts to help ensure that financial activity of the Village is accurately recorded and reported.

Officials' Response:

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

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VILLAGE OF MOUNT PLEASANT
JEFFERSON COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006

Finding Number	**Finding Summary**	**Fully Corrected?**	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; ***Explain***
2005-001	Ohio Revised Code Section 5705.41(D) Disbursements were not properly certified.	No	Repeated as Finding Number 2007-01.
2005-002	Ohio Revised Code Section 5705.39 The Village did not obtain the County Auditor's Certification that appropriations were within total available resources. All disbursements exceeded appropriations.	No	Repeated in Management Letter.
2005-003	Ohio Revised Code Section 5705.34 The Village did not certify their 2004 tax levies by October 1.	No	Repeated in Management Letter.
2005-004	Ohio Revised Code Section 5705.36 The Village did not certify their beginning fund balances to the County Auditor on a timely basis in 2004.	No	Repeated as Finding Number 2007-02.
2005-005	Ohio Revised Code Section 5705.38 The Village did not approve their appropriation resolution on a timely basis in 2004 or 2005.	No	Repeated as Finding Number 2007-03.
2005-006	Ohio Revised Code Section 5705.10 and Auditor of State Bulletin 97-003 A $5,000 advance was made without Council approval and to a fund which was not for the same purpose.	Yes	Corrected.
2005-007	Ohio Administrative Code 117-9-02(D) The Village did not maintain an appropriation ledger.	No	Partially corrected – see finding 2007-04
2005-008	Ohio Revised Code 733.27(B) The clerk/treasurer did not attend the required annual training during 2005.	No	Repeated in Management Letter.
2005-009	The Village used Microsoft Excel Software for their cash journal. The ledger was not accurate or complete. Controls were not placed in operation to ensure proper reporting.	No	Repeated as Finding Number 2007-04.
2005-010	Ohio Revised Code Section 733.43 The Village only maintained a cash journal during 2004 and 2005.	Yes	Corrected.
2005-011	Ohio Revised Code Section 733.45 The clerk/treasurer did not present the financial activity to Council for approval during the audit period.	No	Repeated in Management Letter.
2005-012	Ohio Revised Code Section 5705.41(B) Disbursements exceeded appropriations during 2004 and 2005.	No	Repeated as Finding Number 2007-03.
2005-013	Ohio Revised Code Section 5705.28 The Village budgets were not approved on a timely basis.	No	Repeated in Management Letter.

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VILLAGE OF MT PLEASANT

JEFFERSON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 15, 2011

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