



Mary Taylor, CPA
Auditor of State

VILLAGE OF COLLEGE CORNER
PREBLE COUNTY

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Mary Taylor, CPA
Auditor of State

Village of College Corner
Preble County
10596 Camden College Corner Rd.
PO Box 462
College Corner, Ohio 45003

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.

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

Mary Taylor, CPA
Auditor of State

December 4, 2008

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Village of College Corner
Preble County
10596 Camden College Corner Rd.
PO Box 462
College Corner, Ohio 45003

To the Village Council:

We have audited the accompanying financial statements of the Village of College Corner, Preble County, Ohio (the Village), as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. 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, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2007 and 2006, or its changes in financial position 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 College Corner, Preble County, as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2008, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Mary Taylor, CPA
Auditor of State

December 4, 2008

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts:			
Property and Local Taxes	\$15,841	\$10,371	\$26,212
Intergovernmental	45,945	23,822	69,767
Fines, Licenses and Permits	2,489		2,489
Earnings on Investments	3,180	561	3,741
Miscellaneous		424	424
	<u>67,455</u>	<u>35,178</u>	<u>102,633</u>
Cash Disbursements:			
Current:			
Security of Persons and Property	28,105	10,000	38,105
Transportation		13,319	13,319
General Government	33,314	265	33,579
Capital Outlay		125	125
	<u>61,419</u>	<u>23,709</u>	<u>85,128</u>
Total Cash Disbursements	<u>61,419</u>	<u>23,709</u>	<u>85,128</u>
Total Receipts Over Disbursements	<u>6,036</u>	<u>11,469</u>	<u>17,505</u>
Other Financing (Disbursements):			
Other Financing Uses	(1,362)		(1,362)
Total Other Financing (Disbursements)	<u>(1,362)</u>	<u>0</u>	<u>(1,362)</u>
Excess of Cash Receipts Over Cash Disbursements and Other Financing Disbursements	4,674	11,469	16,143
Fund Cash Balances, January 1	<u>54,499</u>	<u>59,063</u>	<u>113,562</u>
Fund Cash Balances, December 31	<u>\$59,173</u>	<u>\$70,532</u>	<u>\$129,705</u>

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

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

Operating Cash Receipts:	
Charges for Services	<u>\$153,013</u>
Total Operating Cash Receipts	<u>153,013</u>
Operating Cash Disbursements:	
Personal Services	10,335
Employee Fringe Benefits	795
Contractual Services	41,798
Supplies and Materials	10,882
Other	<u>8,823</u>
Total Operating Cash Disbursements	<u>72,633</u>
Operating Income	<u>80,380</u>
Non-Operating Cash Disbursements:	
Capital Outlay	60,000
Redemption of Principal	8,000
Interest and Other Fiscal Charges	<u>2,750</u>
Total Non-Operating Cash Disbursements	<u>70,750</u>
Net Receipts Over Disbursements	9,630
Fund Cash Balances, January 1	<u>298,191</u>
Fund Cash Balances, December 31	<u><u>\$307,821</u></u>

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

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Property and Local Taxes	\$14,678	\$9,890	\$24,568
Intergovernmental	44,505	23,154	67,659
Fines, Licenses and Permits	1,620		1,620
Earnings on Investments	3,881	685	4,566
	<u>64,684</u>	<u>33,729</u>	<u>98,413</u>
Cash Disbursements:			
Current:			
Security of Persons and Property	27,216	9,625	36,841
Transportation		12,030	12,030
General Government	38,227	188	38,415
Capital Outlay	15,000	5,185	20,185
	<u>80,443</u>	<u>27,028</u>	<u>107,471</u>
Total Cash Disbursements	<u>80,443</u>	<u>27,028</u>	<u>107,471</u>
Total Receipts Over/(Under) Disbursements	<u>(15,759)</u>	<u>6,701</u>	<u>(9,058)</u>
Other Financing (Disbursements):			
Other Financing Uses	<u>(2,426)</u>		<u>(2,426)</u>
Total Other Financing (Disbursements)	<u>(2,426)</u>	<u>0</u>	<u>(2,426)</u>
Excess of Cash Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(18,185)	6,701	(11,484)
Fund Cash Balances, January 1	<u>72,684</u>	<u>52,362</u>	<u>125,046</u>
Fund Cash Balances, December 31	<u>\$54,499</u>	<u>\$59,063</u>	<u>\$113,562</u>

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

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

Operating Cash Receipts:	
Charges for Services	<u>\$150,159</u>
Total Operating Cash Receipts	<u>150,159</u>
Operating Cash Disbursements:	
Personal Services	10,716
Employee Fringe Benefits	884
Contractual Services	36,704
Supplies and Materials	3,675
Other	<u>9,362</u>
Total Operating Cash Disbursements	<u>61,341</u>
Operating Income	<u>88,818</u>
Non-Operating Cash Disbursements:	
Capital Outlay	8,255
Redemption of Principal	8,000
Interest and Other Fiscal Charges	<u>3,150</u>
Total Non-Operating Cash Disbursements	<u>19,405</u>
Net Receipts Over Disbursements	69,413
Fund Cash Balances, January 1	<u>228,778</u>
Fund Cash Balances, December 31	<u><u>\$298,191</u></u>

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

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of College Corner, Preble County, Ohio (the Village), as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities and road repairs. The Village contracts with the Butler County Sheriff's department to provide security of persons and property. The Village contracts with the Village of West College Corner, Indiana to receive fire protection services.

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 has interest bearing checking and savings accounts.

D. Fund Accounting

The Village uses fund accounting to segregate cash and deposits 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.

Fire Fund – This fund receives money from real estate and personal property taxes to provide fire protection of its citizens.

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

1. Summary of Significant Accounting Policies (Continued)

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 Funds:

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

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

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 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 canceled \$62 in encumbrances at December 31, 2007 and \$75 in encumbrances at December 31, 2006 and re-encumbered these amounts in the subsequent years against current appropriations.

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

F. Property, Plant, and Equipment

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

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

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:

	2007	2006
Demand deposits	\$432,608	\$406,836
Savings account	4,918	4,917
Total deposits	437,526	411,753

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

3. Budgetary Activity

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

2007 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$59,615	\$67,455	\$7,840
Special Revenue	31,250	35,178	3,928
Enterprise	154,000	153,013	(987)
Total	\$244,865	\$255,646	\$10,781

2007 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$89,850	\$62,781	\$27,069
Special Revenue	56,000	23,709	32,291
Enterprise	292,404	143,383	149,021
Total	\$438,254	\$229,873	\$208,381

2006 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$57,065	\$64,684	\$7,619
Special Revenue	29,740	33,729	3,989
Enterprise	142,550	150,159	7,609
Total	\$229,355	\$248,572	\$19,217

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

3. Budgetary Activity (Continued)

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$105,321	\$82,869	\$22,452
Special Revenue	57,600	27,028	30,572
Enterprise	274,454	80,746	193,708
Total	\$437,375	\$190,643	\$246,732

Contrary to Ohio law, total appropriations exceeded total estimated revenue for the Enterprise Reserve Fund by \$9,629.

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.

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. Debt

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
Mortgage Revenue Bonds	\$47,000	5%

The United States Department of Agriculture (USDA) mortgage revenue bonds were for the construction of sanitary sewers. In 1973 the USDA approved and the Village issued \$207,000 in mortgage revenue bonds for this project. The bonds are being paid in annual installments of varying amounts over 40 years.

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

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

5. Debt (Continued)

Year ending December 31:	Mortgage Revenue Bonds
2008	\$11,350
2009	10,900
2010	10,450
2011	11,000
2012	10,500
Total	<u>\$54,200</u>

6. Retirement Systems

A. Ohio Public Employee Retirement System

The Village's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes the plan's retirement benefits, including 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.

B. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the OPERS have an option to choose Social Security. As of December 31, 2007, five employees of the Village have elected Social Security. The employees' liability is 6.2 percent of wages paid.

7. Risk Management

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

8. Compliance

Contrary to Ohio law, the Village did not properly post receipts and disbursements.

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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 College Corner
Preble County
10596 Camden College Corner Rd.
PO Box 462
College Corner, Ohio 45003

To the Village Council:

We have audited the financial statements of the Village of College Corner, Preble County, Ohio (the Village), as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated December 4, 2008, wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We also noted the Village uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* consider this service to impair the Auditor of State's independence to the audit of the Village because the Auditor of State designed, developed, implemented and, as requested, operates UAN. 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 opinions 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 controls 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 a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

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

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2007-002.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies in the internal control that might be significant deficiencies or material weaknesses. We believe finding number 2007-002 described above 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 4, 2008.

Compliance and Other Matters

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards*, which are described in the accompanying schedule of findings as items 2007-001 and 2007-002.

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 4, 2008.

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 4, 2008

**VILLAGE OF COLLEGE CORNER
PREBLE COUNTY**

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

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2007-001

Material Noncompliance

Ohio Rev. Code, Section 5705.39, provides, in part, that the total appropriation from each fund shall not exceed the total estimated revenue. No appropriation measure is to become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate.

Due to lack of management oversight, the Enterprise Reserve Fund had appropriations exceeding estimated revenue at December 31, 2007 in the amount of \$9,629. Failure to properly monitor budgetary activity could result in overspending and ultimately negative fund balances. We recommend that the Village monitor their appropriations versus their estimated resources. We also recommend that the Village execute all budgetary documents required by the Ohio Revised Code so that all budgetary documents are effective.

FINDING NUMBER 2007-002

Material Weakness/Material Noncompliance

Ohio Admin. Code, Section 117-2-01(D), states that 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 receipts and debt activity. This lack of oversight is illustrated by the following:

- Homestead and Rollback settlements for Preble County of \$1,294 for 2006 were posted to General Fund Taxes rather than General Fund (\$826) and Fire Fund (\$468) Intergovernmental Revenue.
- Homestead and Rollback settlements for Butler County of \$790 for 2006 were posted to General Fund Taxes rather than General Fund (\$505) and Fire Fund (\$285) Intergovernmental Revenue.
- The April and May 2007 Homestead and Rollback settlements for Preble County of \$646 were posted to General Fund Taxes rather than General Fund (\$412) and Fire Fund (\$234) Intergovernmental Revenue.
- The September 2007 Homestead and Rollback settlements for Preble County of \$647 were posted to the Street Fund (\$598) and State Highway Fund (\$49) rather than the General Fund (\$413) and Fire Fund (\$234).
- Homestead and Rollback settlements for Butler County of \$772 for 2007 were posted to General Fund Taxes rather than General Fund (\$493) and Fire Fund (\$279) Intergovernmental Revenue.
- Permissive Tax settlements of \$2,197 for 2006 and \$2,149 for 2007 were posted to Taxes rather than Intergovernmental Revenue.

FINDING NUMBER 2007-002
(Continued)

- Local Government Intangible settlements of \$83 for 2006 and \$191 for 2007 were posted to Taxes rather than Intergovernmental Revenue.
- A General Fund Intangible Tax settlement of \$49 was posted to Taxes rather than Intergovernmental Revenue.
- An Excess Auto License settlement of \$30 for 2006 was posted to the State Highway Fund rather than the Street Fund. An Excess Auto License settlement of \$7 for 2006 was posted to General Fund Taxes rather than Street Fund Intergovernmental Revenue.
- The May 2007 Auto License settlement of \$145 was posted to the State Highway Fund rather than the Street Fund.
- Manufactured Home settlements for the Fire Fund of \$38 for 2006 and of \$66 for 2007 were posted to Intergovernmental Revenue rather than Taxes.
- The April 2006 Public Utility Reimbursement settlement of \$423 was posted to General Fund Taxes rather than General Fund (\$218) and Fire Fund (\$205) Intergovernmental Revenue. The September 2006 Public Utility Reimbursement settlement of \$218 for the General Fund and \$205 for the Fire Fund was posted to Taxes rather than Intergovernmental Revenue. Public Utility Reimbursement settlements of \$347 for the General Fund and \$329 for the Fire Fund for 2007 were posted to Taxes rather than Intergovernmental Revenue.
- The May 2006 Preble County General Property Tax settlement for the Fire Fund of \$1,983 was posted to the General Fund. The October 2006 General Property Tax settlement for the Fire Fund of \$2,446 was posted to Intergovernmental Revenue rather than Taxes.
- The May 2006 Preble County General Property Tax settlement was posted at net rather than gross, understating revenues and expenditures by \$530 for the General Fund and by \$44 for the Fire Fund. The August 2007 Preble County General Property Tax settlement was posted at net rather than gross understating revenues and expenditures by \$224 for the General Fund and by \$45 for the Fire Fund. Deductions were not properly allocated between the General Fund and Fire Fund for the April 2007 Preble County General Property Tax settlement, necessitating an adjustment to increase deductions for the General Fund and to decrease deductions for the Fire Fund by \$75. The April 2007 Butler County General Property Tax settlement for the Fire Fund of \$3,774 was posted to Intergovernmental Revenue rather than Taxes.
- A General Fund Estate Tax settlement of \$3,276 was posted to Taxes rather than Intergovernmental Revenue.
- Tangible Tax settlements of \$247 for the General Fund and \$233 for the Fire Fund 2006 were posted to Taxes rather than Intergovernmental Revenue. Tangible Tax settlements of \$484 for the General Fund and \$458 for the Fire Fund and for 2007 were posted to Taxes rather than Intergovernmental Revenue. A Tangible Tax settlement of \$100 for the Fire Fund was posted to the General Fund.
- The June 2007 Gas Tax settlement of \$831 for the Street Fund was posted to the State Highway Fund.
- Personal Property Tax settlements of \$109 for the Fire Fund for 2007 were posted to Intergovernmental Revenue rather than Taxes.

**FINDING NUMBER 2007-002
(Continued)**

- Two remittances from Southwest Regional Water District were not properly allocated between the Water and Sewer Funds. Adjustments were made to increase revenue to the Sewer Fund and decrease revenue to the Water Fund by \$743 for 2006. Adjustments were made to increase revenue to the Water Fund and decrease revenue to the Sewer Fund by \$835 for 2007.
- Payments from the Water Fund to the Indiana Department of Revenue of \$8,823 for 2007 and \$9,362 for 2006 were posted as Debt Service expenditures rather than Other Expenditures.
- Payments from the Water Fund (\$5,055) and the Sewer Fund (\$28,893) to Kramer and Associates, the Town of West College Corner, and CSX Transportation for 2007 were posted to Debt Service expenditures rather than Contractual Services. Payments from the Sewer Fund to the Town of West College Corner, CSX Transportation and F. Harrison Green totaling \$23,663 for 2006 were posted to Debt Service expenditures rather than Contractual Services.
- Mortgage Revenue Bond Principal payments from the Enterprise Reserve Fund of \$8,000 for 2007 and \$8,000 for 2006 were posted to Debt Service Interest.

The Village agreed with audit adjustments to the accompanying financial statements, and posted changes to the Village ledgers, where appropriate, for the above items.

Failure to properly post receipts and disbursements can result in inaccurate records increases the risk that errors, theft, or fraud could occur and not be detected in a timely manner. We recommend that receipts and disbursements be properly posted. Receipts and disbursements posted to the ledgers should be reviewed for accuracy. Comparisons between years may aid in the determination if a transaction has been properly posted.

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



Mary Taylor, CPA
Auditor of State

VILLAGE OF COLLEGE CORNER

PREBLE 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 18, 2008**