



VILLAGE OF LAURELVILLE, HOCKING COUNTY

Regular Audit

**For the Years Ended
December 31, 2009 and 2008**

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS





Mary Taylor, CPA
Auditor of State

Village Council
Village of Laurelville
18751 Main Street
Laurelville, Ohio 43135

We have reviewed the *Independent Auditor's Report* of the Village of Laurelville, Hocking County, prepared by J. L. Uhrig and Associates, Inc., for the audit period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Laurelville is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 19, 2010

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Independent Auditor's Report

Village Council
Village of Laurelville, Hocking County
18751 Main Street
Laurelville, Ohio 43135

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Village of Laurelville (the Village), Hocking County as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the accompanying financial statements and notes follow the cash basis of accounting. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2009 and 2008, and the respective changes in financial position and the respective budgetary comparisons for the General Fund and major special revenue funds for the years then ended in conformity with the cash basis of accounting presented in Note 2.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 2010 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 grants. While we do 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* and should be read in conjunction with this report when considering the results of our audit.

Village Council
Village of Laurelville, Hocking County
Independent Auditor's Report

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. We applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.

June 21, 2010

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

This discussion and analysis of the Village of Laurelville's financial performance provides an overall review of the Village's financial activities for the year ended December 31, 2009 and 2008, within the limitations of the Village's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Village's financial performance.

Highlights

Key highlights for 2009 are as follows:

Net assets of governmental activities increased \$21,413, or 23 percent. The fund most affected by the increase in cash and cash equivalents was the Fire Operating Fund, which increased by the amount of \$17,028.

Program receipts accounted for \$141,643 or 62 percent of total receipts. General receipts accounted for \$85,288 or 38 percent of total receipts. The Village's general receipts are primarily property taxes, and grants and entitlements not restricted to specific programs.

The Village had \$205,518 in disbursements; \$141,643 of these disbursements was offset by programs specific charges for services, operating grants and contributions. General receipts of \$85,288 were utilized to provide for the remainder of these programs.

Among the major funds, the General Fund is the most significant with \$113,442 in receipts and \$108,187 in disbursements.

Key highlights for 2008 are as follows:

Net assets of governmental activities increased \$9,911 or 12 percent. Among the major funds, the State Highway Fund had the most significant increase in net assets which was \$5,135 or 51 percent of the total governmental net assets.

Program receipts accounted for \$137,581 or 69 percent of total receipts. General receipts accounted for \$63,233 or 31 percent of total receipts. The Village's general receipts are primarily property taxes and grants and entitlements not restricted to specific programs.

The Village had \$190,903 in disbursements; \$137,581 of these disbursements was offset by programs specific charges for services, operating grants and contributions. General receipts of \$63,233 were utilized to provide for the remainder of these programs.

Among the major funds, the General Fund is the most significant with \$94,283 in receipts and \$96,707 in disbursements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
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Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Village's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Village as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Village as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Village has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Village's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Village as a Whole

The statement of net assets and the statement of activities reflect how the Village did financially during 2009, within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the Village at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Village's general receipts.

These statements report the Village's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Village's financial health. Over time, increases or decreases in the Village's cash position is one indicator of whether the Village's financial health is improving or deteriorating. When evaluating the Village's financial condition, you should also consider other nonfinancial factors as well such as the Village property tax base, the condition of the Village's capital assets and infrastructure, the extent of the Village's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

In the statement of net assets and the statement of activities, the Village consists of two types of activities:

Governmental Activities - All of the Village's basic services are reported here, including police, fire, streets and general government services. State grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Business-Type Activities - These services include water and sewer operations. Service fees for these operations are charged based upon the amount of usage. The intent is that the fees charged recoup operational costs.

Reporting the Government's Most Significant Funds

Fund financial statements provide detailed information about the Village's major funds – not the Village as a whole. The Village establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Village consist of three categories: governmental, proprietary and fiduciary.

Governmental Funds - All of the Village's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Village's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Village's programs. The Village's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Village's major governmental funds are the General, Street Maintenance and Repair, State Highway, Permissive Motor Vehicle License, and Fire Department. The programs reported in governmental funds are the same as those reported in the governmental activities section of the entity-wide statements.

Proprietary Funds - When the Village charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in enterprise funds. Proprietary funds are the same services as those in the business-type activities. The Village's major proprietary funds are the Water Operating, Sewer Operating and Waste Water Treatment Funds.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources from those funds are not available to support the Village's programs. The accounting used for fiduciary funds is much like that used for the proprietary funds.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

The Village as a Whole

Table 1 provides a summary of the Village's net assets for 2009 compared to 2008 and 2007 on a cash basis:

	Net Assets					
	Governmental Activities			Business-Type Activities		
	2009	2008	2007	2009	2008	2007
Assets						
Cash and Cash Equivalents	\$113,685	\$92,272	\$82,361	\$476,620	\$89,770	\$67,158
Total Assets	<u>113,685</u>	<u>92,272</u>	<u>82,361</u>	<u>476,620</u>	<u>89,770</u>	<u>67,158</u>
Net Assets						
<i>Restricted for:</i>						
Capital Projects	23	23	23	0	0	0
Other Pupos	89,115	72,957	60,622	0	0	0
Unrestricted	<u>24,547</u>	<u>19,292</u>	<u>21,716</u>	<u>476,620</u>	<u>89,770</u>	<u>67,158</u>
Total Net Assets	<u><u>\$113,685</u></u>	<u><u>\$92,272</u></u>	<u><u>\$82,361</u></u>	<u><u>\$476,620</u></u>	<u><u>\$89,770</u></u>	<u><u>\$67,158</u></u>

As mentioned previously, governmental activities net assets increased \$21,413 or 23.0 percent during 2009. The primary reasons contributing to the increase in cash balances was because the Village was able to keep disbursements below the receipts during 2009, as they try to control spending.

Business-type activities net assets increased \$386,850 during 2009. The primary reason contributing to the increase in cash balances is the receipt of the \$348,346 special item during 2009.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
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Table 2 reflects the changes in net assets in 2009, 2008 and 2007.

(Table 2)

Changes in Net Assets

	Governmental Activities			Business-Type Activities		
	2009	2008	2007	2009	2008	2007
<u>Receipts:</u>						
<i>Program Receipts:</i>						
Charges for Sales and Services	\$109,740	\$108,596	\$112,411	\$190,406	\$189,210	\$169,448
Operating Grants and Contributions	31,903	28,985	41,688	0	0	0
Total Program Receipts	<u>141,643</u>	<u>137,581</u>	<u>154,099</u>	<u>190,406</u>	<u>189,210</u>	<u>169,448</u>
<i>General Receipts:</i>						
Property Taxes	55,357	48,112	47,029	0	0	0
Grants and Entitlements Not Restricted to Specific Programs	10,418	14,173	11,178	0	0	0
Interest	821	923	817	0	0	0
Miscellaneous	18,692	25	10,375	51	0	265
Total General Receipts	<u>85,288</u>	<u>63,233</u>	<u>69,399</u>	<u>51</u>	<u>0</u>	<u>265</u>
Total Receipts	<u>226,931</u>	<u>200,814</u>	<u>223,498</u>	<u>190,457</u>	<u>189,210</u>	<u>169,713</u>
<u>Disbursements:</u>						
General Government	47,344	40,830	27,080	0	0	0
Security of Persons and Property	85,481	85,082	80,328	0	0	0
Transportation	24,314	15,384	21,652	0	0	0
Basic Utility Services	12,166	12,546	11,274	0	0	0
Principal Retirement	29,950	27,497	39,107	0	0	0
Interest and Fiscal Charges	6,263	9,564	9,580	0	0	0
Water Operating	0	0	0	32,239	32,410	43,715
Sewer Operating	0	0	0	90,960	134,053	110,005
Waste Water Treatment	0	0	0	28,620	0	0
Guaranteed Deposits for Sewer and Water	0	0	0	134	135	90
Total Disbursements	<u>205,518</u>	<u>190,903</u>	<u>189,021</u>	<u>151,953</u>	<u>166,598</u>	<u>153,810</u>
Special Item	<u>0</u>	<u>0</u>	<u>0</u>	<u>348,346</u>	<u>0</u>	<u>0</u>
Increase (Decrease) in Net Assets	21,413	9,911	34,477	386,850	22,612	15,903
Net Assets, January 1	<u>92,272</u>	<u>82,361</u>	<u>47,884</u>	<u>89,770</u>	<u>67,158</u>	<u>51,255</u>
Net Assets, December 31	<u>\$113,685</u>	<u>\$92,272</u>	<u>\$82,361</u>	<u>\$476,620</u>	<u>\$89,770</u>	<u>\$67,158</u>

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Governmental Activities

Program receipts represent 62 percent of total receipts for 2009, 69 percent of total receipts for 2008 and 69 percent of total receipts for 2007. Program receipts are primarily comprised of charges for services.

General receipts represent 38 percent of total receipts for 2009, 31 percent of total receipts for 2008, and 31 percent of total receipts for 2007. General receipts are comprised of property taxes, grants and entitlements not restricted to specific programs, interest and miscellaneous receipts. Property taxes represent 24 percent of total receipts in 2009, 24 percent in 2008 and 21 percent in 2007.

The most significant program disbursements for the Village are Security of Persons and Property and General Government. These programs account for 65 percent of total disbursements in 2009, 66 percent in 2008 and 56 in 2007. Security of Persons and Property, which accounts for 42 percent of the total in 2009, 45 percent in 2008, and 42 percent in 2007, represents the costs of providing Police and Fire Protection services to the residents of the Village. General Government, which accounts for 23 percent of the total in 2009, 21 percent in 2008, and 14 percent in 2007, represents the general operating costs of the Village.

If you look at the 2009 Statement of Activities on page 11 and the 2008 Statement of Activities on page 21 you will see that the first column lists the major services provided by the Village. The next column identifies the costs of providing these services. The next column of the Statement entitled Program Receipts identify grants received by the Village that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)
Governmental Activities

	Total Cost Of Services	Net Cost of Services	Total Cost Of Services	Net Cost of Services	Total Cost of Services	Net Cost Of Services
	2009	2009	2008	2008	2007	2007
General Government	\$47,344	\$38,259	\$40,830	\$28,071	\$27,080	(\$9,331)
Security of Persons & Property	85,481	(4,564)	85,082	2,832	80,328	(12,622)
Transportation	24,314	911	15,384	(8,851)	21,652	(3,086)
Basic Utility Services	12,166	(6,944)	12,546	(5,791)	11,274	11,274
Principal Retirement	27,300	29,950	27,497	27,497	39,107	39,107
Interest and Fiscal Charges	8,913	6,263	9,564	9,564	9,580	9,580
Total Expenses	\$205,518	\$63,875	\$190,903	\$53,322	\$189,021	\$34,922

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Business-Type Activities

The business-type activities of the Village, which include its water and sewer operations, increased in net assets by \$386,450 in 2009, \$22,612 in 2008 and \$15,903 in 2007. A significant increase in net assets in total in the business-type activities for 2009 is due to the special item received of \$348,346.

Governmental Funds

Total governmental funds had receipts of \$226,931 and disbursements of \$205,518 in 2009. There was a \$21,413 margin of difference between the receipts and disbursements for 2009.

Total governmental funds had receipts of \$200,814 and disbursements of \$190,903 in 2008. There was a \$9,911 margin of difference between the receipts and disbursements for 2008.

Proprietary Funds

The Village's three major enterprise funds are the Water Operating, Sewer Operating and Waste Water Treatment Funds which, at year end, had net assets of 48,314 for 2009 and \$25,766 for 2008, \$50,907 for 2009 and \$52,618 for 2008, and \$365,234 for 2009 and \$0 for 2008, respectively. During 2009, the Water Operating Fund net assets increased by \$22,548, the Sewer Operating Fund net assets decreased by \$1,711 and the Waste Water Treatment Fund net assets increased by \$365,234.

General Fund Budgeting Highlights

The Village's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

For the General Fund final budgeted receipts for 2009 were \$111,823 representing a \$29,504 change from the original budgeted receipts, while actual receipts were \$113,442. The difference between final budgeted receipts and actual receipts was \$1,619.

General Fund final disbursements were budgeted at \$122,832 for 2009 representing a \$25,301 change from the original budgeted disbursements, while actual disbursements were \$108,187. The difference between final budgeted disbursements and actual disbursements was \$14,645.

For the General Fund final budgeted receipts for 2008 were \$93,422 representing a \$5,551 change from the original budgeted receipts, while actual receipts were \$94,283. The difference between final budgeted receipts and actual receipts was \$862.

General Fund final disbursements were budgeted at \$107,094 for 2008 representing a \$10,000 change from the original budgeted disbursements, while actual disbursements were \$96,707. The difference between final budgeted disbursements and actual disbursements was \$10,387.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Management's Discussion and Analysis
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Debt Administration

At December 31, 2009, the Village has a total of \$101,569 in outstanding debt.

At December 31, 2008, the Village had a total of \$141,519 in outstanding debt.

Current Issues

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed by limited funding. As indicated in the preceding financial information, the Village relies heavily on local taxes and business type receipts to operate at the current level of services.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Village's finances and to reflect the Village's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Darcy Tisdale, Fiscal Officer for Village of Laurelville, Hocking County, Ohio at 18751 Main Street, Laurelville, OH 43135.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Net Assets - Cash Basis

December 31, 2009

	Governmental Activities	Business-Type Activities	Total
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$113,685	\$476,620	\$590,305
<i>Total Assets</i>	<u>113,685</u>	<u>476,620</u>	<u>590,305</u>
<u>Net Assets:</u>			
<i>Restricted for:</i>			
Capital Projects	23	0	23
Other Purposes	89,115	0	89,115
Unrestricted	<u>24,547</u>	<u>476,620</u>	<u>501,167</u>
<i>Total Net Assets</i>	<u><u>\$113,685</u></u>	<u><u>\$476,620</u></u>	<u><u>\$590,305</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2009*

	Program Receipts		
	Disbursements	Charges for Services and Sales	Operating Grants and Contributions
<u>Governmental Activities:</u>			
General Government	\$47,344	\$9,085	\$0
Security of Persons and Property	85,481	81,545	8,500
Basic Utility Services	12,166	19,110	0
Transportation	24,314	0	23,403
<i>Debt Service:</i>			
Principal Retirement	29,950	0	0
Interest and Fiscal Charges	6,263	0	0
<i>Total Governmental Activities</i>	205,518	109,740	31,903
<u>Business-Type Activities:</u>			
Water Operating	32,239	54,774	0
Sewer Operating	90,960	89,224	0
Waste Water Treatment	28,620	45,508	0
Guaranteed Deposits for Sewer and Water	134	900	0
<i>Total Business-Type Activities</i>	151,953	190,406	0
<i>Totals Primary Government</i>	\$357,471	\$300,146	\$31,903

General Receipts:

Property Taxes
Grants and Entitlements not Restricted to Specific Programs
Earnings on Investment
Miscellaneous

Total General Receipts

Special Item

Total General Receipts and Special Item

Change in Net Assets

Net Assets at Beginning of Year

Net Assets at End of Year

See accompanying notes to the basic financial statements.

Net (Disbursements) Receipts
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$38,259)	\$0	(\$38,259)
4,564	0	4,564
6,944	0	6,944
(911)	0	(911)
(29,950)	0	(29,950)
(6,263)	0	(6,263)
(63,875)	0	(63,875)
0	22,535	22,535
0	(1,736)	(1,736)
0	16,888	16,888
0	766	766
0	38,453	38,453
(63,875)	38,453	(25,422)
55,357	0	55,357
10,418	0	10,418
821	0	821
18,692	51	18,743
85,288	51	85,339
0	348,346	348,346
85,288	348,397	433,685
21,413	386,850	408,263
92,272	89,770	182,042
<u>\$113,685</u>	<u>\$476,620</u>	<u>\$590,305</u>

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Cash Basis Assets and Fund Balances

Governmental Funds

December 31, 2009

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>Fire Department</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$24,547	\$14,244	\$55,332	\$19,562	\$113,685
<i>Total Assets</i>	<u>24,547</u>	<u>14,244</u>	<u>55,332</u>	<u>19,562</u>	<u>113,685</u>
<u>Fund Balances:</u>					
<i>Unreserved</i>					
General Fund	24,547	0	0	0	24,547
Special Revenue Funds	0	14,244	55,332	19,539	89,115
Capital Projects Funds	0	0	0	23	23
<i>Total Fund Balances</i>	<u>\$24,547</u>	<u>\$14,244</u>	<u>\$55,332</u>	<u>\$19,562</u>	<u>\$113,685</u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Street Maintenance and Repair	Fire Department	Other Governmental Funds	Total Governmental Funds
<u>Receipts:</u>					
Property Taxes	\$55,357	\$0	\$0	\$0	\$55,357
Charges for Services	19,110	0	81,545	0	100,655
Licenses, Permits and Fees	9,085	0	0	0	9,085
Intergovernmental	10,418	19,824	8,500	3,579	42,321
Earnings on Investments	780	33	0	8	821
Miscellaneous	18,692	0	0	0	18,692
<i>Total Receipts</i>	<u>113,442</u>	<u>19,857</u>	<u>90,045</u>	<u>3,587</u>	<u>226,931</u>
<u>Disbursements:</u>					
<i>Current:</i>					
General Government	47,344	0	0	0	47,344
Security of Persons and Property	44,401	0	41,080	0	85,481
Public Health Services					0
Transportation	0	20,914	0	3,400	24,314
Basic Utility Services	12,166	0	0	0	12,166
<i>Debt Service:</i>					
Principal Retirement	3,474	0	26,476	0	29,950
Interest and Fiscal Charges	802	0	5,461	0	6,263
<i>Total Disbursements</i>	<u>108,187</u>	<u>20,914</u>	<u>73,017</u>	<u>3,400</u>	<u>205,518</u>
<i>Net Change in Fund Balances</i>	5,255	(1,057)	17,028	187	21,413
<i>Fund Balances at Beginning of Year</i>	<u>19,292</u>	<u>15,301</u>	<u>38,304</u>	<u>19,375</u>	<u>92,272</u>
<i>Fund Balances at End of Year</i>	<u><u>\$24,547</u></u>	<u><u>\$14,244</u></u>	<u><u>\$55,332</u></u>	<u><u>\$19,562</u></u>	<u><u>\$113,685</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*

General Fund

For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Property Taxes	\$47,000	\$55,099	\$55,357	\$258
Intergovernmental	9,019	9,718	10,418	700
Licenses, Permits and Fees	10,000	9,000	9,085	85
Earnings on Investments	800	700	780	80
Charges for Services	15,500	18,700	19,110	410
Miscellaneous	0	18,606	18,692	86
<i>Total Receipts</i>	<u>82,319</u>	<u>111,823</u>	<u>113,442</u>	<u>1,619</u>
<u>Disbursements:</u>				
<i>Current:</i>				
General Government	35,166	50,931	47,344	3,587
Security of Persons and Property	43,765	53,068	44,401	8,667
Basic Utility Services	12,600	12,933	12,166	767
<i>Debt Service:</i>				
Principal Retirement	6,000	5,076	3,474	1,602
Interest and Fiscal Charges	0	824	802	22
<i>Total Disbursements</i>	<u>97,531</u>	<u>122,832</u>	<u>108,187</u>	<u>14,645</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(15,212)	(11,009)	5,255	16,264
<i>Fund Balance at Beginning of Year</i>	<u>19,292</u>	<u>19,292</u>	<u>19,292</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,080</u></u>	<u><u>\$8,283</u></u>	<u><u>\$24,547</u></u>	<u><u>\$16,264</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*

*Street Maintenance and Repair Fund
For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$18,000	\$18,000	\$19,824	\$1,824
Earnings on Investments	30	30	33	3
<i>Total Receipts</i>	<u>18,030</u>	<u>18,030</u>	<u>19,857</u>	<u>1,827</u>
<u>Disbursements:</u>				
<i>Current:</i>				
Transportation	<u>18,200</u>	<u>26,200</u>	<u>20,914</u>	<u>5,286</u>
<i>Total Disbursements</i>	<u>18,200</u>	<u>26,200</u>	<u>20,914</u>	<u>5,286</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(170)	(8,170)	(1,057)	7,113
<i>Fund Balance at Beginning of Year</i>	<u>15,301</u>	<u>15,301</u>	<u>15,301</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$15,131</u></u>	<u><u>\$7,131</u></u>	<u><u>\$14,244</u></u>	<u><u>\$7,113</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*

Fire Department Fund

For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$2,500	\$8,500	\$8,500	\$0
Charges for Services	78,500	81,500	81,545	45
<i>Total Receipts</i>	<u>81,000</u>	<u>90,000</u>	<u>90,045</u>	<u>45</u>
<u>Disbursements:</u>				
<i>Current:</i>				
Security of Persons and Property	51,878	41,291	41,080	211
<i>Debt Service:</i>				
Principal Retirement	0	26,476	26,476	0
Interest and Fiscal Charges	32,000	16,111	5,461	10,650
<i>Total Disbursements</i>	<u>83,878</u>	<u>83,878</u>	<u>73,017</u>	<u>10,861</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(2,878)	6,122	17,028	10,906
<i>Fund Balance at Beginning of Year</i>	<u>38,304</u>	<u>38,304</u>	<u>38,304</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$35,426</u>	<u>\$44,426</u>	<u>\$55,332</u>	<u>\$10,906</u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Fund Net Assets - Cash Basis

Proprietary Funds

December 31, 2009

	<u>Water Operating</u>	<u>Sewer Operating</u>	<u>Waste Water Treatment</u>	<u>Other Enterprise Fund</u>	<u>Total</u>
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$48,314	\$50,907	\$365,234	\$12,165	\$476,620
<i>Total Assets</i>	<u>48,314</u>	<u>50,907</u>	<u>365,234</u>	<u>12,165</u>	<u>476,620</u>
<u>Net Assets:</u>					
Unrestricted	48,314	50,907	365,234	12,165	476,620
<i>Total Net Assets</i>	<u><u>\$48,314</u></u>	<u><u>\$50,907</u></u>	<u><u>\$365,234</u></u>	<u><u>\$12,165</u></u>	<u><u>\$476,620</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Proprietary Funds
For the Year Ended December 31, 2009

	Water Operating	Sewer Operating	Waste Water Treatment	Other Enterprise Fund	Total Enterprise Funds
<u>Operating Receipts:</u>					
Charges for Services	\$54,774	\$89,224	\$45,508	\$900	\$190,406
Other Operating Receipts	13	25	0	0	38
<i>Total Operating Receipts</i>	<u>54,787</u>	<u>89,249</u>	<u>45,508</u>	<u>900</u>	<u>190,444</u>
<u>Operating Disbursements:</u>					
Personal Services	0	14,546	4,571	0	19,117
Employee Fringe Benefits	0	14,227	4,363	0	18,590
Contractual Services	24,151	28,824	16,800	0	69,775
Supplies and Materials	8,088	22,988	2,886	0	33,962
Other	0	0	0	134	134
<i>Total Operating Disbursements</i>	<u>32,239</u>	<u>80,585</u>	<u>28,620</u>	<u>134</u>	<u>141,578</u>
<i>Operating Income (Loss)</i>	22,548	8,664	16,888	766	48,866
<u>Nonoperating Receipts (Disbursements)</u>					
Miscellaneous Receipts	0	0	0	13	13
Principal Retirement	0	(10,000)	0	0	(10,000)
Interest and Fiscal Charges	0	(375)	0	0	(375)
<i>Total Nonoperating Receipts (Disbursements)</i>	<u>0</u>	<u>(10,375)</u>	<u>0</u>	<u>13</u>	<u>(10,362)</u>
<i>Income (Loss) Before Special Item</i>	22,548	(1,711)	16,888	779	38,504
<i>Special Item</i>	<u>0</u>	<u>0</u>	<u>348,346</u>	<u>0</u>	<u>348,346</u>
<i>Change in Net Assets</i>	22,548	(1,711)	365,234	779	386,850
<i>Net Assets at Beginning of Year</i>	<u>25,766</u>	<u>52,618</u>	<u>0</u>	<u>11,386</u>	<u>89,770</u>
<i>Net Assets at End of Year</i>	<u><u>\$48,314</u></u>	<u><u>\$50,907</u></u>	<u><u>\$365,234</u></u>	<u><u>\$12,165</u></u>	<u><u>\$476,620</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Fund Net Assets - Cash Basis

Agency Fund

December 31, 2009

	<u>Agency Fund</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$675</u>
<i>Total Assets</i>	<u>675</u>
<u>Net Assets:</u>	
Unrestricted	<u>675</u>
<i>Total Net Assets</i>	<u><u>\$675</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Net Assets - Cash Basis

December 31, 2008

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$92,272	\$89,770	\$182,042
<i>Total Assets</i>	<u>92,272</u>	<u>89,770</u>	<u>182,042</u>
<u>Net Assets:</u>			
<i>Restricted for:</i>			
Capital Projects	23	0	23
Other Purposes	72,957	0	72,957
Unrestricted	<u>19,292</u>	<u>89,770</u>	<u>109,062</u>
<i>Total Net Assets</i>	<u><u>\$92,272</u></u>	<u><u>\$89,770</u></u>	<u><u>\$182,042</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2008*

	Disbursements	Program Receipts	
		Charges for Services and Sales	Operating Grants and Contributions
<u>Governmental Activities:</u>			
General Government	\$40,830	\$12,759	\$0
Security of Persons and Property	85,082	77,500	4,750
Transportation	15,384	0	24,235
Basic Utility Services	12,546	18,337	0
<i>Debt Service:</i>			
Principal Retirement	27,497	0	0
Interest and Fiscal Charges	9,564	0	0
<i>Total Governmental Activities</i>	<u>190,903</u>	<u>108,596</u>	<u>28,985</u>
<u>Business-Type Activities:</u>			
Water Operating	32,410	52,236	0
Sewer Operating	134,053	135,874	0
Guaranteed Deposits for Sewer and Water	135	1,100	0
<i>Total Business-Type Activities</i>	<u>166,598</u>	<u>189,210</u>	<u>0</u>
<i>Totals Primary Government</i>	<u>\$357,501</u>	<u>\$297,806</u>	<u>\$28,985</u>

General Receipts:

Property Taxes
Grants and Entitlements not Restricted to Specific Programs
Earnings on Investment
Miscellaneous

Total General Receipts

Change in Net Assets

Net Assets at Beginning of Year

Net Assets at End of Year

See accompanying notes to the basic financial statements.

Net (Disbursements) Receipts
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$28,071)	\$0	(\$28,071)
(2,832)	0	(2,832)
8,851	0	8,851
5,791	0	5,791
(27,497)	0	(27,497)
(9,564)	0	(9,564)
(53,322)	0	(53,322)
0	19,826	19,826
0	1,821	1,821
0	965	965
0	22,612	22,612
(53,322)	22,612	(30,710)
48,112	0	48,112
14,173	0	14,173
923	0	923
25	0	25
63,233	0	63,233
9,911	22,612	32,523
82,361	67,158	149,519
\$92,272	\$89,770	\$182,042

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Cash Basis Assets and Fund Balances

Governmental Funds

December 31, 2008

	<u>General</u>	<u>Street Maintenance and Repair</u>	<u>State Highway</u>	<u>Permissive Motor Vehicle License</u>	<u>Fire Department</u>
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	<u>\$19,292</u>	<u>\$15,301</u>	<u>\$9,754</u>	<u>\$9,277</u>	<u>\$38,304</u>
<i>Total Assets</i>	<u>19,292</u>	<u>15,301</u>	<u>9,754</u>	<u>9,277</u>	<u>38,304</u>
<u>Fund Balances:</u>					
<i>Unreserved</i>					
General Fund	19,292	0	0	0	0
Special Revenue Funds	0	15,301	9,754	9,277	38,304
Capital Projects Funds	0	0	0	0	0
<i>Total Fund Balances</i>	<u>\$19,292</u>	<u>\$15,301</u>	<u>\$9,754</u>	<u>\$9,277</u>	<u>\$38,304</u>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$344	\$92,272
<u>344</u>	<u>92,272</u>
0	19,292
321	72,957
23	23
<u>\$344</u>	<u>\$92,272</u>

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	General	Street Maintenance and Repair	State Highway	Permissive Motor Vehicle License	Fire Department
<u>Receipts:</u>					
Property Taxes	\$48,112	\$0	\$0	\$0	\$0
Charges for Services	18,337	0	0	0	77,500
Licenses, Permits and Fees	12,759	0	0	0	0
Intergovernmental	14,173	20,482	1,650	2,103	4,750
Earnings on Investments	877	37	9	0	0
Miscellaneous	25	0	0	0	0
Total Receipts	94,283	20,519	1,659	2,103	82,250
<u>Disbursements:</u>					
<i>Current:</i>					
General Government	40,830	0	0	0	0
Security of Persons and Property	38,207	0	0	0	46,875
Transportation	0	15,384	0	0	0
Basic Utility Services	12,546	0	0	0	0
<i>Debt Service:</i>					
Principal Retirement	2,252	0	0	0	25,245
Interest and Fiscal Charges	2,872	0	0	0	6,692
Total Disbursements	96,707	15,384	0	0	78,812
Net Change in Fund Balances	(2,424)	5,135	1,659	2,103	3,438
Fund Balances at Beginning of Year	21,716	10,166	8,095	7,174	34,866
Fund Balances at End of Year	\$19,292	\$15,301	\$9,754	\$9,277	\$38,304

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$0	\$48,112
0	95,837
0	12,759
0	43,158
0	923
0	25
0	200,814
0	40,830
0	85,082
0	15,384
0	12,546
0	27,497
0	9,564
0	190,903
0	9,911
344	82,361
<u>\$344</u>	<u>\$92,272</u>

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
General Fund*

For the Year Ended December 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Receipts:</u>				
Property Taxes	\$52,000	\$48,100	\$48,112	\$12
Intergovernmental	11,021	14,186	14,173	(13)
Licenses, Permits and Fees	11,000	12,000	12,759	759
Earnings on Investments	600	800	877	77
Charges for Services	13,250	18,336	18,337	1
Miscellaneous	0	0	25	25
<i>Total Receipts</i>	<u>87,871</u>	<u>93,422</u>	<u>94,283</u>	<u>861</u>
<u>Disbursements:</u>				
<i>Current:</i>				
General Government	30,429	44,374	40,830	3,544
Security of Persons and Property	43,640	44,910	38,207	6,703
Basic Utility Services	13,025	12,546	12,546	0
<i>Debt Service:</i>				
Principal Retirement	2,252	2,252	2,252	0
Interest and Fiscal Charges	7,748	3,012	2,872	140
<i>Total Disbursements</i>	<u>97,094</u>	<u>107,094</u>	<u>96,707</u>	<u>10,387</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(9,223)	(13,672)	(2,424)	11,248
<i>Fund Balance at Beginning of Year</i>	<u>21,716</u>	<u>21,716</u>	<u>21,716</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$12,493</u>	<u>\$8,044</u>	<u>\$19,292</u>	<u>\$11,248</u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*

*Street Maintenance and Repair Fund
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$20,200	\$19,000	\$20,482	\$1,482
Earnings on Investments	10	30	37	7
<i>Total Receipts</i>	<u>20,210</u>	<u>19,030</u>	<u>20,519</u>	<u>1,489</u>
<u>Disbursements:</u>				
<i>Current:</i>				
Transportation	<u>20,102</u>	<u>21,602</u>	<u>15,384</u>	<u>6,218</u>
<i>Total Disbursements</i>	<u>20,102</u>	<u>21,602</u>	<u>15,384</u>	<u>6,218</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	108	(2,572)	5,135	7,707
<i>Fund Balance at Beginning of Year</i>	<u>10,166</u>	<u>10,166</u>	<u>10,166</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$10,274</u>	<u>\$7,594</u>	<u>\$15,301</u>	<u>\$7,707</u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*

State Highway Fund

For the Year Ended December 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Receipts:</u>				
Intergovernmental	\$1,500	\$1,450	\$1,650	\$200
Earnings on Investments	0	8	9	1
<i>Total Receipts</i>	1,500	1,458	1,659	201
<u>Disbursements</u>	0	0	0	0
<i>Excess of Receipts Over (Under) Disbursements</i>	1,500	1,458	1,659	201
<i>Fund Balance at Beginning of Year</i>	8,095	8,095	8,095	0
<i>Fund Balance at End of Year</i>	<u>\$9,595</u>	<u>\$9,553</u>	<u>\$9,754</u>	<u>\$201</u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*

*Permissive Motor Vehicle License Fund
For the Year Ended December 31, 2008*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Receipts:</u>				
Property Taxes	\$2,200	\$2,000	\$2,103	\$103
<i>Total Receipts</i>	<u>2,200</u>	<u>2,000</u>	<u>2,103</u>	<u>103</u>
<u>Disbursements:</u>				
<i>Current:</i>				
Transportation	5,000	5,000	0	5,000
<i>Total Disbursements</i>	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(2,800)	(3,000)	2,103	5,103
<i>Fund Balance at Beginning of Year</i>	<u>7,174</u>	<u>7,174</u>	<u>7,174</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,374</u></u>	<u><u>\$4,174</u></u>	<u><u>\$9,277</u></u>	<u><u>\$5,103</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*

Fire Department Fund

For the Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$4,500	\$4,750	\$4,750	\$0
Charges for Services	76,000	77,500	77,500	0
<i>Total Receipts</i>	<u>80,500</u>	<u>82,250</u>	<u>82,250</u>	<u>0</u>
<u>Disbursements:</u>				
<i>Current:</i>				
Security of Persons and Property	56,126	66,126	46,875	19,251
<i>Debt Service:</i>				
Principal Retirement	25,245	25,245	25,245	0
Interest and Fiscal Charges	6,696	6,696	6,692	4
<i>Total Disbursements</i>	<u>88,067</u>	<u>98,067</u>	<u>78,812</u>	<u>19,255</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(7,567)	(15,817)	3,438	19,255
<i>Fund Balance at Beginning of Year</i>	<u>34,866</u>	<u>34,866</u>	<u>34,866</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$27,299</u>	<u>\$19,049</u>	<u>\$38,304</u>	<u>\$19,255</u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Fund Net Assets - Cash Basis

Proprietary Funds

December 31, 2008

	<u>Water Operating</u>	<u>Sewer Operating</u>	<u>Other Enterprise Fund</u>	<u>Total</u>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$25,766	\$52,618	\$11,386	\$89,770
<i>Total Assets</i>	<u>25,766</u>	<u>52,618</u>	<u>11,386</u>	<u>89,770</u>
<u>Net Assets:</u>				
Unrestricted	<u>25,766</u>	<u>52,618</u>	<u>11,386</u>	<u>89,770</u>
<i>Total Net Assets</i>	<u><u>\$25,766</u></u>	<u><u>\$52,618</u></u>	<u><u>\$11,386</u></u>	<u><u>\$89,770</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Proprietary Funds
For the Year Ended December 31, 2008

	Water Operating	Sewer Operating	Other Enterprise Fund	Total Enterprise Funds
<u>Operating Receipts:</u>				
Charges for Services	\$52,236	\$135,874	\$1,100	\$189,210
<i>Total Operating Receipts</i>	<u>52,236</u>	<u>135,874</u>	<u>1,100</u>	<u>189,210</u>
<u>Operating Disbursements:</u>				
Personal Services	0	19,744	0	19,744
Employee Fringe Benefits	288	18,384	0	18,672
Contractual Services	23,440	51,977	0	75,417
Supplies and Materials	8,682	24,185	0	32,867
Other	0	0	135	135
<i>Total Operating Disbursements</i>	<u>32,410</u>	<u>114,290</u>	<u>135</u>	<u>146,835</u>
<i>Operating Income (Loss)</i>	19,826	21,584	965	42,375
<u>Nonoperating Receipts (Disbursements)</u>				
Principal Retirement	0	(18,000)	0	(18,000)
Interest and Fiscal Charges	0	(1,763)	0	(1,763)
<i>Total Nonoperating Receipts (Disbursements)</i>	<u>0</u>	<u>(19,763)</u>	<u>0</u>	<u>(19,763)</u>
<i>Change in Net Assets</i>	19,826	1,821	965	22,612
<i>Net Assets at Beginning of Year</i>	<u>5,940</u>	<u>50,797</u>	<u>10,421</u>	<u>67,158</u>
<i>Net Assets at End of Year</i>	<u><u>\$25,766</u></u>	<u><u>\$52,618</u></u>	<u><u>\$11,386</u></u>	<u><u>\$89,770</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Statement of Fund Net Assets - Cash Basis

Agency Fund

December 31, 2008

	<u>Agency Fund</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$0</u>
<i>Total Assets</i>	<u>0</u>
<u>Net Assets:</u>	
Unrestricted	<u>0</u>
<i>Total Net Assets</i>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 1 – Reporting Entity

The Village of Laurelville, Hocking County, Ohio, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly elected six-member Council, Mayor and Clerk. The Village provides road maintenance, police protection, water and sewer utilities and refuse collection. The Village appropriates General Fund money to support a volunteer fire department.

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The Village does apply FASB statements issued after November 30, 1989, to its business-type activities and enterprise funds to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Village's accounting policies.

A. Basis of Presentation

The Village's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Village that are governmental and those that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are generally financed through charges for services and grants.

The statement of net assets presents the cash balance of the governmental activities of the Village at year end. The statement of activities compares disbursements with program receipts for each of the Village's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Village is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Village's general receipts.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

Fund Financial Statements

During the year, the Village segregates transactions related to certain Village functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Village at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

The Village uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Village are divided into three categories, governmental, proprietary and fiduciary.

Governmental Funds

The Village classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. Governmental funds focus on the sources, uses, and balances of current financial resources.

The following are the Village's major governmental funds:

General Fund – This fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

State Highway Fund – This fund is used to account for monies received from the state to maintain state highways within the Village. This was a major fund for 2008 only.

Permissive Motor Vehicle License Tax Fund – This fund is used to account for receipts from permissive motor vehicle license tax to pay for constructing, maintaining and repairing Village streets. This was a major fund for 2008 only.

Fire Department Fund – This fund is used to account for receipts from fire contracts with neighboring townships for the operation of the fire department.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

Proprietary Funds

The proprietary fund focus is on the determination of the change in net assets, financial position and cash flows. The Villages' proprietary funds are classified as enterprise. Enterprise funds may be used to account for any activities for which a fee is charged to external users for goods or services.

The following are the Village's proprietary funds:

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

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

Waste Water Treatment Fund – This fund receives charges for services from residents of the Village of Adelphi to cover the cost of providing access to Laurelville's waste water treatment facility.

C. Basis of Accounting

The Village's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Village's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Village may appropriate.

The appropriations ordinance is the Village's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Village. The legal level of control has been established at the fund level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Village Clerk. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Village.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Village during the year.

E. Cash and Investments

To improve cash management, cash received by the Village is pooled and invested. Individual fund integrity is maintained through Village records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

Interest earnings are allocated to Village funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2009 was \$780 which includes interest earned from other funds.

F. Inventory and Prepaid Items

The Village reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

G. Capital Assets

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

H. Interfund Receivables/Payables

The Village reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

I. Accumulated Leave

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

J. Employer Contributions to Cost-Sharing Pension Plans

The Village recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

K. Long-Term Obligations

The Village's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor capital outlay expenditure are reported at inception. Lease payments are reported when paid.

L. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for state grants reported in special revenue funds.

The Village's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

M. Fund Balance Reserves

The Village reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods.

N. Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

O. Special Items

Special items are transactions or events that are within the control of the administration and that are either unusual in nature or infrequent in occurrence. During 2009, the Village entered into an agreement with the Village of Adelphi to allow Adelphi to connect to the Village's waste water treatment plant. As part of this agreement the Village received \$348,346 from the Village of Adelphi.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund, Street Maintenance and Repair Fund, State Highway Fund, Permissive Motor Vehicle License Tax Fund and Fire Department Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The only difference between the budgetary basis and the cash basis is the encumbrances are treated as expenditures for all funds (budgetary basis) rather than as a reservation of fund balance (cash basis). There were no differences for the years ended December 31, 2009 and December 31, 2008.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments

Monies held by the Village are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Village treasury. Active monies must be maintained either as cash in the Village treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Village can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Village, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investment may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments – (Continued)

The following information classifies deposits by categories of risk as defined in GASB Statement No. 3, “Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements” and GASB Statement No. 40, “Deposits and Investment Risk Disclosures.”

Deposits: Custodial credit risk is the risk that, in the event of a bank failure, the Village’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Village.

At December 31, 2009, the carrying amount of all Village deposits was \$590,980. Based on the criteria described in GASB Statement No. 40, “Deposit and Investment Risk Disclosures”, as of December 31, 2009, \$344,898 of the Village’s bank balance of \$594,898 was exposed to custodial risk as discussed above, while \$250,000 was covered by Federal Deposit Insurance. The \$344,898 exposed to custodial risk was collateralized with securities held by the Village or its agency in the Village’s name. Congress enacted temporary legislation to increase FDIC insurance coverage from \$100,000 to \$250,000 until December 31, 2013.

At December 31, 2008, the carrying amount of all Village deposits was \$182,042. Based on the criteria described in GASB Statement No. 40, “Deposit and Investment Risk Disclosures”, as of December 31, 2008, all of the Village’s bank balance of \$186,845 was covered by Federal Deposit Insurance. Congress enacted temporary legislation to increase FDIC insurance coverage from \$100,000 to \$250,000 until December 31, 2013.

The Village has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Village or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105% of the deposits being secured.

Note 5 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which rate are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the county by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

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.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 6 – Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Public official's liability;
- Vehicles

The Village has not incurred significant reductions in insurance coverage from coverage in the prior year by major category or risk.

Note 7 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

The Village participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the year ended December 31, 2009, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 10.0 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 10.1 percent. The Village's contribution rate for pension benefits for 2009 was 14.0 percent, except for those plan members in law enforcement or public safety. For those classifications, the Village's pension contributions were 17.63 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

For the year ended December 31, 2008, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 10.0 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 10.1 percent. The Village's contribution rate for pension benefits for 2008 was 14.0 percent, except for those plan members in law enforcement or public safety. For those classifications, the Village's pension contributions were 17.4 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 7 – Defined Benefit Pension Plan – (Continued)

The Village's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 were \$6,287, \$5,096, \$6,383, respectively. The full amount has been contributed for 2009, 2008, and 2007. Contributions to the member-directed plan for 2009 were \$11,358 and for 2008 were \$10,192.

Note 8 - Postemployment Benefits

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2009 local government employer contribution rate was 14 percent of covered payroll (17.63 percent for public safety and law enforcement); 7.0 percent of covered payroll was the portion that was used to fund health care. The 2008 local government employer contribution rate was 14.0 percent of covered payroll (17.4 percent for public safety and law enforcement); 7.0 percent from January 1 through March 31, 2009 and 5.5 percent from April 1 through December 31, 2009 of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2008, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between .5 and 3.0 percent annually for the next seven years and 4 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 357,584. The actual employer contributions for 2009 which were used to fund postemployment benefits were \$5,071. The actual value of OPERS's net assets available for payment of benefits at December 31, 2008, (the latest information available) was \$10.7 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.6 billion and \$18.9 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 9 - Debt

A summary of the debt transactions for the year ended December 31, 2008, follows:

	Interest Rate	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
<i><u>Governmental Activities:</u></i>					
2006 Fire Truck Note	5.00%	\$20,000	\$0	\$2,252	\$17,748
2006 Fire Truck Note	4.80%	139,016	0	25,245	113,771
Total Governmental Activities		<u>\$159,016</u>	<u>\$0</u>	<u>\$27,497</u>	<u>\$131,519</u>
<i><u>Business-Type Activities:</u></i>					
Mortgage Revenue Bonds	7.50%	\$28,000	\$0	\$18,000	\$10,000
Total Business-Type Activities		<u>\$28,000</u>	<u>\$0</u>	<u>\$18,000</u>	<u>\$10,000</u>

A summary of the debt transactions for the year ended December 31, 2009, follows:

	Interest Rate	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009
<i><u>Governmental Activities:</u></i>					
2006 Fire Truck Note	5.00%	\$17,748	\$0	\$3,474	\$14,274
2006 Fire Truck Note	4.80%	113,771	0	26,476	87,295
Total Governmental Activities		<u>\$131,519</u>	<u>\$0</u>	<u>29,950</u>	<u>\$101,569</u>
<i><u>Business-Type Activities:</u></i>					
Mortgage Revenue Bonds	7.50%	\$10,000	\$0	\$10,000	\$0
Total Business-Type Activities		<u>\$10,000</u>	<u>\$0</u>	<u>\$10,000</u>	<u>\$0</u>

The 2006 Fire Truck Notes relate to the purchase of a Fire Truck in 2006. The full faith and credit of the Village are pledged to repay the debt.

The Mortgage revenue bonds relate to the improvement of the sewer system. Revenues of the sewer are pledged to repay this debt. This was paid off during 2009.

VILLAGE OF LAURELVILLE –HOCKING COUNTY
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 9 – Debt – (Continued)

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

<u>Year Ending December 31</u>	<u>2006 Fire Truck Note 5%</u>		<u>2006 Fire Truck Note 4.8%</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2010	\$14,274	\$871	\$27,747	\$4,190
2011	0	0	29,078	2,589
2012	0	0	30,470	1,467
Total	\$14,274	\$871	\$87,295	\$8,516

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards

Village Council
Village of Laurelville
18751 Main Street
P.O. Box 393
Laurelville, OH 43135-0393

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Laurelville, Hocking County, Ohio, as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Village's basic financial statements and have issued our report thereon dated June 21, 2010. As discussed in Note 2, the Village followed the cash basis of accounting, which is a comprehensive basis other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

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 the purpose of expressing our opinions on the financial statements, but not for the purpose of opining 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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiencies in internal control over financial reporting, that we consider a material weakness and other deficiencies we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and timely corrected. We consider finding 2008-001 described in the accompanying schedule of findings to be a material weakness.

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Reporting and on Compliance and Other Matters Required by
Government Auditing Standards

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2008-001 described in the accompanying schedule of findings to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We also noted certain additional matters that we have reported to management of the Village in a separate letter dated June 21, 2010

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

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.

June 21, 2010

VILLAGE OF LAURELVILLE, HOCKING COUNTY
Schedule of Findings
For the Years Ended December 31, 2009 and 2008

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

Finding Number 2008-001

Financial Statement Adjustments - Significant Deficiency/Material Weakness

Rule 117-2-01(A) and 117-2-01(B)(1) of the Ohio Administrative Code directs all public offices to design and operate a system of internal control that is adequate to provide reasonable assurance regarding the reliability of financial reporting.

Sound financial reporting is the responsibility of the Fiscal Officer and Village Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. It is also important to note that independent auditors are not part of an entity's internal control structure and should not be relied upon by management to detect misstatements in the financial statements.

Thus, it is important that management develop control procedures related to drafting financial statements and footnotes that enable management to prevent and detect potential misstatements in the financial statements and footnotes prior to audit.

The following audit adjustments were made to the December 31, 2008 financial statements:

1. To reclassify Principal Retirement from Interest and Fiscal Charges in the Governmental Activities, General Fund, Fire Fund and Sewer Fund.

The lack of controls over the posting of financial transactions and financial reporting can result in errors and irregularities that may go undetected and decreases the reliability of financial data throughout the year.

We recommend the Village adopt policies and procedures for controls over recording of financial transactions and over financial reporting to help ensure the information accurately reflects the activity of the Village and thereby increasing the reliability of the financial data throughout the year.

Officials' Response

No officials' response was provided by the Village.

VILLAGE OF LAURELVILLE, HOCKING COUNTY

Schedule of Prior Audit Findings

For the Years Ended December 31, 2009 and 2008

Finding Number	Description	Status	Comments
	<i>Government Auditing Standards:</i>		
2007-001	Audit Adjustments were made to reclassify Principal Retirement from Interest and Fiscal Charges.	Not Corrected	Reissued as finding 2009-001
2007-002	Estimated Receipts exceeded Actual Receipts	Corrected	Corrected



Mary Taylor, CPA
Auditor of State

VILLAGE OF LAURELVILLE

HOCKING 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
AUGUST 31, 2010**