



Mary Taylor, CPA  
Auditor of State



VILLAGE OF MOSCOW  
CLERMONT COUNTY

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Mary Taylor, CPA  
Auditor of State

Village of Moscow  
Clermont County  
79 Elizabeth Street  
Moscow, Ohio 45153

To the Village Council:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

*Mary Taylor*

**Mary Taylor, CPA**  
Auditor of State

June 30, 2010

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

Village of Moscow  
Clermont County  
P.O. Box 93  
Moscow, Ohio 45153

To the Village Council:

We have audited the accompanying financial statements of the Village of Moscow, Clermont County, Ohio (the Village), as of and for the years ended December 31, 2009 and 2008. 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, 2009 and 2008 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, 2009 and 2008, or its changes in financial position, for the years ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village of Moscow, Clermont County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

During 2008, the Village changed its financial presentation to conform to presentation methods the Auditor of State prescribes or permits.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 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 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.

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

**Mary Taylor, CPA**  
Auditor of State

June 30, 2010

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>				<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>					
Property and Local Taxes	\$139,728	\$225			\$139,953
Intergovernmental	255,375	16,515	66,318		338,208
Charges for Services	7,220				7,220
Fines, Licenses and Permits	1,204	813			2,017
Earnings on Investments	15,991	690			16,681
Miscellaneous	11,801				11,801
<b>Total Cash Receipts</b>	<u>431,319</u>	<u>18,243</u>	<u>66,318</u>	<u>0</u>	<u>515,880</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	53,669				53,669
Public Health Services	7,953				7,953
Leisure Time Activities	110,778	48			110,826
Community Environment	4,360				4,360
Basic Utility Service	30,843				30,843
Transportation		8,188			8,188
General Government	290,023	189			290,212
Debt Service:					
Redemption of Principal			1,720		1,720
Interest and Fiscal Charges			757		757
<b>Total Cash Disbursements</b>	<u>497,626</u>	<u>8,425</u>	<u>2,477</u>	<u>0</u>	<u>508,528</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(66,307)</u>	<u>9,818</u>	<u>63,841</u>	<u>0</u>	<u>7,352</u>
Fund Cash Balances, January 1	568,743	75,146	130,397	35,682	809,968
<b>Fund Cash Balances, December 31</b>	<u><b>\$502,436</b></u>	<u><b>\$84,964</b></u>	<u><b>\$194,238</b></u>	<u><b>\$35,682</b></u>	<u><b>\$817,320</b></u>
Reserve for Encumbrances, December 31	<u>\$2,561</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,561</u>

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

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

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

	<u>Governmental Fund Types</u>				<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>					
Property and Local Taxes	\$140,170				\$140,170
Intergovernmental	255,998	12,773	68,318	281	337,370
Charges for Services	8,253				8,253
Fines, Licenses and Permits	546	226			772
Earnings on Investments	19,737	1,236			20,973
Miscellaneous	8,746				8,746
<b>Total Cash Receipts</b>	<u>433,450</u>	<u>14,235</u>	<u>68,318</u>	<u>281</u>	<u>516,284</u>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	49,422				49,422
Public Health Services	7,826				7,826
Leisure Time Activities	52,411				52,411
Basic Utility Service	27,538				27,538
Transportation		2,251			2,251
General Government	314,841	1,090			315,931
Debt Service:					
Redemption of Principal			1,660		1,660
Interest and Fiscal Charges			579		579
Capital Outlay				2,281	2,281
<b>Total Cash Disbursements</b>	<u>452,038</u>	<u>3,341</u>	<u>2,239</u>	<u>2,281</u>	<u>459,899</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(18,588)</u>	<u>10,894</u>	<u>66,079</u>	<u>(2,000)</u>	<u>56,385</u>
 Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	 (18,588)	 10,894	 66,079	 (2,000)	 56,385
 Fund Cash Balances, January 1	 <u>587,331</u>	 <u>64,252</u>	 <u>66,318</u>	 <u>35,682</u>	 <u>753,583</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$568,743</u></b>	<b><u>\$75,146</u></b>	<b><u>\$132,397</u></b>	<b><u>\$33,682</u></b>	<b><u>\$809,968</u></b>
Reserve for Encumbrances, December 31	<u>\$2,953</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,953</u>

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

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

**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 Moscow, Clermont County, Ohio (the Village), as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides sewer utilities and park operations (leisure time activities). The Village contracts with the Clermont County Sheriff's department to provide security of persons and property.

Component units are legally separate organizations for which the Village is financially accountable. The Village is financially accountable for an organization if the Village appoints a voting majority of the organization's governing board and (1) the Village is able to significantly influence the programs or services performed or provided by the organization; or (2) the Village is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (3) the Village is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the levying of taxes. The Village has a component unit as described below.

The Moscow Community Improvement Corporation (CIC) is located within the corporate limits of the Village for the purpose of advancing, encouraging and promoting the industrial, economic, commercial and civic development of the Village. The governing Board of the Corporation is comprised of the seven Trustees including the Mayor and three Village council members and three other residents of the Village. The Mayor and the Village Council appoint the members of the Board for the CIC. The Fiscal Officer of the Village receives and disburses funds on behalf of the Corporation. The CIC cash basis financial information is included in the Village financial statements as a Special Revenue Fund. The (CIC) is a blended component unit; in other words, because of the level of control and because the two boards are substantially the same, the (CIC) is included as a special revenue fund. The Corporation issues separate financial statements in accordance with generally accepted accounting principles (GAAP) which are available from the Chief Fiscal Officer.

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. Deposits and Investments**

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

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

Certificates of deposit are valued at cost. STAR Ohio is recorded at share value reported by the fund.

**D. Fund Accounting**

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

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

State Highway – This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village streets.

**3. Debt Service Funds**

These funds account for resources the Village accumulates to pay bond and note debt. The Village had the following significant Debt Service Fund:

General Obligation Fund – The purpose of this fund is to retire general obligations related to the purchase of an emergency generator.

**4. Capital Project Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project funds:

Emergency Generator Fund – This fund receives proceeds of general obligation bonds. The proceeds are being used to purchase an emergency generator.

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

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

**E. Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2009 and 2008 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.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

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

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

	2009	2008
Demand deposits	\$285,826	\$54,139
Petty Cash	100	100
Certificates of deposit	475,000	200,000
Total deposits	760,926	254,239
STAR Ohio	56,394	555,729
Total investments	56,394	555,729
Total deposits and investments	\$817,320	\$809,968

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

**Investments:** Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$996,907	\$431,319	(\$565,588)
Special Revenue	92,699	18,243	(74,456)
Debt Service	35,682	66,318	30,636
Capital Projects	196,715		(196,715)
Total	\$1,322,003	\$515,880	(\$806,123)

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$991,409	\$500,187	\$491,222
Special Revenue	80,779	8,425	72,354
Debt Service	5,000	2,477	2,523
Capital Projects	35,681		35,681
Total	\$1,112,869	\$511,089	\$601,780

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**3. Budgetary Activity (Continued)**

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,013,356	\$433,450	(\$579,906)
Special Revenue	77,668	14,235	(63,433)
Debt Service	132,636	66,318	(66,318)
Capital Projects	39,962	2,281	(37,681)
Total	\$1,263,622	\$516,284	(\$747,338)

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$996,550	\$454,991	\$541,559
Special Revenue	59,620	3,341	56,279
Debt Service	2,473	2,239	234
Capital Projects	37,880	2,281	35,599
Total	\$1,096,523	\$462,852	\$633,671

**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, 2009 was as follows:

	Principal	Interest Rate
2007 USDA Rural Development Equipment Acquisition Bonds	\$16,620	4.125%
Total	\$16,620	

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**5. Debt (Continued)**

The USDA Rural Development Bonds were obtained for the purpose of purchasing an Emergency Generator. The loan will be paid over ten years. The general obligation bonds are supported by the full faith and credit of the Village and are payable from unvoted property tax receipts. The Ohio Revised Code provides that the net general obligation debt of the Village, exclusive of certain debt, issued without a vote of the electors shall never exceed 5.5 percent of the valuation of the village. The Revised Code further provides that total voted and unvoted net debt of the Village less the same exempt debt shall never exceed amount equal to 10.5 percent of its tax valuation.

The Village's taxing authority collateralized the bonds.

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

Year ending December 31:	Acquisition Bonds
2010	\$2,486
2011	2,481
2012	2,476
2013	2,484
2014	2,480
2015-2019	7,445
Total	<u>\$19,852</u>

**6. Retirement Systems**

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OPERS members contributed 10 and 10%, respectively, of their gross salaries and the Village contributed an amount equaling 14 and 14%, respectively, of participants' gross salaries. The Village has paid all contributions required through December 31, 2009.

**7. Risk Management**

**Commercial Insurance**

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles;
- Public Officials liability;
- Inland marine;
- Law enforcement;
- Crime;

VILLAGE OF MOSCOW  
CLERMONT COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)

**7. Risk Management (Continued)**

- Boiler and machinery; and
- Umbrella.

The Village also provides health insurance, dental, and vision coverage to full-time employees through a private carrier.

**8. Payment to Moscow Community Improvement Corporation (CIC)**

The Village paid in 2009 \$190 and in 2008 \$1,090 to the Moscow Community Improvement Corporation for the general operation of the CIC.

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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 Moscow  
Clermont County  
P.O. Box 93  
Moscow, Ohio 45153

To the Village Council:

We have audited the financial statements of the Village of Moscow, Clermont County, Ohio (the Village), as of and for the year ended December 31, 2009 and 2008, and have issued our report thereon dated June 30, 2010 wherein we noted the Village prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We also noted the Village uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Village. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose to opine on the effectiveness of the Village's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Village's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and 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 certain deficiencies in internal control over financial reporting, that we consider material weaknesses.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2009-001 described in the accompanying schedule of findings to be material weakness.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2009-001.

The Village's response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the Village's response and accordingly, we express no opinion on them

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

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

**Mary Taylor, CPA**  
Auditor of State

June 30, 2010

**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2009 AND 2008**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2009-001**

**Material Noncompliance/ Material Weakness**

**Ohio Rev. Code, Section 733.28**, requires the Village Fiscal Officer to maintain the books of the Village and exhibit accurate statements of all monies received and expended.

In addition, **Ohio Administrative Code, Section 117-2-02(A)**, requires public offices to maintain an accounting system and accounting records sufficient to enable the public to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements required by rule 117-2-03 of the Administrative Code..

The Village had the following posting errors which resulted in audit adjustments and reclassifications to the financial statements:

- In FY 2008, \$1,339 and \$1,575, respectively, of permissive motor vehicle license tax revenue was recorded as taxes instead of intergovernmental in the Permissive Motor Vehicle fund;
- In FY 2008, \$1,420 and \$173 of motor vehicle license tax revenue was recorded as taxes instead of intergovernmental in the Street Fund and State Highway funds, respectively;
- In FY 2008, \$66,318 of SB 3/287 deregulation revenue was recorded as taxes instead of intergovernmental.

As a result of these errors, receipts for certain line items and funds were incorrectly reported on the Annual Report. The above material adjustments were made to individual line items and funds on the financial statements. We recommend due care be exercised when posting entries to the cash journal to prevent errors and assist in properly reflected the Village's financial activity in the annual report. The Village Fiscal Officer should also refer to the Village Handbook to assist in the proper posting of the Village's receipts.

**Officials' Response:**

Fiscal Officer will take corrective action.

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**VILLAGE OF MOSCOW  
CLERMONT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31 2009 and 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2007-001	Community Improvement Corporation (CIC) did not prepare its financial statements in accordance with GAAP.	Yes	
2007-002	Appropriations shall not exceed total estimated revenue.	Yes	
2007-003	Expenditures shall not exceed appropriations.	Yes	





Mary Taylor, CPA  
Auditor of State

VILLAGE OF MOSCOW

CLERMONT COUNTY

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
JULY 20, 2010