

VILLAGE OF BATESVILLE
AUDIT REPORT
JANUARY 1, 2009 - DECEMBER 31, 2010

Wolfe, Wilson, & Phillips, Inc.
37 South Seventh Street
Zanesville, Ohio 43701



Dave Yost • Auditor of State

Village Council
Village of Batesville
229 Second Cross Street
Quaker City, Ohio 43773

We have reviewed the *Independent Auditors' Report* of the Village of Batesville, Noble County, prepared by Wolfe, Wilson & Phillips, Inc., for the audit period January 1, 2009 through December 31, 2010. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditors' Report* on your financial statements. While the Auditor of State 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. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditors' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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 Batesville is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

October 18, 2011

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**VILLAGE OF BATESVILLE
NOBLE COUNTY
JANUARY 1, 2009 - DECEMBER 31, 2010**

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WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701

INDEPENDENT AUDITORS' REPORT

Village of Batesville
Noble County
229 Second Cross Street
Quaker City, Ohio 43773

We have audited the accompanying financial statements of the Village of Batesville, Noble County, as of and for the years ended December 31, 2010 and 2009. These financial statements are the responsibility of the Village of Batesville'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. 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 described more fully in Note 1, the Village of Batesville 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. Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, we presume they are material.

Instead of the combined funds the accompanying financial statements present for 2010 and 2009, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2010 and 2009. 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 the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Village has elected not to reformat its statements. Since this Village does not use GAAP to measure financial statement amounts, 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 paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village of Batesville's combined funds as of December 31, 2010 and 2009, or its changes in financial position for the years then ended.

During 2007, the Village paid \$1,665 from the Street Construction, Maintenance and Repair Fund, Special Revenue Fund Type, for playground swings and swing chains. This expenditure should have been paid from the General Fund. Had this amount been properly posted to the financial statements and the Village's accounting system, the 2007 General Fund expenditures would have been increased by \$1,665 and the December 31, 2007 cash fund balance would have decreased by \$1,665 and the 2007 Special Revenue Fund's expenditures would have decreased by \$1,665 and the December 31, 2007 cash fund balance would have been increased by \$1,665.

The Village declined to make the adjustment proposed in calendar year 2007. Had this amount been properly posted to the financial statement and the Village's accounting system, the General Fund's December 31, 2008 and 2007 cash fund balance would decreased by \$1,665 and its 2007 disbursements would have increased by the same amount. Also, the Special Revenue Fund's December 31, 2008 and 2007 cash fund balance would have increased by \$1,665 and its 2007 disbursements would have decreased by the same amount.

Also, in our opinion, because of the effects of the matter disclosed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in all material respects, the combined fund cash balances of the Village of Batesville, Noble County, as of December 31, 2010 and 2009. Finally, in our opinion, the financial statements referred to above for the years ended December 31, 2010 and 2009 present fairly, in all material respects, the combined cash receipts and disbursements of the Village of Bates, Noble County.

As discussed in Note 8, the Village is experiencing financial difficulties. Management has declined to post the aforementioned adjustments due to the General Fund's cash balance not being sufficient to support these adjustments. Management's plan in regards to these financial difficulties is described in Note 8 to the financial statements. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The aforementioned revision to generally accepted accounting principles also require the Village to include Management's Discussion and Analysis for the year ended December 31, 2010 and 2009. The Village has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 28, 2011, on our consideration of the Village of Batesville's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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 in considering the results of our audit.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
July 28, 2011

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
Property Taxes	\$ 2,862	\$ -	\$ 2,862
Intergovernmental	10,070	5,693	15,763
Earnings on Investments	-	5	5
Miscellaneous	245	-	245
Total Cash Receipts	13,177	5,698	18,875
Cash Disbursements:			
Current:			
Security of Persons and Property	400	-	400
Leisure Time Activities	636	-	636
Transportation	-	6,641	6,641
General Government	12,907	-	12,907
Debt Service:			
Principal	800	-	800
Interest	75	-	75
Total Cash Disbursements	14,818	6,641	21,459
Total Cash Receipts Over/(Under) Cash Disbursements	(1,641)	(943)	(2,584)
Fund Cash Balances, January 1	(140)	7,333	7,193
Fund Cash Balances, December 31	\$ (1,781)	\$ 6,390	\$ 4,609

See notes to financial statements.

**VILLAGE OF BATESVILLE
NOBLE 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**

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
Property Taxes	\$ 2,589	\$ -	\$ 2,589
Intergovernmental	10,860	6,003	16,863
Earnings on Investments	-	8	8
Total Cash Receipts	13,449	6,011	19,460
Cash Disbursements:			
Current:			
Security of Persons and Property	2,852	-	2,852
Leisure Time Activities	621	-	621
Transportation	-	3,450	3,450
General Government	11,791	-	11,791
Debt Service:			
Principal	800	-	800
Interest	115	-	115
Total Cash Disbursements	16,179	3,450	19,629
Total Cash Receipts Over/(Under) Cash Disbursements	(2,730)	2,561	(169)
Fund Cash Balances, January 1	2,590	4,772	7,362
Fund Cash Balances, December 31	\$ (140)	\$ 7,333	\$ 7,193

See notes to financial statements.

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

NOTES TO FINANCIAL STATEMENTS

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 Batesville, Noble County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general governmental services, including maintenance of streets and recreation services. The Village contracts with Quaker City Volunteer Fire Department to receive fire protection services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized 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 prescribed or permitted by the Auditor of State.

C. Cash and Investments

All cash is maintained in a pooled checking account.

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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from 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 is used to account for gasoline tax monies and motor vehicle tax monies for constructing, maintaining and repairing Village streets.

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

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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

Appropriations

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

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.

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled and reappropriated in the subsequent year.

A summary of 2010 and 2009 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Accumulated Leave

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

2. EQUITY IN POOLED CASH

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

	2010	2009
Demand deposits	<u>\$ 4,609</u>	<u>\$ 7,193</u>

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

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

NOTES TO FINANCIAL STATEMENTS

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2010 and 2009 follows:

2010 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 13,330	\$ 13,177	\$ (153)
Special Revenue	3,060	5,698	2,638
Total	\$ 16,390	\$ 18,875	\$ 2,485

2010 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 13,190	\$ 14,818	\$ (1,628)
Special Revenue	10,393	6,641	3,752
Total	\$ 23,583	\$ 21,459	\$ 2,124

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 14,780	\$ 13,449	\$ (1,331)
Special Revenue	2,280	6,011	3,731
Total	\$ 17,060	\$ 19,460	\$ 2,400

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 14,780	\$ 16,179	\$ (1,339)
Special Revenue	7,022	3,450	3,572
Total	\$ 21,802	\$ 19,629	\$ 2,173

Contrary to 5705.36, the Village had instances where a reduced certificate of estimated resources should have been obtained.

Contrary to 5705.41(D), the Village had instances where invoices were dated prior to certification.

Contrary to 5705.41(B), the Village's had expenditures that exceeded appropriations at the legal level of control for 2010 and 2009 in the General Fund.

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

NOTES TO FINANCIAL STATEMENTS

4. PROPERTY TAX

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

5. RETIREMENT SYSTEMS

The Village's full-time employees and elected officials belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2010 and 2009, PERS members contributed 10.0% of their wages, respectively. The Village contributed an amount equal to 14.00% of participant's gross salaries for 2010 and 2009, respectively. The Village has paid all contributions required through December 31, 2010.

6. DEBT

The Village entered into a cognovit promissory note with Mary Carpenter, Mayor and/or Ray carpenter, Village Council member, on December 14, 2008 in the amount of \$2,300 with interest at the rate of 5% per annum. This unsecured note shall be paid in annual installments of \$800 until paid in full. All or any part of the principal sum and accrued interest may be prepaid without penalty.

Debt Outstanding at December 31, 2010 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Promissory Note	\$ 700	5.00%
Total	<u>\$ 700</u>	

Amortization of the above debt, including interest for 2011, the last payment is \$775.

7. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

NOTES TO FINANCIAL STATEMENTS

8. FINANCIAL DIFFICULTIES

The Village's General Fund carries a negative fund balance at December 31, 2010 and 2009 and has not posted the proposed 2007 audit adjustment. The Village will make arrangements to post the adjustment as the General Fund cash balance increases. The Village has no formal plans for increasing the revenue stream of the General Fund but are monitoring all expenditures of the General Fund.

**WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701**

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

Village of Batesville
Noble County
229 Second Cross Street
Quaker City, Ohio 43773

We have audited the financial statements of Village of Batesville as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated July 28, 2011, wherein we expressed an adverse opinion on the 2010 and 2009 regulatory financial statements due to certain misstatement of expenditures in the prior financial statements. Also we noted the Village is experiencing financial difficulties and 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 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village of Batesville'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 of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion 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 and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings, we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness..

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 correct misstatements on a timely basis. 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 corrected on a timely basis. We consider Findings 2010-01 described in the accompanying schedule of findings to be a material weakness.

We noted other matters involving internal control over financial reporting, which we have reported to management of the Village of Batesville in a separate letter dated July 28, 2011.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Batesville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 three instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2010-02 through Finding 2010-04.

We noted certain immaterial instances of noncompliance that we have reported to the management of Village of Batesville in a separate letter dated July 28, 2011.

Village of Batesville's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Village of Batesville's responses and, accordingly, we express no opinion on it.

This report is intended for the information of the Village's management, Clerk, and Auditor of State, and is not intended to be and should not be used by anyone other than these specified parties.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
July 28, 2011

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010**

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

FINDING NUMBER 2010-01

Material Weakness

Ohio Revised Code Section 4503.02 distributed to Villages through Ohio Revised Code Section 4501.04(A) states that an annual license tax is hereby levied upon the operation of motor vehicles on the public roads or highways. Thirty-four per cent of all such moneys are the use of the municipal corporation or county which constitutes the district of registration. The portion of such money due to the municipal corporation shall be paid into its treasury forthwith upon receipt by the county auditor, and shall be used to plan, construct, reconstruct, repave, widen, maintain, repair, clear, and clean public highways, roads, and streets; to maintain and repair bridges and viaducts; to purchase, erect and maintain street and traffic signs and markers; to purchase, erect, and maintain traffic lights and signals; to pay the principal, interest and other charges on bonds and other obligations issued pursuant to Chapter 133, of the Revised Code or incurred pursuant to section 5531.09 of the Revised Code for the purpose of acquiring or constructing roads, highways, bridges, or viaducts, or acquiring or making other highway improvements for which the municipal corporation may issue bonds; and to supplement revenue already available for such purposes.

Ohio Revised Code Section 5701.10(D) provides, in part, that all revenue from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose.

During 2007, the Village paid \$1,664.90 on May 6, 2007 for park playground swings and swing chains from the Street Construction, Maintenance and Repair Fund, Special Revenue Fund type instead of the General Fund.

The Village declined to make this adjustment from the prior audit period.

Client Response: We will consider making the adjustment when the General Fund has a positive balance.

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010**

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

FINDING NUMBER 2010-02

Noncompliance Citation

Ohio Revised Code Section 5705.41(D) states in part that no subdivision shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of fiscal officer of the subdivision. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

Prior certification was not obtained for 87% of the expenditures tested for 2010 and 84% for 2009.

The Clerk should certify funds before each payment is made through the issuance of a regular, blanket, or super blanket purchase order. Blanket certificates should be issued for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of council against any specific line item account over a period not running beyond the end of the current fiscal year. A super blanket purchase order can be completed for any amount for expenditures and contracts from a specific line item appropriation account in a specified fund for most recurring or reasonable predictable operating expenditures. This is not to extend beyond the current year. More than one super blanket may be outstanding at one particular time for a particular line item appropriation account.

Also, as an alternative, the Village can issue then and now certificates for expenses up to \$3,000. Then and now certificates allow the Clerk to certify that both at the time the expenditure was made and at the time that the certification is completed, sufficient funds are available. These certificates can be certified by the Clerk without subsequent authorization from Council. However, then and now certificates issued by the Clerk over \$3,000 must be authorized by Council within thirty days after payment.

Client Response: Client will more closely monitor and try to use the Then and Now certificates when applicable.

FINDING 2010-03

Noncompliance Citation

Ohio Revised Code Section 5705.10 (H) provides that money paid into a fund must be used only for the purposes for which such fund was established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund.

At December 31, 2010 and 2009, the General Fund had a negative fund balance of \$1,781 and \$140, respectively.

Client Response: We did not receive a response from Officials to this finding.

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010**

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

FINDING NUMBER 2010-04

Noncompliance Citation

Ohio Revised Code Section 5705.41(B) prohibits a subdivision to expend money unless it has been appropriated.

The following funds and appropriation accounts had expenditures which exceeded appropriations:

Fund	Appropriation	Expenditures	Variance
December 31, 2010			
General Fund – Recreation Programs	\$600	\$636	(36)
General Fund – Legislative Activities	1,500	2,569	(1,069)
General Fund – Clerk-Treasurer	50	58	(8)
General Fund – Land Advertising	150	345	(195)
General Fund - Audit	1,084	2,478	(1,394)
December 31, 2009			
General Fund – Firefighting Prevent	2,150	2,452	(302)
General Fund – Recreation Programs	600	621	(21)
General Fund - Audit	1,084	1,647	(563)
General Fund – Other General Gov.	1,941	3,345	(1,404)

Client Response: We did not receive a response to this citation.

**VILLAGE OF BATESVILLE
NOBLE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2010**

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2008-001	Finding for Adjustments	No	In current audit as Finding 2010-01
2008-002	ORC 5705.41(D) expenditures made without prior certification	No	In current audit as Finding 2010-02
2008-003	5705.41(B) expenditures exceeding appropriations	No	In current audit as Finding 2010-04
2008-004	Reconciling ledgers to annual report	Yes	Finding No Longer Valid

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Dave Yost • Auditor of State

VILLAGE OF BATESVILLE

NOBLE 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
NOVEMBER 10, 2011