



Dave Yost • Auditor of State

VILLAGE OF KETTLERSVILLE
SHELBY COUNTY

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Dave Yost • Auditor of State

Village of Kettlersville
Shelby County
P.O. Box 144
Kettlersville, Ohio 45336

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.

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Dave Yost
Auditor of State

October 5, 2011

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Village of Kettlersville
Shelby County
P.O. Box 144
Kettlersville, Ohio 45336

To the Village Council:

We have audited the accompanying financial statements of the Village of Kettlersville, Shelby County, (the Village) as of and for the years ended December 31, 2010 and 2009. 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. 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, 2010 and 2009 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, 2010 and 2009, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Kettlersville, Shelby County, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2011, 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 black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

October 5, 2011

**VILLAGE OF KETTLERSVILLE
SHELBY 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**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property and Local Taxes	\$4,511		\$4,511
Municipal Income Tax	18,196		18,196
Intergovernmental	16,899	\$7,700	24,599
Fines, Licenses and Permits	170		170
Earnings on Investments	375		375
Miscellaneous	4,376		4,376
Total Cash Receipts	<u>44,527</u>	<u>7,700</u>	<u>52,227</u>
Cash Disbursements:			
Current:			
Security of Persons and Property	3,376		3,376
Public Health Services	832		832
Community Environment	140		140
Basic Utility Service	1,587		1,587
Transportation	5,495	300	5,795
General Government	18,083		18,083
Total Cash Disbursements	<u>29,513</u>	<u>300</u>	<u>29,813</u>
Total Receipts Over/(Under) Disbursements	<u>15,014</u>	<u>7,400</u>	<u>22,414</u>
Fund Cash Balances, January 1	<u>37,952</u>	<u>48,710</u>	<u>86,662</u>
Fund Cash Balances, December 31	<u><u>\$52,966</u></u>	<u><u>\$56,110</u></u>	<u><u>\$109,076</u></u>

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

**VILLAGE OF KETTLERSVILLE
SHELBY 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>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property and Local Taxes	\$4,546		\$4,546
Municipal Income Taxes	10,436		10,436
Intergovernmental	17,824	\$14,496	32,320
Fines, Licenses and Permits	535		535
Earnings on Investments	306		306
Miscellaneous	4,944		4,944
Total Cash Receipts	<u>38,591</u>	<u>14,496</u>	<u>53,087</u>
Cash Disbursements:			
Current:			
Security of Persons and Property	3,130		3,130
Public Health Services	870		870
Leisure Time Activities		1,088	1,088
Community Environment	70		70
Basic Utility Service	1,560		1,560
Transportation	1,069	3,330	4,399
General Government	20,953		20,953
Total Cash Disbursements	<u>27,652</u>	<u>4,418</u>	<u>32,070</u>
Total Receipts Over/(Under) Disbursements	<u>10,939</u>	<u>10,078</u>	<u>21,017</u>
Other Financing Receipts / (Disbursements):			
Transfers-In		1,500	1,500
Transfers-Out	(1,500)		(1,500)
Total Other Financing Receipts / (Disbursements)	<u>(1,500)</u>	<u>1,500</u>	
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	9,439	11,578	21,017
Fund Cash Balances, January 1	<u>28,513</u>	<u>37,132</u>	<u>65,645</u>
Fund Cash Balances, December 31	<u><u>\$37,952</u></u>	<u><u>\$48,710</u></u>	<u><u>\$86,662</u></u>

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

**VILLAGE OF KETTLERSVILLE
SHELBY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

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 Kettlersville, Shelby County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government services and road maintenance and repair. The Village contracts with Van Buren Township to receive fire protection services.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash and Investments

The Village maintains an interest bearing checking account, savings account, and a certificate of deposit, all of which are valued at cost.

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 for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Fund:

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

**VILLAGE OF KETTLERSVILLE
SHELBY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(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. Appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. The Village did not use the encumbrance method of accounting.

A summary of 2010 and 2009 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.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>2010</u>	<u>2009</u>
Demand deposits	\$94,776	\$72,649
Certificates of deposit	14,300	14,013
Total deposits	<u>\$109,076</u>	<u>\$86,662</u>

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

**VILLAGE OF KETTLERSVILLE
SHELBY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

3. BUDGETARY ACTIVITY

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

2010 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$36,944	\$44,527	\$7,583
Special Revenue	9,308	7,700	(1,608)
Total	<u>\$46,252</u>	<u>\$52,227</u>	<u>\$5,975</u>

2010 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$44,130	\$29,513	\$14,617
Special Revenue	15,500	300	15,200
Total	<u>\$59,630</u>	<u>\$29,813</u>	<u>\$29,817</u>

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$29,500	\$38,591	\$ 9,091
Special Revenue	13,200	15,996	2,796
Total	<u>\$42,700</u>	<u>\$54,587</u>	<u>\$11,887</u>

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$47,300	\$29,152	\$18,148
Special Revenue	20,500	4,418	16,082
Total	<u>\$67,800</u>	<u>\$33,570</u>	<u>\$34,230</u>

Contrary to Ohio law, the Village did not properly certify the availability of funds prior to purchase commitment for 77 percent of expenditures in 2010 and 85 percent of expenditures in 2009.

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.

**VILLAGE OF KETTLERSVILLE
SHELBY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

5. LOCAL INCOME TAX

The Village levies a municipal income tax of 1 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village. In addition, the Village allows a credit for income taxes paid to another municipality up to 50 percent of the income tax paid to such other municipalities.

The Village has a service agreement with the Regional Income Tax Agency (RITA), a third party, to collect the income tax for the Village. RITA withholds a fee of three percent of the taxes collected and submits monthly statements to the Village in the amount of taxes collected, the fee for the period, and the net collection amount. The statements are submitted one month behind; therefore, December's collections are remitted to the Village in January.

6. RETIREMENT SYSTEMS

A. Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OPERS members contributed 10 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village had not paid its OPERS obligation related to 2010 payroll as of December 31, 2010.

B. Social Security

Officials not contributing to OPERS contribute to Social Security. For 2010 and 2009, employees contributed 6.2 percent of their gross salaries, and the Village contributed an amount equal to 6.2 percent of participant's gross salaries through December 31, 2010. The Village had not paid its Social Security obligation related to 2010 payroll as of December 31, 2010.

7. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability.



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

Village of Kettlersville
Shelby County
P.O. Box 144
Kettlersville, Ohio 45336

To the Village Council:

We have audited the financial statements of the Village of Kettlersville (the Village) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated October 5, 2011 wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We 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 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 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 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 2010-01 described in the accompanying schedule of findings to be a 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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2010-01 and 2010-02.

We also noted certain matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated October 5, 2011.

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

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Dave Yost
Auditor of State

October 5, 2011

**VILLAGE OF KETTLERSVILLE
SHELBY COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010 AND 2009**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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1. Financial Statement Reporting

Finding Number 2010-01

NONCOMPLIANCE AND MATERIAL WEAKNESS

Ohio Rev. Code Section 117.38 requires cash-basis entities to file annual reports with the Auditor of State within 60 days of the fiscal year end. The report shall contain the amount of collections and receipts, and accounts due from each source; the amount of expenditures for each purpose; and the amount of public debt, the purpose for which such debt was created, and the provision made for the payment thereof.

Although the Village filed its cash-basis financial statements in a timely manner for 2009 and 2010, the financial statements were clearly and significantly deficient for both years. The revenue and expenditure line items were materially misstated; the financial statements contained mathematical errors; and the totals from the combining statement did not agree to the combined statement. In addition, the cash journal, receipt ledger, and appropriation ledger contained various errors and did not inter-balance.

The most significant and known errors were:

- The Property Tax revenue in the General fund was overstated by \$1,304 in 2009 and \$946 in 2010. There were various posting errors that relate to this overall error amount, including posting of personal property tax reimbursements, rollbacks, and local government intangibles as tax revenue instead of intergovernmental revenue; along with posting tax revenue at the net amount instead of the gross amount less the applicable county auditor and treasurer fees.
- The Municipal Income Tax revenue in the General fund was understated by \$313 in 2009 and \$830 in 2010 due to posting the income tax revenue at the net amount instead of the gross amount less the applicable retainer fees and adjustment deductions.
- General fund receipts were misclassified by \$2,620 in 2009 and \$1,923 in 2010 due to posting the personal property tax reimbursements, rollbacks, and local government intangibles as tax revenue instead of intergovernmental revenue.
- The 2010 Special Revenue Fund's intergovernmental revenue included \$7,700 that was incorrectly posted to the tax revenue line on the manual combined statement instead of the intergovernmental revenue line.
- The Council-approved transfer of \$1,500 in 2009 from the General fund to the Park fund was not reported on the annual financial report by the Village.
- The Village paid \$3,000 out of the General fund in both 2009 and 2010 for a contract for mowing and cleaning services, which was charged against the Leisure-Time Activity line expense, but should have been charged against General Government line expense due to the contract covering more than just maintaining the park.
- The Village paid \$360 out of the General fund in both 2009 and 2010 for the annual water service, which was charged against the Transportation line expense, but should have been charged against the General Government line expense.
- The Village paid \$965 out of the General fund in 2009 for chipping piles of limbs and brush in front of houses, which was charged against the Transportation line expense, but should have been charged against the General Government line expense.
- It was also noted that several line item expense accounts were properly coded in the Appropriation Journal, but were not reported on the correct line item expense account in the annual financial report.
- Finally, the ending fund balances of the General and Special revenue funds required audit adjustments of (\$689) and \$774, and of \$1,402 and (\$487), respectively, for 2009 and 2010 as a result of the adjustments required.

**Finding Number 2010-01
(Continued)**

The Village has made the required adjustments to its financial statements. The financial information presented to the Village Council was used to make financial decisions and monitor budgetary compliance. In order for sound financial decisions to be made, all financial information should be accurate.

The Village should review the Auditor of State's Village chart of accounts to determine the proper classification for all revenues and expenditures and financial transactions should be posted to the records and subsequently to the financial statements accordingly. The cash journal should be reconciled to both the receipt and appropriation ledgers monthly to verify information is accurately reported and the ledgers inter-balance. The combining statement totals should agree to the combined statement and there should be no mathematical errors in the financial statements.

Official's Response:

No response was provided for the above finding.

2. Prior Certification of Obligations

Finding Number 2010-02

NONCOMPLIANCE

Ohio Rev. Code Section 5705.41(D) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

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

1. **"Then and Now" certificate** – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than \$3,000, may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.
2. **Blanket certificate** – Fiscal officers may prepare "blanket" certificates not exceeding an amount established by resolution or ordinance adopted by the legislative authority, against any specific line item account over a period not running beyond the current year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

**Finding Number 2010-02
(Continued)**

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

The Village did not properly certify the availability of funds prior to purchase commitment for 77 percent of expenditures in 2010 and 85 percent of expenditures in 2009, and there was no evidence that the Village followed the aforementioned exceptions. Failure to properly certify the availability of funds could result in overspending and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, the Village's Fiscal Officer should certify that the funds are available prior to the obligation being incurred by the Village. When prior certification is not possible, "then and now" certification could be used.

Official's Response:

No response was provided for the above finding.

**VILLAGE OF KETTLERSVILLE
SHELBY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2010 AND 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2008-01	Finding for Recovery - Compensation Overpayment to Fiscal Officer – Repaid Under Audit	Yes	Finding No Longer Valid – Finding was Repaid Under Prior Audit
2008-02	Finding for Recovery - Compensation Overpayment to Mayor – Repaid Under Audit	Yes	Finding No Longer Valid – Finding was Repaid Under Prior Audit
2008-03	Finding for Recovery - Compensation Overpayment to Council Member – Repaid Under Audit	Yes	Finding No Longer Valid – Finding was Repaid Under Prior Audit
2008-04	Ohio Rev. Code Section 117.38 – Inaccurate Financial Statements	No	Not Corrected - Repeated as Finding 2010-001
2008-05	Ohio Rev. Code Section 5705.41(D) – Failure to certify the availability of funds prior to entering into purchase commitments.	No	Not Corrected - Repeated as Finding 2010-002
2008-06	Monitoring of Financial Activity - Failure to monitor financial activity of Village.	No	Partially Corrected – Repeat monitoring of budget vs. actual in separate letter to management.



Dave Yost • Auditor of State

VILLAGE OF KETTLERSVILLE

SHELBY 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 17, 2011