

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

Financial Statements
(Audited)

For The Years Ended
December 31, 2009 and 2008

DIANNE GOWIN, CLERK/TREASURER



Mary Taylor, CPA
Auditor of State

Members of Council
Village of New Bloomington
P.O. Box 183
New Bloomington, Ohio 43341

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

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

May 11, 2010

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**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Auditor's Report

Village of New Bloomington
Marion County
681 State Route 95W
New Bloomington, OH 43341

To the Members of Council and Mayor:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of New Bloomington, Marion County, Ohio, as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Village of New Bloomington's financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of New Bloomington's management. Our responsibility is to express opinions 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 the 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 opinions.

As discussed in Note 2, the Village of New Bloomington prepares its financial statements and notes on the cash basis of accounting. This is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of New Bloomington, Marion County, Ohio, as of December 31, 2009 and 2008, and the respective changes in cash basis financial position and the respective budgetary comparisons for the General Fund and Special Revenue Fund: Street Construction, Maintenance and Repair, thereof and for the years then ended in conformity with the basis of accounting as described in Note 2.

Independent Auditor's Report
Village of New Bloomington
Page Two

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2010, on our consideration of the Village of New Bloomington's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. While we did not opine on the internal control over financial reporting or compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis is not a required part of the financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
March 31, 2010

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)**

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

HIGHLIGHTS

Key highlights for 2009 are as follows:

Net assets of governmental activities increased \$35,328 or 26.31 percent, a significant change from the prior year. The funds most affected by the increase in cash and cash equivalents were the General and Street Construction, Maintenance and Repair Funds, due to decreases in costs and increase in municipal income tax.

The Village's general receipts are primarily property and income taxes. These receipts represent respectively 10 and 56.41 percent of the total cash received for governmental activities during the year. Income taxes increased 99.35% in 2009. Property taxes decreased 29.24% in 2009.

Net assets of the sewer operation, one of the Village's business-type activities, decreased for the year.

Key highlights for 2008 are as follows:

Net assets of governmental activities increased slightly over the net activities of the previous year. Receipts for general governmental were increased by about the amount that sewer receipts were decreased.

The Village's general receipts are primarily property and income taxes. These receipts represent respectively 17.89 and 35.84 percent of the total cash received for governmental activities during the year. Income taxes increased 49.16% in 2008. Property taxes increased 37.87% in 2008.

Net assets of the sewer operation, one of the Village's business-type activities, decreased for the year.

USING THE BASIC FINANCIAL STATEMENTS

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

Report Components

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

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)**

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

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

Basis of Accounting

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

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

REPORTING THE VILLAGE AS A WHOLE

The statement of net assets and the statement of activities reflect how the Village did financially during 2009 and 2008, within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental and business-type activities of the Village at year end. The statement of activities compares cash disbursements with program receipts for each governmental program and business-type activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function or business-type activity draws from the Village's general receipts.

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

Governmental Activities: Most of the Village's basic services are reported here. State grants and income and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Business-Type Activities: The Village has one business-type activity, the provision of sewer. Business-type activities are financed by a fee charged to the customers receiving the service.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)

REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

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

Governmental Funds - Most of the Village's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Village's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Village's programs. The Village's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. For 2009 and 2008, the Village's major governmental funds are the General Fund and Street Construction, Maintenance and Repair Fund. In addition, in 2009 the Village's Sewer Reserve Fund is also major. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

Proprietary Funds - When the Village charges customers for the services it provides, these services are generally reported in proprietary funds. When the services are provided to the general public, the activity is reported as an enterprise fund. The Village has two enterprise funds, the Sewer Fund and the Sewer Reserve Fund.

THE VILLAGE AS A WHOLE

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

(Table 1)
Net Assets

Assets	Governmental Activities			Business-Type Activities			Total		
	2009	2008	2007	2009	2008	2007	2009	2008	2007
Cash and Cash Equivalents	\$ 169,611	\$ 134,283	\$ 123,460	\$ 24,724	\$ 16,546	\$ 30,955	\$ 194,335	\$ 150,829	\$ 154,415
Restricted Cash and Cash Equivalents	-	-	-	30,476	29,328	25,958	30,476	29,328	25,958
Total Assets	<u>\$ 169,611</u>	<u>\$ 134,283</u>	<u>\$ 123,460</u>	<u>\$ 55,200</u>	<u>\$ 45,874</u>	<u>\$ 56,913</u>	<u>\$ 224,811</u>	<u>\$ 180,157</u>	<u>\$ 180,373</u>
Net Assets									
Restricted for:									
Other Purposes	\$ 44,649	\$ 37,448	\$ 36,029	\$ 30,476	\$ 29,328	\$ 25,958	\$ 75,125	\$ 66,776	\$ 61,987
Unrestricted	<u>124,962</u>	<u>96,835</u>	<u>87,431</u>	<u>24,724</u>	<u>16,546</u>	<u>30,955</u>	<u>149,686</u>	<u>113,381</u>	<u>118,386</u>
Total Net Assets	<u>\$ 169,611</u>	<u>\$ 134,283</u>	<u>\$ 123,460</u>	<u>\$ 55,200</u>	<u>\$ 45,874</u>	<u>\$ 56,913</u>	<u>\$ 224,811</u>	<u>\$ 180,157</u>	<u>\$ 180,373</u>

As mentioned previously, net assets of governmental activities increased \$35,328 or 26.31 percent during 2009 and \$10,823 or 8.77 percent during 2008. The primary reasons contributing to the increases in cash balances are as follows:

- During 2009, the Village's streets were in generally good condition, resulting in fewer maintenance and repair expenses.
- During 2008 and 2009, the Village collected more in income tax resulting in greater revenues.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)**

Table 2 reflects the changes in net assets on cash basis in 2009, 2008 and 2007 for governmental activities, business-type activities and total primary government.

Table (2)
Changes in Net Assets

	Governmental Activities			Business-Type Activities			Total		
	2009	2008	2007	2009	2008	2007	2009	2008	2007
Receipts									
Program Receipts:									
Charges for Services and Sales	\$ -	\$ 2,170	\$ -	\$ 76,324	\$ 85,109	\$ 93,615	\$ 76,324	\$ 87,279	\$ 93,615
Operating Grants and Contributions	16,589	15,527	18,473	-	-	-	16,589	15,527	18,473
Capital Grants and Contributions	-	-	1,233	1,149	-	-	1,149	-	1,233
Total Program Receipts	16,589	17,697	19,706	77,473	85,109	93,615	94,062	102,806	113,321
General Receipts:									
Property and Other Local Taxes	12,214	19,962	11,983	-	-	-	12,214	19,962	11,983
Income Taxes	56,650	28,418	19,052	-	-	-	56,650	28,418	19,052
Grants and Entitlements Not Restricted to Specific Programs	11,189	9,879	13,746	-	-	-	11,189	9,879	13,746
Interest	1,632	3,332	5,623	-	-	-	1,632	3,332	5,623
Miscellaneous	2,149	-	400	-	-	-	2,149	-	400
Total General Receipts	83,834	61,591	50,804	-	-	-	83,834	61,591	50,804
Total Receipts	100,423	79,288	70,510	77,473	85,109	93,615	177,896	164,397	164,125
Disbursements									
General Government	28,134	38,316	24,511	-	-	-	28,134	38,316	24,511
Security of Persons and Property	10,820	11,637	11,324	-	-	-	10,820	11,637	11,324
Public Health Services	-	-	-	-	-	-	-	-	-
Leisure Time Activities	2,149	-	-	-	-	-	2,149	-	-
Transportation	8,048	18,512	7,010	-	-	-	8,048	18,512	7,010
Sewer	-	-	-	84,091	96,148	93,960	84,091	96,148	93,960
Total Disbursements	49,151	68,465	42,845	84,091	96,148	93,960	133,242	164,613	136,805
Transfers	(15,944)	-	-	15,944	-	-	-	-	-
Increase/(Decrease) in Net Assets	35,328	10,823	27,665	9,326	(11,039)	(345)	44,654	(216)	27,320
Net Assets, January 1	134,283	123,460	95,794	45,874	56,913	57,258	180,157	180,373	153,052
Net Assets, December 31	<u>\$ 169,611</u>	<u>\$ 134,283</u>	<u>\$ 123,460</u>	<u>\$ 55,200</u>	<u>\$ 45,874</u>	<u>\$ 56,913</u>	<u>\$ 224,811</u>	<u>\$ 180,157</u>	<u>\$ 180,373</u>

Total program receipts represent 52.87 percent and 62.54 percent, for 2009 and 2008, respectively, of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money and sewer fees.

Total general receipts represent 47.13 percent of the Village's total receipts in 2009 and 37.46 percent in 2008, and of these amounts, 82.14 percent and 78.55 percent, respectively are property, income and other local taxes. State grants and entitlements make up 13.35 percent and 16.03 percent of the Village's general receipts in 2009 and 2008, respectively. Other receipts are very insignificant and somewhat unpredictable revenue sources.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)

Disbursements for General Government represent the overhead costs of running the Village and the support services provided for the other Village activities. These include the costs of council, as well as internal services such as payroll and purchasing. Since these costs do not represent direct services to residents, we try to limit these costs to General Fund unrestricted receipts.

Security of Persons and Property are the costs of police and fire protection and Transportation is the cost of maintaining the roads. Revenues from a fire levy are used to purchase fire protection.

Governmental Activities

If you look at the Statement of Activities on page 10 for 2009 and page 18 for 2008, you will see that the first column lists the major services provided by the Village. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for general government, which accounts for 57.24 percent of all governmental disbursements for 2009 and for general government and transportation, which account for 55.96 and 27.04 percent of all governmental disbursements, respectively for 2008. The next three columns of the Statement of Activities entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Village that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

Table (3)
Governmental Activities

	<u>Total Cost of Services</u>			<u>Net Cost of Services</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Government	\$ 28,134	\$ 38,316	\$ 24,510	\$ (27,901)	\$ (38,094)	\$ (23,196)
Security of Persons and Property	10,820	11,637	11,323	(10,820)	(11,637)	(11,323)
Public Health Services	-	-	-	-	88	110
Leisure Time Activities	2,149	-	-	(2,149)	-	-
Transportation	<u>8,048</u>	<u>18,512</u>	<u>7,011</u>	<u>8,308</u>	<u>(1,125)</u>	<u>11,270</u>
Total Expenses	<u>\$ 49,151</u>	<u>\$ 68,465</u>	<u>\$ 42,844</u>	<u>\$ (32,562)</u>	<u>\$ (50,768)</u>	<u>\$ (23,139)</u>

The dependence upon property and income tax receipts is apparent as 66.25 percent in 2009 and 74.15 percent in 2008 of governmental activities are supported through these general receipts.

Business-Type Activities

The sewer operation of the Village is relatively small and routinely reports receipts and cash disbursements that are relatively equal.

THE VILLAGE'S FUNDS

In 2009, total governmental funds had receipts of \$100,423 and disbursements of \$49,151. Receipts were increased from 2008. Disbursements were increased from 2008. The Village has also been attempting to reduce expenditures to prepare for future needs.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)**

In 2008, total governmental funds had receipts of \$79,288 and disbursements of \$68,465. Governmental fund receipts were more than disbursements by \$10,823. Cut backs in park development and generally good weather has resulted in a positive fund balance. Also, the Village has been attempting to reduce expenditures to prepare for future needs.

BUDGETING HIGHLIGHTS

The Village's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted funds are the General Fund and Street Construction, Maintenance and Repair Fund. The budget as prepared was generally as expected with few changes necessary.

DEBT ADMINISTRATION

At December 31, 2009, the Village's outstanding debt included \$143,178 in OWDA Loans and \$399,127 in USDA Mortgage Revenue Bonds issued for the sewer system expansion project. For further information regarding the Village's debt, refer to Note 4 to the basic financial statements.

CURRENT ISSUES

The challenge for all governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. Our staff is limited and expenditures are also limited. Our goal is to be prepared for general public needs including parks, transportation, and sewer plant upkeep and maintenance.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Village's finances and to reflect the Village's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Dianne Gowin, Clerk-Treasurer, Village of New Bloomington, Marion County, 202 Buell Street, P.O. Box 183, New Bloomington, Ohio, 43341.

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2009

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 169,611	\$ 24,724	\$ 194,335
Restricted cash and cash equivalent	-	30,476	30,476
Total assets.	<u>169,611</u>	<u>55,200</u>	<u>224,811</u>
Net assets:			
Restricted for:			
Other purposes	44,649	30,476	75,125
Unrestricted	<u>124,336</u>	<u>24,724</u>	<u>149,060</u>
Total net assets	<u>\$ 168,985</u>	<u>\$ 55,200</u>	<u>\$ 224,185</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF NEW BLOOMINGTON, OHIO
 STATEMENT OF ACTIVITIES - CASH BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Program Cash Receipts</u>				<u>Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Assets</u>		
	<u>Cash Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental activities:							
Current:							
General government	\$ 28,134	\$ -	\$ 233	\$ -	\$ (27,901)	\$ -	\$ (27,901)
Security of persons and property	10,820	-	-	-	(10,820)	-	(10,820)
Transportation	8,048	-	16,356	-	8,308	-	8,308
Leisure time activities	2,149	-	-	-	(2,149)	-	(2,149)
Total governmental activities	<u>49,151</u>	<u>-</u>	<u>16,589</u>	<u>-</u>	<u>(32,562)</u>	<u>-</u>	<u>(32,562)</u>
Business-type activities:							
Sewer	84,091	76,324	-	-	-	(7,767)	(7,767)
Sewer Reserve	-	-	-	1,149	-	1,149	1,149
Total business-type activities	<u>84,091</u>	<u>76,324</u>	<u>-</u>	<u>1,149</u>	<u>-</u>	<u>(6,618)</u>	<u>(6,618)</u>
Totals	<u>\$ 133,242</u>	<u>\$ 76,324</u>	<u>\$ 16,589</u>	<u>\$ 1,149</u>	<u>(32,562)</u>	<u>(6,618)</u>	<u>(39,180)</u>
General Cash Receipts:							
Property taxes levied for:							
General operating					6,038	-	6,038
Fire protection services					3,999	-	3,999
Income taxes					56,650	-	56,650
Other local taxes					2,177	-	2,177
Grants and entitlements not restricted to specific programs					11,189	-	11,189
Interest receipts					1,632	-	1,632
Miscellaneous					2,149	-	2,149
Total general cash receipts					<u>83,834</u>	<u>-</u>	<u>83,834</u>
Transfers					(15,944)	15,944	-
Total general cash receipts and transfers					<u>67,890</u>	<u>15,944</u>	<u>83,834</u>
Change in net cash assets					35,328	9,326	44,654
Net cash assets at beginning of year					<u>134,283</u>	<u>45,874</u>	<u>180,157</u>
Net cash assets at end of year					<u>\$ 169,611</u>	<u>\$ 55,200</u>	<u>\$ 224,811</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH BASIS ASSETS AND FUND CASH BALANCES
 GOVERNMENTAL FUNDS
 DECEMBER 31, 2009

	<u>General</u>	<u>Street Construction, Maintenance and Repair</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash assets:				
Equity in pooled cash and cash equivalents	\$ 124,962	\$ 32,208	\$ 12,441	\$ 169,611
Total assets	<u>\$ 124,962</u>	<u>\$ 32,208</u>	<u>\$ 12,441</u>	<u>\$ 169,611</u>
Fund cash balances:				
Reserved for encumbrances.	\$ 626	\$ -	\$ -	\$ 626
Unreserved, undesignated (deficit), reported in:				
General fund.	124,336	-	-	124,336
Special revenue funds	-	32,208	12,441	44,649
Total fund cash balances	<u>\$ 124,962</u>	<u>\$ 32,208</u>	<u>\$ 12,441</u>	<u>\$ 169,611</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
Cash receipts:				
Taxes	\$ 6,038	\$ -	\$ 3,999	\$ 10,037
Municipal income taxes.	56,650	-	-	56,650
Intergovernmental.	14,511	12,953	1,749	29,213
Fines, licenses and permits	2,177	-	-	2,177
Interest.	1,632	571	143	2,346
Total cash receipts	<u>81,008</u>	<u>13,524</u>	<u>5,891</u>	<u>100,423</u>
Cash disbursements:				
Current:				
Security of persons and property	6,820	-	4,000	10,820
Leisure time activities	2,149	-	-	2,149
Transportation	-	7,928	120	8,048
General government.	27,968	-	166	28,134
Total cash disbursements	<u>36,937</u>	<u>7,928</u>	<u>4,286</u>	<u>49,151</u>
Excess (deficiency) of cash receipts over (under) cash disbursements	<u>44,071</u>	<u>5,596</u>	<u>1,605</u>	<u>51,272</u>
Other financing sources (uses):				
Operating transfers out	<u>(15,944)</u>	<u>-</u>	<u>-</u>	<u>(15,944)</u>
Total other financing sources (uses).	<u>(15,944)</u>	<u>-</u>	<u>-</u>	<u>(15,944)</u>
Net change in fund cash balances	28,127	5,596	1,605	35,328
Cash basis fund balances at beginning of year .	<u>96,835</u>	<u>26,612</u>	<u>10,836</u>	<u>134,283</u>
Cash basis fund balances at end of year . . .	<u>\$ 124,962</u>	<u>\$ 32,208</u>	<u>\$ 12,441</u>	<u>\$ 169,611</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN CASH BASIS FUND
 BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Taxes	\$ 5,687	\$ 5,687	\$ 6,038	\$ 351
Municipal income tax.	12,000	12,000	56,650	44,650
Intergovernmental	13,144	13,144	14,511	1,367
Fines, licenses and permits.	1,474	1,474	2,177	703
Interest.	1,000	1,000	1,632	632
Miscellaneous	574	574	-	(574)
Total budgetary basis receipts	<u>33,879</u>	<u>33,879</u>	<u>81,008</u>	<u>47,129</u>
Budgetary basis disbursements:				
Current:				
Security of persons and property	9,068	9,068	6,820	2,248
Leisure time activities	4,000	4,000	2,149	1,851
General government	44,369	45,654	28,594	17,060
Total budgetary basis disbursements	<u>57,437</u>	<u>58,722</u>	<u>37,563</u>	<u>21,159</u>
Excess (deficiency) of budgetary basis receipts over (under) budgetary basis disbursements.	<u>(23,558)</u>	<u>(24,843)</u>	<u>43,445</u>	<u>68,288</u>
Other financing uses:				
Transfers out.	(20,000)	(17,694)	(15,944)	1,750
Other uses.	(4,000)	(2,715)	-	2,715
Total other financing uses.	<u>(24,000)</u>	<u>(20,409)</u>	<u>(15,944)</u>	<u>4,465</u>
Net change in fund cash balance	(47,558)	(45,252)	27,501	72,753
Cash basis fund balance at beginning of year	<u>96,835</u>	<u>96,835</u>	<u>96,835</u>	<u>-</u>
Cash basis fund balance at end of year	<u>\$ 49,277</u>	<u>\$ 51,583</u>	<u>\$ 124,336</u>	<u>\$ 72,753</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN CASH BASIS FUND
 BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
 STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary basis receipts:				
Taxes	\$ 1,316	\$ 1,316	\$ -	\$ (1,316)
Intergovernmental	7,000	7,000	12,953	5,953
Interest	100	100	571	471
Total budgetary basis receipts	<u>8,416</u>	<u>8,416</u>	<u>13,524</u>	<u>5,108</u>
Budgetary basis disbursements:				
Current:				
Transportation.	<u>22,164</u>	<u>22,164</u>	<u>7,928</u>	<u>14,236</u>
Total budgetary basis disbursements	<u>22,164</u>	<u>22,164</u>	<u>7,928</u>	<u>14,236</u>
Net change in fund cash balance	(13,748)	(13,748)	5,596	19,344
Cash basis fund balance at beginning of year . .	<u>26,612</u>	<u>26,612</u>	<u>26,612</u>	<u>-</u>
Cash basis fund balance at end of year	<u>\$ 12,864</u>	<u>\$ 12,864</u>	<u>\$ 32,208</u>	<u>\$ 19,344</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF NEW BLOOMINGTON, OHIO
STATEMENT OF CASH BASIS ASSETS AND NET CASH ASSETS
ENTERPRISE FUNDS
DECEMBER 31, 2009

	Business-type Activities Enterprise Funds		
	Sewer	Sewer Reserve	Total
Cash assets:			
Current assets:			
Equity in pooled cash and cash equivalents.	\$ 24,724	\$ -	\$ 24,724
Restricted cash and cash equivalents.	-	30,476	30,476
	24,724	30,476	55,200
Total assets	24,724	30,476	55,200
Net cash assets:			
Restricted.	-	30,476	30,476
Unrestricted.	24,724	-	24,724
	24,724	-	24,724
Total net cash assets.	\$ 24,724	\$ -	\$ 55,200

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN NET CASH ASSETS
 ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-Type Activities Enterprise Funds		
	Sewer	Sewer Reserve	Total
Operating cash receipts:			
Charges for services	\$ 76,324	\$ -	\$ 76,324
Total operating cash receipts	<u>76,324</u>	<u>-</u>	<u>76,324</u>
Operating cash disbursements:			
Personal services	7,173	-	7,173
Employee benefits.	992	-	992
Contractual services	29,936	-	29,936
Materials and supplies	5,899	-	5,899
Total operating cash disbursements	<u>44,000</u>	<u>-</u>	<u>44,000</u>
Operating cash receipts over operating cash disbursements	<u>32,324</u>	<u>-</u>	<u>32,324</u>
Nonoperating cash receipts (disbursements):			
Interest.	-	1,149	1,149
Debt Service:			
Principal	(13,207)	-	(13,207)
Interest and other fiscal charges	(26,884)	-	(26,884)
Total nonoperating cash receipts (disbursements).	<u>(40,091)</u>	<u>1,149</u>	<u>(38,942)</u>
Income/(loss) before transfers:	(7,767)	1,149	(6,618)
Transfers in	12,065	29,327	41,392
Transfers out	<u>(25,448)</u>	<u>-</u>	<u>(25,448)</u>
Changes in net cash assets.	(21,150)	30,476	9,326
Net cash assets at beginning of year	<u>45,874</u>	<u>-</u>	<u>45,874</u>
Net cash assets at end of year	<u>\$ 24,724</u>	<u>\$ 30,476</u>	<u>\$ 55,200</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2008

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 134,283	\$ 16,546	\$ 150,829
Restricted cash and cash equivalents.	-	29,328	29,328
Total assets.	<u>134,283</u>	<u>45,874</u>	<u>180,157</u>
Net assets:			
Restricted for:			
Other purposes	37,448	29,328	66,776
Unrestricted	<u>96,835</u>	<u>16,546</u>	<u>113,381</u>
Total net assets	<u>\$ 134,283</u>	<u>\$ 45,874</u>	<u>\$ 180,157</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF NEW BLOOMINGTON, OHIO
 STATEMENT OF ACTIVITIES - CASH BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2008

	Program Cash Receipts			Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Assets		
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Current:						
General government.	\$ 38,316	\$ -	\$ 222	\$ (38,094)	\$ -	\$ (38,094)
Security of persons and property	11,637	-	-	(11,637)	-	(11,637)
Health services.	-	-	88	88	-	88
Transportation.	18,512	2,170	15,217	(1,125)	-	(1,125)
Total governmental activities	<u>68,465</u>	<u>2,170</u>	<u>15,527</u>	<u>(50,768)</u>	<u>-</u>	<u>(50,768)</u>
Business-type activities:						
Sewer.	96,148	85,109	-	-	(11,039)	(11,039)
Total business-type activities	<u>96,148</u>	<u>85,109</u>	<u>-</u>	<u>-</u>	<u>(11,039)</u>	<u>(11,039)</u>
Totals.	<u>\$ 164,613</u>	<u>\$ 87,279</u>	<u>\$ 15,527</u>	<u>(50,768)</u>	<u>(11,039)</u>	<u>(61,807)</u>
General Cash Receipts:						
Property taxes levied for:						
General operating.				6,370	-	6,370
Fire protection services				7,814	-	7,814
Income taxes.				28,418	-	28,418
Other local taxes				5,778	-	5,778
Grants and entitlements not restricted to specific programs.				9,879	-	9,879
Interest receipts				3,332	-	3,332
Total general cash receipts.				<u>61,591</u>	<u>-</u>	<u>61,591</u>
Change in net cash assets				10,823	(11,039)	(216)
Net cash assets at beginning of year.				<u>123,460</u>	<u>56,913</u>	<u>180,373</u>
Net cash assets at end of year				<u>\$ 134,283</u>	<u>\$ 45,874</u>	<u>\$ 180,157</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH BASIS ASSETS AND FUND CASH BALANCES
 GOVERNMENTAL FUNDS
 DECEMBER 31, 2008

	<u>General</u>	<u>Street Construction, Maintenance and Repair</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash assets:				
Equity in pooled cash and cash equivalents	\$ 96,835	\$ 26,612	\$ 10,836	\$ 134,283
Total assets	<u>\$ 96,835</u>	<u>\$ 26,612</u>	<u>\$ 10,836</u>	<u>\$ 134,283</u>
Fund cash balances:				
Unreserved, undesignated (deficit), reported in:				
General fund.	\$ 96,835	\$ -	\$ -	\$ 96,835
Special revenue funds	-	26,612	10,836	37,448
Total fund cash balances	<u>\$ 96,835</u>	<u>\$ 26,612</u>	<u>\$ 10,836</u>	<u>\$ 134,283</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>General</u>	<u>Street Construction, Maintenance and Repair</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash receipts:				
Taxes	\$ 6,370	\$ -	\$ 7,814	\$ 14,184
Municipal income taxes	28,418	-	-	28,418
Intergovernmental	14,390	13,831	1,809	30,030
Fines, licenses and permits	2,380	-	-	2,380
Interest	3,332	697	247	4,276
Total cash receipts	<u>54,890</u>	<u>14,528</u>	<u>9,870</u>	<u>79,288</u>
Cash disbursements:				
Current:				
Security of persons and property	7,353	-	4,284	11,637
Transportation	-	14,765	3,747	18,512
General government	38,133	-	183	38,316
Total cash disbursements	<u>45,486</u>	<u>14,765</u>	<u>8,214</u>	<u>68,465</u>
Net change in fund cash balances	9,404	(237)	1,656	10,823
Cash basis fund balances at beginning of year	<u>87,431</u>	<u>26,849</u>	<u>9,180</u>	<u>123,460</u>
Cash basis fund balances at end of year	<u>\$ 96,835</u>	<u>\$ 26,612</u>	<u>\$ 10,836</u>	<u>\$ 134,283</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN CASH BASIS FUND
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Taxes	\$ 5,370	\$ 5,370	\$ 6,370	\$ 1,000
Municipal income tax	10,000	10,000	28,418	18,418
Intergovernmental	13,673	13,673	14,390	717
Fines, licenses and permits	1,475	1,475	2,380	905
Interest	74	74	3,332	3,258
Miscellaneous	574	574	-	(574)
Total budgetary basis receipts	<u>31,166</u>	<u>31,166</u>	<u>54,890</u>	<u>23,724</u>
Budgetary basis disbursements:				
Current:				
Security of persons and property	9,068	9,068	7,353	1,715
Leisure time activities	5,000	4,000	-	4,000
General government	43,738	50,738	38,133	12,605
Total budgetary basis disbursements	<u>57,806</u>	<u>63,806</u>	<u>45,486</u>	<u>18,320</u>
Excess (deficiency) of budgetary basis receipts over (under) budgetary basis disbursements . .	<u>(26,640)</u>	<u>(32,640)</u>	<u>9,404</u>	<u>42,044</u>
Other financing uses:				
Transfers out	(2,000)	-	-	-
Other uses	(4,000)	-	-	-
Total other financing uses	<u>(6,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund cash balance	(32,640)	(32,640)	9,404	42,044
Cash basis fund balance at beginning of year . .	<u>87,431</u>	<u>87,431</u>	<u>87,431</u>	<u>-</u>
Cash basis fund balance at end of year	<u>\$ 54,791</u>	<u>\$ 54,791</u>	<u>\$ 96,835</u>	<u>\$ 42,044</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN CASH BASIS FUND
 BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
 STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND
 FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary basis receipts:				
Taxes	\$ 1,316	\$ 1,316	\$ -	\$ (1,316)
Intergovernmental	7,000	7,000	13,831	6,831
Interest.	100	100	697	597
Total budgetary basis receipts	<u>8,416</u>	<u>8,416</u>	<u>14,528</u>	<u>6,112</u>
Budgetary basis disbursements:				
Current:				
Transportation.	<u>22,164</u>	<u>22,164</u>	<u>14,765</u>	<u>7,399</u>
Total budgetary basis disbursements.	<u>22,164</u>	<u>22,164</u>	<u>14,765</u>	<u>7,399</u>
Net change in fund cash balance	(13,748)	(13,748)	(237)	13,511
Cash basis fund balance at beginning of year . .	<u>26,849</u>	<u>26,849</u>	<u>26,849</u>	<u>-</u>
Cash basis fund balance at end of year.	<u>\$ 13,101</u>	<u>\$ 13,101</u>	<u>\$ 26,612</u>	<u>\$ 13,511</u>

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH BASIS ASSETS AND NET CASH ASSETS
 ENTERPRISE FUND
 DECEMBER 31, 2008

		<u>Business-type Activities</u>
		<u>Sewer</u>
Cash assets:		
Current assets:		
Equity in pooled cash and cash equivalents.	\$	16,546
Restricted cash and cash equivalents		<u>29,328</u>
 Total assets		 <u>45,874</u>
 Net cash assets:		
Restricted.		29,328
Unrestricted.		<u>16,546</u>
 Total net cash assets.	 \$	 <u><u>45,874</u></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF NEW BLOOMINGTON, OHIO

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN NET CASH ASSETS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Business-Type Activities - Enterprise Fund</u>
	<u>Sewer</u>
Operating cash receipts:	
Charges for services	\$ 85,109
Total operating cash receipts	<u>85,109</u>
 Operating cash disbursements:	
Personal services	7,840
Employee benefits.	1,211
Contractual services	35,237
Materials and supplies	<u>11,769</u>
Total operating cash disbursements	<u>56,057</u>
 Operating cash receipts over operating cash disbursements	 <u>29,052</u>
 Nonoperating cash (disbursements):	
Debt Service:	
Principal	(12,563)
Interest and other fiscal charges	<u>(27,528)</u>
Total nonoperating (disbursements).	<u>(40,091)</u>
 Changes in net cash assets.	 (11,039)
 Net cash assets at beginning of year	 <u>56,913</u>
 Net cash assets at end of year	 <u>\$ 45,874</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 1 - DESCRIPTION OF THE ENTITY

The Village of New Bloomington (the "Village") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a six-member Council elected at large for four year terms. The Mayor is elected to a four year term and votes only to break a tie. The Village provides sewer utilities and park operations. The Village has contracted with Scioto Valley Fire Department to provide fire protection services. The Village contracts with the Marion County Sheriff's Department to provide other security of persons and property services.

Management believes the financial statements included in this report represent all of the funds of the Village over which the Village officials are financially accountable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2.C., these financial statements are presented on the cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements and the fund financial statements for proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The Village does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the Village's accounting policies:

A. Basis of Presentation and Measurement Focus

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

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the Village that are governmental and those that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fund Financial Statements

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

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating disbursements include costs of sales and services and administrative costs. The proprietary fund statements report all other receipts and disbursements as nonoperating.

B. Fund Accounting

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

Governmental Funds - The Village classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants) and other nonexchange transactions as governmental funds. The following are the Village's major governmental funds:

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

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

Other governmental funds of the Village are used to account for grants and other resources, and capital projects whose use is restricted to a particular purpose.

Proprietary Funds - These funds are used to account for activities that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. Proprietary funds are classified as either enterprise or internal service. The Village has no internal service funds.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Village's major enterprise funds are the Sewer Fund and Sewer Reserve Fund.

Sewer Fund (2009 & 2008) - This fund receives charges for services from residents to cover the cost of providing this utility.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Sewer Reserve (2009) - This fund receives monies to fund the sewer reserve and debt requirements related to the Village's debt covenant.

C. Basis of Accounting

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

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

D. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimate resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, except agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each department within each fund. Any budgetary modifications at this level may only be made by resolution of the Village's Council.

Tax Budget:

A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The expressed purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

Estimated Resources:

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews receipt estimates. The County Budget Commission certifies its actions to the Village by September 1. As part of this certification, the Village receives the official certificate of estimated resources, which states the projected receipts of each fund. On or about January 1, the certificate is amended to include unencumbered fund balances at December 31 of the preceding year. Further amendments may be made during the year if the Village determined that receipts collected will be greater than or less than the prior estimate, and the Budget Commission find the revised estimate to be reasonable. Prior to December 31, the Village must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. The amounts reported within the budgetary statements reflect the final estimated resources as certified by the County Budget Commission.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Appropriations:

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriations measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. The budgetary statement reflects the final appropriations as approved by Council.

Encumbrances:

As part of the formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated.

E. Cash and Cash Equivalents

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the Village's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. During 2009 and 2008, the Village invested in nonnegotiable certificates of deposit. The nonnegotiable certificates of deposit are reported at cost.

Interest income is distributed to the funds according to statutory requirements. Interest revenue earned and credited to the General Fund during 2009 and 2008 amounted to \$1,632 and \$3,332, which included \$243 and \$1,147, respectively assigned from other funds of the Village.

F. Capital Assets

Acquisition of property, plant, and equipment purchased are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements. The costs of normal maintenance and repairs are also expended, along with improvements. Depreciation is not recorded.

G. Long-term Obligations

Bonds and other long-term obligations are not recognized as a liability in the financial statements under the cash basis of accounting. These statements report proceeds of debt when cash is received, and debt service disbursements for debt principal payments.

H. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general receipts.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchasing funds. Nonexchange flows of cash from one fund to another are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented on the basic financial statements.

I. Inventory and Prepaid Items

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

J. Intergovernmental Revenues

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursable basis are recorded when received in accordance with the Village's cash basis method of accounting.

K. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for constructing, maintaining, and repairing Village roads and fire protections services.

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

NOTE 3 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts. Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 3 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Village, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2009 and 2008, all of the Village's bank balances consisted of \$228,034 and \$182,974, respectively, which was all covered by the Federal Deposit Insurance Corporation (FDIC).

Restricted cash and cash equivalents

This amount consists of monies held in conjunction with the Village's USDA mortgage revenue bond debt covenant.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 4 - DEBT OBLIGATIONS

At December 31, 2009 and 2008, debt obligations consisted of the following issuances:

<u>Description</u>	<u>Balance 12/31/08</u>	<u>Balance 12/31/09</u>
1998 Ohio Water Development Authority (OWDA) Sewer Plant Construction Loan, due in semiannual installments of \$7,588 through 2023 at a rate of 5.760%.	\$ 149,730	\$ 143,178
1998 United States Department of Agriculture (USDA) Mortgage Revenue Bonds, due in annual installments of varying amounts through 2038 at a rate of 4.50%.	<u>405,782</u>	<u>399,127</u>
Total debt obligations	<u>\$ 555,512</u>	<u>\$ 542,305</u>

Transactions for the year ended December 31, 2009 and 2008 are summarized as follows:

<u>Description</u>	<u>Balance 12/31/08</u>	<u>Proceeds</u>	<u>Payments</u>	<u>Balance 12/31/09</u>	<u>Due Within One Year</u>
<u>2009:</u>					
Loan - OWDA - 1998	\$ 149,730	\$ -	\$ (6,552)	\$ 143,178	\$ 6,928
Loan - USDA - 1998	<u>405,782</u>	<u>-</u>	<u>(6,655)</u>	<u>399,127</u>	<u>6,955</u>
Totals	<u>\$ 555,512</u>	<u>\$ -</u>	<u>\$ (13,207)</u>	<u>\$ 542,305</u>	<u>\$ 13,883</u>
<u>Description</u>	<u>Balance 12/31/07</u>	<u>Proceeds</u>	<u>Payments</u>	<u>Balance 12/31/08</u>	
<u>2008:</u>					
Loan - OWDA - 1998	\$ 155,924	\$ -	\$ (6,194)	\$ 149,730	
Loan - USDA - 1998	<u>412,151</u>	<u>-</u>	<u>(6,369)</u>	<u>405,782</u>	
Totals	<u>\$ 568,075</u>	<u>\$ -</u>	<u>\$ (12,563)</u>	<u>\$ 555,512</u>	

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 4 - DEBT OBLIGATIONS - (Continued)

The principal and interest requirements to retire the debt obligations outstanding at December 31, 2009 are as follows:

Year Ending December 31	Loan - USDA - 1998		Loan - OWDA - 1998		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 6,955	\$ 17,961	\$ 6,928	\$ 8,248	\$ 13,883	\$ 26,209
2011	7,268	17,648	7,328	7,848	14,596	25,496
2012	7,595	17,321	7,750	7,426	15,345	24,747
2013	7,937	16,979	8,196	6,980	16,133	23,959
2014	8,294	16,622	8,668	6,508	16,962	23,130
2015 - 2019	47,416	77,164	51,432	24,448	98,848	101,612
2020 - 2024	58,784	65,796	52,876	23,004	111,660	88,800
2025 - 2029	73,559	51,021	-	-	73,559	51,021
2030 - 2034	91,667	32,913	-	-	91,667	32,913
2035 - 2038	89,652	10,010	-	-	89,652	10,010
Total	\$ 399,127	\$ 323,435	\$ 143,178	\$ 84,462	\$ 542,305	\$ 407,897

NOTE 5 - DEBT COVENANT

The Village's USDA mortgage revenue bond debt covenant requires the Village to maintain a Sanitary Sewer System Mortgage Revenue Bond and Interest Sinking fund and a Sanitary Sewer Reserve fund. The debt covenant further requires the following: the Village must first pay all reasonable and proper expenses of operating and maintaining the Sewer fund; second, the Village must monthly, on the fifteenth day of each month deposit 1/12th of the next ensuing principal and interest payment into the Sanitary Sewer System Mortgage Revenue Bond and Interest Sinking fund; and third, out of the remaining balance of income and revenue after the previous allocations required, are made deposit an amount equal to 1/120th of the required reserve amount (or \$370.83/monthly), up to 10% of the amount of the revenue bonds, or \$44,500.

NOTE 6 - PROPERTY TAX

Property taxes include amounts levied against all property, public utility property and tangible personal property located in the Village. Property tax receipts received in 2009 (2008) for real and public utility property taxes represents collections of the 2008 (2007) taxes. Property tax payments received during 2009 (2008) for tangible personal property (other than public utility property) is for 2008 (2007) taxes.

2008 (2007) real property taxes are levied after October 1, 2008 (2007) on the assessed values as of January 1, 2008 (2007), the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 2008 (2007) real property taxes are collected in and intended to finance 2009 (2008).

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2008 (2007) public utility property taxes which became a lien on December 31, 2008 (2007), are levied after October 1, 2008 (2007) and are collected in 2009 (2008) with real property taxes.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 6 - PROPERTY TAX - (Continued)

2008 (2007) tangible property taxes are levied after October 1, 2007 (2006), on the value as of December 31, 2007 (2006). Collections are made in 2009 (2008). Tangible personal property assessments are being phased out.

The full tax rate for all Village operations for the year ended December 31, 2008 (2007) was \$4.00 per \$1,000 of assessed value. The assessed values of real personal property upon which 2009 (2008) property tax receipts were based are as follows:

	2009	2008
Residential/Agriculture	\$ 2,280,500	\$ 2,023,890
Other Real Property	600,180	548,640
Tangible Personal Property	2,400	45,260
Total Assessed Values	\$ 2,883,080	\$ 2,617,790

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Village. The County Auditor periodically remits to the Village its portion of the taxes collected.

NOTE 7 - LOCAL INCOME TAX

The Village passed an income tax which became effective July 1, 2002. This locally levied tax of 1% applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the Village and to earnings of non residents (except certain transients) earned in the Village. It also applies to the net income of business organizations located within the Village. The Village's income tax is administered by the Regional Income Tax Agency. Tax receipts are credited to the Village's general fund and amounted to \$56,650 and \$28,418 in 2009 and 2008, respectively.

NOTE 8 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

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

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to established and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 8 - DEFINED BENEFIT PENSION PLANS - (Continued)

For the years ended December 31, 2009 and 2008, the members were required to contribute 10% of their annual covered salaries. The Village's contribution rate for pension benefits for 2009 and 2008 was 14% respectively. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Village's contributions to OPERS for the years ended December 31, 2009, 2008, and 2007 were \$1,315, \$2,209, and \$2,250, respectively; these contributions were sufficient to fulfill the requirements.

NOTE 9 - POSTRETIREMENT BENEFIT PLANS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2009 local government employer contribution rates were 14.00% and for 2008, 14.00% of covered payroll; 7.00% from January 1 through March 31, 2009 and 5.50% from April 1 through December 31, 2009 and for 2008, 7.00% of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPER's latest actuarial review performed as of December 31, 2009, include a rate of return on investments of 6.50%, an annual increase in active employee total payroll of 4.00% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between 0.50% and 6.30% based on additional annual pay increases. Health care premiums were assumed to increase from 0.50% to 3.00% annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 357,584. Actual employer contributions for 2009 and 2008 which were used to fund postemployment benefits were \$192 from January 1 through March 31 and \$366 for April 1 through December 31 and \$1,105, respectively. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2008 (the latest information available) were \$10.7 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.6 billion and \$18.9 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 9 - POSTRETIREMENT BENEFIT PLANS - (Continued)

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

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

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

NOTE 10 - RISK MANAGEMENT

The Village belongs to the Ohio Government Risk Management Plan (the "Plan"), a nonassessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio. These coverage programs, referred to as Ohio Plan Risk management ("OPRM"), are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retain 15% of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had over 650 members as of December 31, 2008. The Village participates in this coverage.

In August 2007, OGRMP formed the Ohio Plan Healthcare Consortium ("OPHC"), as authorized by Section 9.833 of the Ohio Revised Code. The OPHC was established to provide cost effective employee benefit programs for Ohio political sub-divisions and is a self-funded, group purchasing consortium that offers medical, dental, vision and prescription drug coverage as well as life insurance for its members. The OPHC is sold through seventeen appointed independent agents in the State of Ohio. Coverage programs are developed specific to each member's healthcare needs and the related premiums for coverage are determined through the application of uniform underwriting criteria. Variable plan options are available to members. These plans vary primarily by deductibles, coinsurance levels, office visit co-pays and out-of-pocket maximums. OPHC had 40 members as of December 31, 2008. The Village does not participate in this coverage.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**NOTES TO THE CASH BASIS FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE 10 - RISK MANAGEMENT - (Continued)

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31: 2008 and 2007 (the latest information available), and include amounts for both OPRRM and OPHC:

	<u>2008</u>	<u>2007</u>
Assets	\$ 10,471,114	\$ 11,136,455
Liabilities	<u>(5,286,781)</u>	<u>(4,273,553)</u>
Members' Equity	<u>\$ 5,184,333</u>	<u>\$ 6,862,902</u>

You can read the complete audited financial statements for The Ohio Government Risk Management Plan at the Plan's website, www.ohioplan.org.

NOTE 11 - CONTINGENT LIABILITY

LITIGATION

The Village is currently not involved in litigation.

NOTE 12 - BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balance - Budget and Actual (Budgetary Basis) presented for the general fund, and Special Revenue Fund: Street Construction, Maintenance and Repair fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). At December 31, 2009, the Village had outstanding encumbrances in the General Fund in the amount of \$626. The Village had no outstanding encumbrances at December 31, 2008.

NOTE 13 - INTERFUND TRANSFERS

During the year ended December 31, 2009, the Village transferred \$15,944 from the General Fund to the following funds: Sewer Fund (\$12,065) and Sewer Reserve (\$3,879) to cover operating expenses and accumulated prior interest earned on Sewer Reserve deposits, respectively. In addition, during the year ended December 31, 2009, the Village transferred \$25,448 from the Sewer Fund to the Sewer Reserve Fund as required by the Village's USDA debt covenant.

All transfers made in 2009 and 2008 were in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

NOTE 14 - COMPLIANCE

The Village did not properly complete clerk certificates for the years ended December 31, 2009 and 2008 in noncompliance with Ohio Revised Code Section 5705.41(D).



Julian & Grube, Inc.
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**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Members of Council and Mayor
Village of New Bloomington
681 State Route 95W
New Bloomington, OH 43341

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of New Bloomington, Marion County, Ohio, as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated March 31, 2010 wherein we noted the Village of New Bloomington prepared its financial statements on the cash basis, a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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 of New Bloomington's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Village of New Bloomington's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Village of New Bloomington's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a more than a reasonable possibility that a material misstatement of the Village of New Bloomington's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Village of New Bloomington'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 such an opinion. The results of our tests disclosed one instance of noncompliance or other matters we must report under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2009-VONB-001.

Members of Council and Mayor
Village of New Bloomington

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

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
March 31, 2010

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2009-VONB-001

Ohio Revised Code Section 5705.41 (D) requires that no orders or contracts involving the disbursement of monies are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract 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 encumbrances.

Of the Village's expenditures tested, 67% of 2009 expenditures tested and 9% of 2008 expenditures contained an invoice which was dated prior to the Clerk/Treasurer certificate, thus causing those expenditures not to be certified in a timely manner.

Without timely certification, the Village may expend more funds than available in the treasury, or in the process of collection or than funds appropriated by the Village Council, which could potentially lead to negative fund balances. In addition, the Village may make unnecessary purchases.

We recommend that the Village Clerk/Treasurer timely certify its disbursements, to lessen the risk that monies expended are not lawfully appropriated and available in the treasury or in the process of collection. The Village should issue approved purchase orders and consider using blanket and super blanket purchase orders and/or "Then" and "Now" certificates where applicable.

Client Response: The Clerk/Treasurer currently issues clerk certificates or more commonly known as "Then & Now" certificates for Village expenditures prior to the ordering of an item or service performed in accordance with Ohio Revised Code Section 5705.41(D).

**VILLAGE OF NEW BLOOMINGTON
MARION COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009 AND 2008**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	<u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:</u>
2007-001	<u>Material Noncompliance/Significant Deficiency/Material Weakness:</u> Establishment of funds; The Village did not establish the required funds per their debt covenant.	Yes	N/A
2007-002	<u>Material Noncompliance:</u> Certification of expenditures; The Village did not timely certify expenditures in noncompliance with Ohio Revised Code Section 5705.41(D).	No	Repeated as finding 2009-VONB-001
2007-003	<u>Significant Deficiency/Material Weakness:</u> Financial reporting; The Village had several audit adjustments.	Yes	N/A



Mary Taylor, CPA
Auditor of State

VILLAGE OF NEW BLOOMINGTON

MARION 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
MAY 25, 2010**