

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO**

**AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2008 AND 2007**



Mary Taylor, CPA

Auditor of State

Village Council
Village of Mariemont
6907 Wooster Pike
Cincinnati, Ohio 45227

We have reviewed the *Independent Auditors' Report* of the Village of Mariemont, Hamilton County, prepared by Bastin & Company, LLC, for the audit period January 1, 2007 through December 31, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

May 27, 2009

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**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO**

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Bastin & Company, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

The Honorable Members of Village Council
Village of Mariemont
6907 Wooster Pike
Cincinnati, Ohio 45227

We have audited the accompanying financial statements of the Village of Mariemont, Hamilton County, Ohio, (the Village), as of and for the years ended December 31, 2008 and 2007. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described more fully in Note 1, the Village 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.

Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2008 and 2007. Instead of the combined funds the accompanying financial statements present for 2008 and 2007, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2008 and 2007. While the Village does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require, Villages to reformat their statements. The Village has elected not to reformat its statements. Since this Village does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007 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, 2008 and 2007, or their 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 and reserves for encumbrances of the Village as of December 31, 2008 and 2007, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

The aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion and Analysis for the years ended December 31, 2008 and 2007. 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 May 12, 2009, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

A handwritten signature in cursive script that reads "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio
May 12, 2009

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<i>Cash Receipts:</i>					
Property and Other Local Taxes	\$ 300,601	\$ 243,429	\$ -	\$ 351,050	\$ 895,080
Municipal Income Tax	1,817,458	-	-	-	1,817,458
Intergovernmental Revenues	340,480	153,855	-	35,395	529,730
Charges for Services	235,347	63,879	-	-	299,226
Fines, Licenses and Permits	182,872	5,436	-	-	188,308
Earnings on Investments	41,277	-	-	11,825	53,102
Miscellaneous	77,215	15,691	-	72,696	165,602
Total Cash Receipts	2,995,250	482,290	-	470,966	3,948,506
<i>Cash Disbursements:</i>					
Current:					
Security of Persons and Property	1,690,221	292,239	-	-	1,982,460
Public Health Services	6,677	-	-	-	6,677
Leisure Time Activities	737,392	86,633	-	-	824,025
Community Environment	101,270	-	-	-	101,270
Basic Utility Services	257,231	-	-	-	257,231
Transportation	14,339	135,943	-	-	150,282
General Government	585,368	4,467	-	-	589,835
Capital Outlay	-	-	-	384,861	384,861
Total Cash Disbursements	3,392,498	519,282	-	384,861	4,296,641
Receipts Over (Under) Disbursements	(397,248)	(36,992)	-	86,105	(348,135)
Fund Cash Balances, January 1, 2008	1,665,247	154,522	47	279,593	2,099,409
Fund Cash Balances, December 31, 2008	<u>\$ 1,267,999</u>	<u>\$ 117,530</u>	<u>\$ 47</u>	<u>\$ 365,698</u>	<u>\$ 1,751,274</u>
Reserve for Encumbrances, December 31, 2008	<u>\$ 302,771</u>	<u>\$ 34,320</u>	<u>\$ -</u>	<u>\$ 43,030</u>	<u>\$ 380,121</u>

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

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES - AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Fiduciary Fund Types</u>
	<u>Agency</u>
<i>Non-Operating Cash Receipts:</i>	
Other Non-Operating Cash Receipts	<u>\$ 140,248</u>
Total Non-Operating Cash Receipts	<u>140,248</u>
<i>Non-Operating Cash Disbursements:</i>	
Other Non-Operating Cash Disbursements	<u>124,868</u>
Total Non-Operating Cash Disbursements	<u>124,868</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	15,380
Fund Cash Balances, January 1, 2008	<u>7,690</u>
Fund Cash Balances, December 31, 2008	<u><u>\$ 23,070</u></u>

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

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<i>Cash Receipts:</i>					
Property and Other Local Taxes	\$ 306,874	\$ 247,212	\$ -	\$ 359,718	\$ 913,804
Municipal Income Tax	1,766,496	-	-	-	1,766,496
Intergovernmental Revenues	532,530	149,126	-	32,735	714,391
Charges for Services	258,292	60,684	-	-	318,976
Fines, Licenses and Permits	206,397	5,503	-	-	211,900
Earnings on Investments	91,983	-	-	11,545	103,528
Miscellaneous	86,761	25,495	-	22,595	134,851
Total Cash Receipts	3,249,333	488,020	-	426,593	4,163,946
<i>Cash Disbursements:</i>					
Current:					
Security of Persons and Property	1,740,637	335,491	-	-	2,076,128
Public Health Services	6,543	-	-	-	6,543
Leisure Time Activities	737,361	79,696	-	-	817,057
Community Environment	106,089	-	-	-	106,089
Basic Utility Services	230,159	-	-	-	230,159
Transportation	19,510	96,856	-	-	116,366
General Government	613,565	6,617	-	-	620,182
Capital Outlay	-	-	-	366,348	366,348
Total Cash Disbursements	3,453,864	518,660	-	366,348	4,338,872
Receipts Over (Under) Disbursements	(204,531)	(30,640)	-	60,245	(174,926)
Fund Cash Balances, January 1, 2007	1,869,778	185,162	47	219,348	2,274,335
Fund Cash Balances, December 31, 2007	<u>\$ 1,665,247</u>	<u>\$ 154,522</u>	<u>\$ 47</u>	<u>\$ 279,593</u>	<u>\$ 2,099,409</u>
Reserve for Encumbrances, December 31, 2007	<u>\$ 92,116</u>	<u>\$ 20,501</u>	<u>\$ -</u>	<u>\$ 20,288</u>	<u>\$ 132,905</u>

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

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES - AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Fiduciary Fund Types</u>
	<u>Agency</u>
<i>Non-Operating Cash Receipts:</i>	
Other Non-Operating Cash Receipts	<u>\$ 125,628</u>
Total Non-Operating Cash Receipts	<u>125,628</u>
<i>Non-Operating Cash Disbursements:</i>	
Other Non-Operating Cash Disbursements	<u>139,969</u>
Total Non-Operating Cash Disbursements	<u>139,969</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	(14,341)
Fund Cash Balances, January 1, 2007	<u>22,031</u>
Fund Cash Balances, December 31, 2007	<u><u>\$ 7,690</u></u>

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

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Mariemont, Hamilton County, Ohio (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 publicly elected, Mayor and six-member Council. The Village provides general governmental services, park operations and other leisure time activities, waste pick-up, and police and fire services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Investments, if owned by the Village, are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

During the period January 1, 2007 through December 31, 2008, the Village had investments with STAR Ohio. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007
(Continued)**

2. Special Revenue Fund

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

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

Paramedics Fund - This fund receives property taxes levied for providing paramedic services to Village residences.

Mari Elders Fund - This fund receives property taxes levied for providing services for seniors.

3. Debt Service Fund

These funds are used to accumulate resources for the payment of bonds and note indebtedness.

4. Capital Project Fund

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project fund:

Permanent Improvement Fund - This fund receives levy monies for street repairs; installation and repair of curbs, sidewalks, and storm sewers; tree maintenance; upgrading of parks; upgrading of street lights; reducing erosion; and the purchase of equipment and facilities for police, fire, and administrative departments.

5. Fiduciary Funds (Trust and Agency Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Village to maintain corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had the following significant fiduciary fund:

Mayors Court Agency Fund - This fund is used to account for the collection and distribution of Mayor's Court fines, fees and bonds.

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007
(Continued)**

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) 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 Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year-end.

2. Estimated Resources

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

3. Encumbrances

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

A summary of 2008 and 2007 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

The Village records disbursements for acquisitions of property, plant and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Accumulated Leave

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

H. Total Columns on Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Interfund type eliminations have not been made in the aggregation of this data.

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2008	2007
Deposits:		
Demand deposits	\$ 877,030	\$ 1,232,187
Petty Cash	225	225
Total deposits	877,255	1,232,412
Investments:		
Star Ohio	897,089	874,687
Total investments	897,089	874,687
Total deposits and investments	\$ 1,774,344	\$ 2,107,099

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

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts			
	Budgeted	Actual	
Fund Type	Receipts	Receipts	Variance
General	\$3,034,521	\$2,995,250	\$ (39,271)
Special Revenue	489,494	482,290	(7,204)
Capital Projects	420,000	470,966	50,966
Total	\$3,944,015	\$3,948,506	\$ 4,491

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
	Appropriation	Budgetary	
Fund Type	Authority	Expenditures	Variance
General	\$ 3,780,216	\$ 3,695,269	\$ 84,947
Special Revenue	576,406	553,602	22,804
Capital Projects	598,330	427,891	170,439
Total	\$ 4,954,952	\$ 4,676,762	\$278,190

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007
(Continued)**

2007 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,930,359	\$3,249,333	\$318,974
Special Revenue	481,477	488,020	6,543
Capital Projects	410,000	426,593	16,593
Total	\$3,821,836	\$4,163,946	\$342,110

2007 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 3,833,714	\$ 3,545,980	\$287,734
Special Revenue	594,881	539,161	55,720
Capital Projects	415,686	386,636	29,050
Total	\$ 4,844,281	\$ 4,471,777	\$372,504

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Village Council adopts 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 State pays the Village amounts equaling these deductions. The Village includes these with Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

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

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

5. LOCAL EARNINGS TAX

The Village levies an earnings tax of 1.25 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.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**VILLAGE OF MARIEMONT
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 and 2007
(Continued)**

6. RETIREMENT SYSTEMS

The Village's law enforcement officers and firefighters belong to the Ohio Police and Fire Pension Funds (OP&F). Other full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost sharing, multiple-employer plans. The Ohio Revised Code prescribes the plans' retirement benefits including postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2008 and 2007, OP&F participants contributed 10 percent of their wages. The Village contributed an amount equal to 19.5 percent of police participant and 24 percent of fire participant wages. For 2008 and 2007, OPERS' members contributed 10 and 9.5 percent, respectively, of their gross wages. The Village contributed an amount equal to 14.00 and 13.85 percent, respectively, of participants' gross salaries. The Village has paid all contributions required through December 31, 2008.

7. RISK MANAGEMENT

The Village belongs to the Ohio Government Risk Management Plan (the Plan), an unincorporated non-profit association providing a formalized, jointly administered, self-insured risk management program and other administrative services to approximately 550 Ohio Governments (Members).

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other overages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

The Plan issues its own policies and reinsures the Plan with A- VII or better rated carriers, except for the 15% casualty and the 10% property portions the Plan retains. The Plan pays the lesser of 15% or \$37,500 of casualty losses and the lesser of 10% or \$100,000 of property losses. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

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

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 obligation to the Plan. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2007 and 2006 (the latest information available):

	<u>2007</u>	<u>2006</u>
Assets	\$ 11,136,455	\$ 9,620,148
Liabilities	<u>(4,273,553)</u>	<u>(3,329,620)</u>
Member's equity	<u>\$ 6,862,902</u>	<u>\$ 6,290,528</u>

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

Bastin & Company, LLC

Certified Public Accountants

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*

The Honorable Members of Village Council
Village of Mariemont
6907 Wooster Pike
Cincinnati, Ohio 45227

We have audited the financial statements of the Village of Mariemont, Hamilton County, Ohio (the Village) as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated May 12, 2009, wherein we noted the Village prepared its financial statements using 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that a misstatement of the Village's financial statements that is more than inconsequential will not be prevented or detected by the Village's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the Village in a separate letter dated May 12, 2009.

This report is intended solely for the information and use of the management and Village Council, 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 "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio
May 12, 2009



Mary Taylor, CPA
Auditor of State

VILLAGE OF MARIEMONT

HAMILTON 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
JUNE 9, 2009