

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

*Financial Statements
(Audited)*

For The Years Ended
December 31, 2010 and 2009

ROSANNE GRAHAM, FISCAL OFFICER



Dave Yost • Auditor of State

Members of Village Council
Village of Edison
PO Box 245
Edison, Ohio 43320

We have reviewed the *Independent Auditor's Report* of the Village of Edison, Morrow County, prepared by Julian & Grube, Inc., for the audit period January 1, 2009 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's 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 Auditor's 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 Edison is responsible for compliance with these laws and regulations.

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Dave Yost
Auditor of State

April 25, 2011

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**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Auditor's Report

Members of Council and Mayor
Village of Edison
103 North Boundary Street
Edison, Ohio 43320

We have audited the accompanying financial statements of the Village of Edison, Morrow County, Ohio, as of and for the years ended December 31, 2010 and 2009. These financial statements are the responsibility of the Village of Edison's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described more fully in Note 2, the Village of Edison prepared these financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP requires presenting entity wide statements and also presenting the Village of Edison's larger (i.e. major) funds separately. While the Village of Edison does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Governments to reformat their statements. The Village of Edison has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village of Edison, Morrow County, Ohio, as of December 31, 2010 and 2009, or its changes in financial position or cash flows of its proprietary fund type for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Edison, Morrow County, Ohio, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements and combined budgeted and actual receipts and budgeted and actual disbursements and encumbrances for the years then ended on the accounting basis Note 2 describes.

Independent Auditor's Report
Village of Edison
Page 2

The Village of Edison 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 March 29, 2011, on our consideration of the Village of Edison'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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

Julian & Grube, Inc.
March 29, 2011

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

COMBINED STATEMENT OF CASH FUND BALANCES
ALL FUND TYPES
DECEMBER 31, 2010 AND 2009

<u>Cash and Cash Equivalents</u>	2010	2009
Cash and Cash Equivalents	\$ 342,795	\$ 345,188
Total Cash and Cash Equivalents	\$ 342,795	\$ 345,188
<u>Cash Fund Balances</u>		
<u>Governmental Fund Types:</u>		
General	\$ 8,387	\$ 20,409
Special Revenue Funds	80,217	89,145
Total Governmental Fund Types	88,604	109,554
<u>Proprietary Fund Type:</u>		
Enterprise Fund	252,545	235,339
<u>Fiduciary Fund Type:</u>		
Agency	1,646	295
Total Fund Balances	\$ 342,795	\$ 345,188

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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

	<u>Governmental Fund Types</u>			Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash receipts:				
Property and local taxes	\$ 19,728	\$ 27,006	\$ -	\$ 46,734
Municipal income taxes	21,139	-	-	21,139
Intergovernmental	20,719	31,173	111,158	163,050
Special assessments	-	462	-	462
Fines, licenses, and permits	13,986	2,035	-	16,021
Interest	116	1	-	117
Miscellaneous	358	756	-	1,114
Total cash receipts	<u>76,046</u>	<u>61,433</u>	<u>111,158</u>	<u>248,637</u>
Cash disbursements:				
Current:				
Security of persons and property	20,467	11,308	-	31,775
Transportation	-	47,406	-	47,406
General government	59,816	1,705	-	61,521
Capital outlay	-	-	111,158	111,158
Debt service:				
Principal retirement	7,706	8,073	-	15,779
Interest and fiscal charges	153	1,869	-	2,022
Total cash disbursements	<u>88,142</u>	<u>70,361</u>	<u>111,158</u>	<u>269,661</u>
Total cash receipts over/(under) cash disbursements	<u>(12,096)</u>	<u>(8,928)</u>	<u>-</u>	<u>(21,024)</u>
Other financing receipts/(disbursements)				
Proceeds from sale of assets	100	-	-	100
Other sources	38	-	-	38
Other uses	(64)	-	-	(64)
Total other financing receipts/(disbursements)	<u>74</u>	<u>-</u>	<u>-</u>	<u>74</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(12,022)	(8,928)	-	(20,950)
Cash fund balances, January 1, 2010	<u>20,409</u>	<u>89,145</u>	<u>-</u>	<u>109,554</u>
Cash fund balances, December 31, 2010	<u>\$ 8,387</u>	<u>\$ 80,217</u>	<u>\$ -</u>	<u>\$ 88,604</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH
FUND BALANCES - PROPRIETARY FUND TYPE AND
SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2010

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Agency	
Operating cash receipts:			
Charges for services	\$ 125,461	\$ -	\$ 125,461
Total operating cash receipts	<u>125,461</u>	<u>-</u>	<u>125,461</u>
Operating cash disbursements:			
Personal services	8,487	-	8,487
Employee fringe benefits	1,286	-	1,286
Contractual services	23,107	-	23,107
Supplies and materials	571	-	571
Miscellaneous	-	-	-
Total operating cash disbursements	<u>33,451</u>	<u>-</u>	<u>33,451</u>
Operating income/(loss)	<u>92,010</u>	<u>-</u>	<u>92,010</u>
Nonoperating cash receipts/(disbursements):			
Court collections	-	19,502	19,502
Distribution of court fines/fees	-	(18,151)	(18,151)
Debt service:			
Principal	(19,125)	-	(19,125)
Interest	(55,679)	-	(55,679)
Total nonoperating cash receipts/(disbursements)	<u>(74,804)</u>	<u>1,351</u>	<u>(73,453)</u>
Net income/(loss)	17,206	1,351	18,557
Cash fund balances, January 1, 2010	<u>235,339</u>	<u>295</u>	<u>235,634</u>
Cash fund balances, December 31, 2010	<u>\$ 252,545</u>	<u>\$ 1,646</u>	<u>\$ 254,191</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VILLAGE OF EDISON
MORROW COUNTY, OHIO

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010

Fund Types	Receipts					Disbursements						
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2010 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2010 Appropriations	Total	Actual 2010 Disbursements	Encumbrances Outstanding at 12/31/10	Total	Variance Favorable (Unfavorable)
Governmental:												
General	\$ 20,123	\$ 61,000	\$ 81,123	\$ 76,184	\$ 15,184	\$ 286	\$ 130,022	\$ 130,308	\$ 88,206	\$ 1,968	\$ 90,174	\$ 40,134
Special Revenue	88,212	31,000	119,212	61,433	30,433	933	142,152	143,085	70,361	2,113	72,474	70,611
Capital Projects	-	-	-	111,158	111,158	-	-	-	111,158	-	111,158	(111,158)
Proprietary:												
Enterprise	235,245	155,000	390,245	125,461	(29,539)	94	234,664	234,758	108,255	237	108,492	126,266
Total												
(Memorandum Only)	\$ 343,580	\$ 247,000	\$ 590,580	\$ 374,236	\$ 127,236	\$ 1,313	\$ 506,838	\$ 508,151	\$ 377,980	\$ 4,318	\$ 382,298	\$ 125,853

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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

	Governmental Fund Types		Total (Memorandum Only)
	General	Special Revenue	
Cash receipts:			
Property and local taxes	\$ 21,312	\$ 29,688	\$ 51,000
Municipal income tax	9,355	-	9,355
Intergovernmental	18,850	33,649	52,499
Fines, licenses and permits	23,704	2,287	25,991
Interest	194	2	196
Miscellaneous	1,022	5,494	6,516
Total cash receipts	74,437	71,120	145,557
Cash disbursements:			
Current:			
Security of persons and property	19,796	10,554	30,350
Transportation	-	46,161	46,161
General government	71,874	2,773	74,647
Debt service:			
Principal retirement	-	8,073	8,073
Interest and fiscal charges	-	1,869	1,869
Total cash disbursements	91,670	69,430	161,100
Total cash receipts over/(under) cash disbursements	(17,233)	1,690	(15,543)
Other financing receipts/(disbursements)			
Proceeds from sale of assets	-	2,500	2,500
Operating transfers in	-	2,932	2,932
Operating transfers out	-	(2,932)	(2,932)
Other sources	2	17	19
Other uses	(112)	-	(112)
Total other financing receipts/(disbursements)	(110)	2,517	2,407
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(17,343)	4,207	(13,136)
Cash fund balances, January 1, 2009	37,752	84,938	122,690
Cash fund balances, December 31, 2009	\$ 20,409	\$ 89,145	\$ 109,554

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH
FUND BALANCES - PROPRIETARY FUND TYPE AND
SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2009

	Proprietary Fund Type	Fiduciary Fund Type	
	Enterprise	Agency	Total (Memorandum Only)
Operating cash receipts:			
Charges for services	\$ 111,462	\$ -	\$ 111,462
Total operating cash receipts	111,462	-	111,462
Operating cash disbursements:			
Personal services	9,280	-	9,280
Employee fringe benefits	1,343	-	1,343
Contractual services	31,520	-	31,520
Supplies and materials	895	-	895
Total operating cash disbursements	43,038	-	43,038
Operating income/(loss)	68,424	-	68,424
Nonoperating cash receipts/(disbursements):			
Court collections	-	25,087	25,087
Distribution of court fines/fees	-	(30,869)	(30,869)
Interest income	3	-	3
Debt service:			
Principal	(18,301)	-	(18,301)
Interest	(56,502)	-	(56,502)
Total nonoperating cash receipts/(disbursements)	(74,800)	(5,782)	(80,582)
Income/(loss) before operating transfers	(6,376)	(5,782)	(12,158)
Transfers in	7,500	-	7,500
Transfers out	(7,500)	-	(7,500)
Net income/(loss)	(6,376)	(5,782)	(12,158)
Cash fund balances, January 1, 2009	241,715	6,077	247,792
Cash fund balances, December 31, 2009	\$ 235,339	\$ 295	\$ 235,634

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

Fund Types	Receipts					Prior Year Carryover Appropriations	2009 Appropriations	Total	Actual 2009 Disbursements	Encumbrances Outstanding at 12/31/09	Total	Variance Favorable (Unfavorable)
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2009 Receipts	Variance Favorable (Unfavorable)							
Governmental:												
General	\$ 36,546	\$ 87,609	\$ 124,155	\$ 74,439	\$ (13,170)	\$ 1,206	\$ 134,954	\$ 136,160	\$ 91,782	\$ 286	\$ 92,068	\$ 44,092
Special Revenue	83,549	71,780	155,329	76,569	4,789	1,389	117,833	119,222	72,362	933	73,295	45,927
Proprietary:												
Enterprise	<u>241,707</u>	<u>128,000</u>	<u>369,707</u>	<u>118,965</u>	<u>(9,035)</u>	<u>8</u>	<u>218,188</u>	<u>218,196</u>	<u>125,341</u>	<u>94</u>	<u>125,435</u>	<u>92,761</u>
Total (Memorandum Only)	<u>\$ 361,802</u>	<u>\$ 287,389</u>	<u>\$ 649,191</u>	<u>\$ 269,973</u>	<u>\$ (17,416)</u>	<u>\$ 2,603</u>	<u>\$ 470,975</u>	<u>\$ 473,578</u>	<u>\$ 289,485</u>	<u>\$ 1,313</u>	<u>\$ 290,798</u>	<u>\$ 182,780</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1 - DESCRIPTION OF THE ENTITY

The Village of Edison, Morrow 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 six-member Council. The Village provides general governmental services, including sewer utilities, police services and fire protection services.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The most significant of the Village's accounting policies are described below.

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the Village are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The following fund types are used by the Village:

Governmental Fund Types

General Fund - The general fund is used to account for all activities of the Village not required to be included 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.

Special Revenue Funds

These funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

The Village had the following significant special revenue fund:

Street Construction, Maintenance & Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets (2010 and 2009).

Street and Storm Sewer Fund - This fund receives tax monies for constructing, maintaining and repairing Village streets and storm sewers (2010 and 2009).

Capital Projects Funds

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 funds). The Village had the following capital project fund:

Capital Improvement Fund - This fund receives the Village's Ohio Public Works Commission ("OPWC") grant monies for street projects (2010).

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

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

Proprietary Fund Type

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the Village is that the costs (expenses) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Village had the following significant enterprise fund:

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

Fiduciary Fund Type

Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Villages own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government.

The Village's Agency fund accounts for Mayor's Court operations.

B. BASIS OF ACCOUNTING

These financial statements follow the basis of accounting 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. 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 estimated 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 are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within a department and fund. Any budgetary modifications at this level may only be made by resolution of the Village's Council.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

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

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 determines that receipts collected will be greater than or less than the prior estimates and the Budget Commission find the revised estimates 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.

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.

Encumbrances:

As part of 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. The Village had outstanding encumbrances at December 31, 2010 and December 31, 2009.

D. CASH AND CASH EQUIVALENTS

For reporting purposes, the Village considers "Cash and Cash Equivalents" to be cash on hand, demand deposits, and all investments held by the Village with a maturity date less than or equal to three months from the date of purchase. Interest income earned and received by the Village totaled \$117 and \$199 for the years ended December 31, 2010 and 2009, respectively.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

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

E. PROPERTY, PLANT AND EQUIPMENT

Capital assets are not capitalized in any of the Village's funds. Instead, capital acquisition and construction costs are reflected as expenditures in the fund in the year expended. The costs of normal maintenance and repairs are also expended, along with improvements. Depreciation is not recorded by the Village.

F. 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.

G. INTERFUND TRANSACTIONS

During the course of normal operations, the Village had transactions between funds. The most significant include transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the necessary fund and are recorded as operating transfers. Residual equity transfers are nonrecurring or non-routine transfers of equity between funds.

Transfers are intended to permanently reallocate money from one fund to another as authorized in the Ohio Revised Code Sections 5705.14 to 5705.16.

H. TOTAL COLUMNS ON FINANCIAL STATEMENTS

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

NOTE 3 - CASH AND CASH EQUIVALENTS

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

	<u>2010</u>	<u>2009</u>
Deposits:		
Demand deposits	<u>\$ 342,795</u>	<u>\$ 345,188</u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

NOTE 4 - COMPLIANCE

- A. The Village did not record on-behalf payments that OPWC paid directly to vendors and this is in noncompliance with Ohio Revised Code Section 5705.42 for the year ended December 31, 2010.
- B. The Village had appropriations exceeding estimated resources and did not properly modify its resources throughout the years and at December 31, 2010 and December 31, 2009 in noncompliance with Ohio Revised Code Sections 5705.39 and 5705.36.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 4 - COMPLIANCE - (Continued)

- C. The Village had expenditures exceeding appropriations and did not properly modify its appropriations throughout the year and at December 31, 2010 in noncompliance with Ohio Revised Code Sections 5705.41(B) and 5705.40.
- D. The Village had appropriations greater than actual resources in noncompliance with Ohio Revised Code Section 5705.36(A)(4) for the year ended December 31, 2009.

NOTE 5 - INTERFUND TRANSACTIONS

The following is a summarized breakdown of the Village's operating transfers for 2009:

<u>2009</u>	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Special Revenue Funds:</u>		
Street and Storm Sewer	\$ 2,932	\$ -
FEMA	<u>-</u>	<u>2,932</u>
Total Special Revenue Funds	<u>2,932</u>	<u>2,932</u>
<u>Enterprise Funds:</u>		
Sewer	-	7,500
Wastewater Facilities Reserve	<u>7,500</u>	<u>-</u>
Total Enterprise Funds	<u>7,500</u>	<u>7,500</u>
Total	<u>\$ 10,432</u>	<u>\$ 10,432</u>

Transfers from the Sewer Fund to the Wastewater Facilities Reserve Fund are in accordance with the Village's USDA - Rural Development debt covenant requirements.

The Village transferred from the FEMA Fund to the Street and Storm Sewer Fund to reimburse for expenditures related to FEMA Disaster Relief.

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

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 6 - DEBT OBLIGATION

At December 31, 2010 and 2009, debt obligations consisted of the following issuance:

<u>Description</u>	<u>Balance at 12/31/10</u>	<u>Balance at 12/31/09</u>
2000 USDA wastewater facility improvement first mortgage revenue bonds, issued on May 19, 2000, due in annual installments of \$74,803 through 2040, bearing an interest rate of 4.5%.	\$ 1,218,178	\$ 1,237,303
Total debt obligation	<u>\$ 1,218,178</u>	<u>\$ 1,237,303</u>

Transactions for the years ended December 31, 2010 and 2009 are summarized as follows:

	<u>Balance 01/01/10</u>	<u>Proceeds</u>	<u>Retirements</u>	<u>Balance 12/31/10</u>
Wastewater Facility Improvement				
First Mortgage Revenue Bonds	\$ 1,237,303	\$ -	\$ (19,125)	\$ 1,218,178
Total	<u>\$ 1,237,303</u>	<u>\$ -</u>	<u>\$ (19,125)</u>	<u>\$ 1,218,178</u>
	<u>Balance 01/01/09</u>	<u>Proceeds</u>	<u>Retirements</u>	<u>Balance 12/31/09</u>
Wastewater Facility Improvement				
First Mortgage Revenue Bonds	\$ 1,255,604	\$ -	\$ (18,301)	\$ 1,237,303
Total	<u>\$ 1,255,604</u>	<u>\$ -</u>	<u>\$ (18,301)</u>	<u>\$ 1,237,303</u>

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 6 - DEBT OBLIGATION - (Continued)

Amortization for the above debt is scheduled as follows:

Year Ending December 31	Wastewater Facility Improvement Bonds		
	Principal	Interest	Total
2011	\$ 19,984	\$ 54,819	\$ 74,803
2012	20,884	53,919	74,803
2013	21,824	52,979	74,803
2014	22,806	51,997	74,803
2015	23,832	50,971	74,803
2016 - 2020	136,249	237,766	374,015
2021 - 2025	169,796	204,219	374,015
2026 - 2030	211,596	162,419	374,015
2031 - 2035	262,685	111,330	374,015
2036 - 2040	328,522	45,493	374,015
Total	<u>\$ 1,218,178</u>	<u>\$ 1,025,912</u>	<u>\$ 2,244,090</u>

NOTE 7 - DEBT COVENANT

The Village's USDA Wastewater Facilities Improvements First Mortgage Revenue Bond debt covenant requires the Village to maintain a Sewer Operating Fund, a Wastewater Facilities Revenue Bond and Interest Payment Fund and a Wastewater Facilities 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 Operating Fund; second, the Village must monthly, on the 15th day of each month deposit equal monthly amounts necessary to provide for the next ensuing principal and interest payment into the Wastewater Facilities Revenue Bond and Interest Payment Fund; third, out of the remaining balance the Village must make up any previous deficiency in any monthly allocation; and fourth, out of the remaining balance of income and revenue after the previous allocations required, are made deposit in the Wastewater Facilities Reserve Fund the sum of \$7,500 each year until there is accumulated in the fund the sum of \$74,803 after which no further deposits need be made into said Wastewater Facilities Reserve Fund except to replace withdrawals. Whenever disbursements are made from the Wastewater Facilities Reserve Fund, annual payments in the amount of \$7,500 each shall be resumed until there is again accumulated in the fund the amount of \$74,803, at which time payments may be discontinued. At December 31, 2009, the fund was properly funded and no additional funding was required, thus no related transfers in 2010.

NOTE 8 - CAPITALIZED LEASES - LESSEE DISCLOSURE

The Village entered into a capitalized lease for a truck and police car. The accompanying principal and interest payments for the police car are recognized in the General Fund principal and interest line items in the amounts of \$7,706 and \$153 for 2010 and no payment required for 2009. The accompanying principal and interest payments for the truck are recognized in the Special Revenue Funds principal and interest line items in the amounts of \$8,073 and \$1,869 for 2010 and \$8,073 and \$1,869 for 2009.

The leases meet the criteria of a capital lease as defined by the Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 8 - CAPITALIZED LEASES - LESSEE DISCLOSURE - (Continued)

Future lease payments are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Truck</u>	<u>Police</u> <u>Car</u>
2011	\$ 9,942	\$ 7,859
2012	-	7,859
2013	-	7,859
2014	-	7,859
Total minimum lease payments	9,942	31,436
Less: amount representing interest	<u>(667)</u>	<u>(3,883)</u>
Present value of minimum lease payments	<u>\$ 9,275</u>	<u>\$ 27,553</u>

NOTE 9 - LOCAL INCOME TAX

Effective January 1, 2009, the Village approved a local income tax. This locally levied tax of .5% applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the Village, as well as earnings of nonresidents (except certain transients) earned within the Village. It also applies to the net income of business organizations located within the Village. Income tax receipts are credited to the Village's General Fund and amounted to \$21,139 and \$9,355, respectively, for 2010 and 2009.

NOTE 10 - PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due on the following June 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the Village due to the phasing out of the tax. In calendar years 2006-2010, the Village will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

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

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 11 - RETIREMENT SYSTEM

The Village's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost sharing, multiple-employer plan. The plan provides retirement benefits, including post-retirement healthcare and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For both 2010 and 2009, OPERS members contributed 10% of their gross salaries. The Village contributed an amount equal to 14% of participants' gross salaries for both 2010 and 2009. The Village has paid all contributions required through December 31, 2010.

NOTE 12 - 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-insurance risk management program and other administrative services to approximately 500 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 coverages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

Effective September 1, 2002, the Plan began retaining 5% of the premium and losses on the first \$500,000 casualty treaty and 5% of the first \$1,000,000 property treaty. Effective November 1, 2005, the Plan began retaining 15% of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty.

The Plan's financial statements conform with accounting principles generally accepted in the United States of America, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2009 (the latest information available):

	<u>2009</u>	<u>2008</u>
Assets	\$ 11,176,186	\$ 10,471,114
Liabilities	<u>(4,852,485)</u>	<u>(5,286,781)</u>
Retained earnings	<u>\$ 6,323,701</u>	<u>\$ 5,184,333</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 13 - CONTINGENT LIABILITIES

The Village is not currently involved in litigation.



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**Independent 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***

Members of Council and Mayor
Village of Edison
103 North Boundary Street
Edison, Ohio 43320

We have audited the financial statements of the Village of Edison, Morrow County, Ohio, as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated March 29, 2011, wherein we noted the Village of Edison followed accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing*.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings and responses, we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village of Edison's financial statements will not be prevented, or detected and timely corrected. We consider finding 2010-VOE-001 described in the accompanying schedule of findings and responses to be a material weakness.

Members of Council and Mayor
Village of Edison

Compliance and Other Matters

As part of reasonably assuring whether the Village of Edison's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed six instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and responses as items 2010-VOE-001 through 2010-VOE-006.

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

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



Julian & Grube, Inc.
March 29, 2011

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2010-VOE-001

Noncompliance/Material Weakness

Ohio Revised Code Section 5705.42 requires in part, when the state or any department, division, agency authority or unit thereof makes a grant or loan of money to any political subdivision of this state to aid in paying the cost of any program, activity, or function of such subdivision, the amount is deemed appropriated and shall be recorded by the subdivision. In addition, controls over financial reporting should be established to ensure proper recording of these amounts.

In 2010, the Village received \$111,620 of Ohio Public Works Commission (OPWC) monies for street improvements. Under the terms of this agreement, OPWC made some project payments directly to the vendor/contractor(s) on the Village's behalf. Of the \$111,620 of OPWC moneys, the Village did not recognize \$111,158 as receipts and disbursements in their general ledger. Further, these amounts were not included as estimated receipts, nor appropriated.

The lack of recording these monies understated the Village's receipts and disbursements in their financial statements.

An adjustment was made to the financial statements to recognize \$111,158 of receipts and disbursements in 2010.

We recommend the Village review Auditor of State Bulletin 2002-004 for additional guidance and consideration, should they receive similar funds in the future. Further, we recommend the Village establish additional internal controls over financial reporting to help ensure these amounts are properly included in the financial statements if applicable.

Client Response: The Village has not previously encountered this type of funding. We are aware of the requirements and will account for accordingly, should we be involved in a similar transaction in the future.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2010-VOE-002

Ohio Revised Code Section 5705.39 in part requires that total appropriations from each fund should not exceed total estimated resources.

The Village had appropriations in excess of estimated resources at December 31, 2010 and December 31, 2009 in the following funds:

	Estimated Resources	Appropriations	Excess
<u>December 31, 2010</u>			
General	\$ 81,123	\$ 130,022	\$ 48,899
<u>Special Revenue Funds:</u>			
Street Construction, Maintenance and Repair	25,305	54,054	28,749
Street and Storm Sewer	15,801	42,550	26,749
<u>December 31, 2009</u>			
General	124,155	134,954	10,799
<u>Special Revenue Fund:</u>			
Street and Storm Sewer	31,894	50,075	18,181

With appropriations exceeding estimated resources, the Village is appropriating monies that are not in the Treasury or in the process of collection that have been certified with the County Auditor. Thus, over appropriating may cause disbursements to increase and cause a deficit fund balance.

We recommend the Village comply with the Ohio Revised Code by monitoring appropriations so they do not exceed estimated resources. This may be achieved by monitoring the budget more closely on a continual basis and amending estimated resources or appropriations as necessary.

Client Response: The Fiscal Officer will attempt to update estimated revenues on a more timely basis.

Finding Number	2010-VOE-003
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Ohio Revised Code Sections 5705.36, in part, requires Fiscal Officers to certify to the County Auditor the total amount from all sources which are available for expenditures from each fund in the tax budget along with any unencumbered balances that existed at the end of the preceding year.

During the years ended December 31, 2010 and 2009, the Village's appropriations exceeded its estimated resources.

The Village had appropriations exceeding its resources which could lead to spending monies not collected or expected to be collected, and thus could lead to a negative fund balance.

We recommend the Village first evaluate its certified estimated resources prior to modifying/approving appropriations to ensure appropriations are less than or equal to certified estimated resources.

Client Response: The Village will attempt to monitor its estimated revenues and appropriations more closely and will request amended certificates as needed.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2010-VOE-004

Ohio Revised Code Section 5705.40 outlines the requirements for amending and supplementing appropriations. This section requires that any amendments to an appropriation measure be made by Council resolution and comply with the same provisions of the law as used in making the original appropriations.

Disbursements exceeded appropriations in the Capital Projects Fund during 2010 due to the Village not recording on behalf payments from Ohio Public Works Commission.

By not initially recording the Village’s OPWC on behalf payments, the Village additionally did not appropriate for such funds either. Thus, upon recording these on behalf payments, expenditures exceeded appropriations.

We recommend on behalf payments be both recorded and appropriated for upon notification of such funds. We further recommend that the Village comply with Ohio Revised Code and Auditor of State Bulletin 97-010 by monitoring disbursements so they do not exceed lawful appropriations. This may be achieved by monitoring the budget more closely on a continual basis and making appropriation amendments as necessary.

Client Response: The Village has not previously encountered this type of funding. We are aware of the requirements and will account for accordingly, should we be involved in a similar transaction in the future.

Finding Number	2010-VOE-005
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Ohio Revised Code Section 5705.36 (A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

For the year ended December 31, 2009, the Village had appropriations greater than actual resources, which consist of actual revenues, beginning fund balance and prior year encumbrances appropriated in the following fund:

<u>December 31, 2009</u>	<u>Resources</u>	<u>Appropriations</u>	<u>Excess</u>
General	\$ 112,191	\$ 134,954	\$ 22,763

By appropriating more funds than actual resources, the Village is at risk of spending more money than is available; this may result in negative fund balances.

We recommend the Village monitor appropriations in comparison to actual resources and obtain decreased amended appropriations as needed. Further guidance may be found in Auditor of State bulletin 97-010.

Client Response: The Village is attempting to monitor the budget more closely.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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

1. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2010-VOE-006

Ohio Revised Code Section 5705.41(B) requires that no subdivision is to expend money unless it has been appropriated.

The Village had disbursements exceeding appropriations in the Capital Projects Fund during the year ended December 31, 2010 in the amount of \$111,158 due to not initially recording OPWC on behalf payments, and subsequently not appropriating for such funds.

By not initially recording the Village's OPWC on behalf payments, the Village additionally did not appropriate for such funds either. Thus, upon recording these on behalf payments, disbursements exceeded appropriations.

We recommend that the Village comply with the Ohio Revised Code and the Auditor of State Bulletin 97-010 by monitoring disbursements so they do not exceed lawful appropriations and amending the budget prior to year end. This may be achieved by monitoring the budget more closely on a continual basis.

Client Response: The Village has not previously encountered this type of funding. We are aware of the requirements and will account for accordingly, should we be involved in a similar transaction in the future.

**VILLAGE OF EDISON
MORROW COUNTY, OHIO**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2008-VOE-001	<u>Significant Deficiency/Material Weakness - Financial Reporting</u> - The Village had numerous audit adjustments to properly reflect their financial statements.	No	Repeated as finding 2010-VOE-001
2008-VOE-002	Ohio Revised Code Section 5705.39 in part requires that total appropriations from each fund should not exceed total estimated resources.	No	Repeated as finding 2010-VOE-002
2008-VOE-003	Ohio Revised Code Section 5705.36 in part requires increased/decreased amended certifications upon notice of increased/decreased receipts.	No	Repeated as finding 2010-VOE-003
2008-VOE-004	Ohio Revised Code Section 5705.41(D) requires that no orders or contracts involving the expenditure 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.	Yes	N/A
2008-VOE-005	Ohio Revised Code Section 5705.36 in part requires Fiscal Officers to certify to the County Auditor any unencumbered balances that existed at the end of the preceding year.	Yes	N/A
2008-VOE-006	Ohio Revised Code Section 5705.10 in part requires that on a cash basis, no fund shall have a negative fund balance during the year or at year end.	Yes	N/A



Dave Yost • Auditor of State

VILLAGE OF EDISON

MORROW 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 5, 2011