

**VILLAGE OF NEW RICHMOND  
CLERMONT COUNTY, OHIO  
FINANCIAL STATEMENTS – CASH BASIS**

**DECEMBER 31, 2010 AND 2009**





# Dave Yost • Auditor of State

Village Council  
Village of New Richmond  
102 Willow Street  
New Richmond, Ohio 45157

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

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

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

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Dave Yost  
Auditor of State

November 10, 2011

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VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO

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**INDEPENDENT AUDITORS' REPORT**

Village of New Richmond, Clermont County  
102 Willow Street  
New Richmond, Ohio 45157

To Village Council:

We have audited the accompanying financial statements of the Village of New Richmond, Clermont County, (the Village) as of and for the years ended December 31, 2010 and 2009, as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 audits provide a reasonable basis for our opinions.

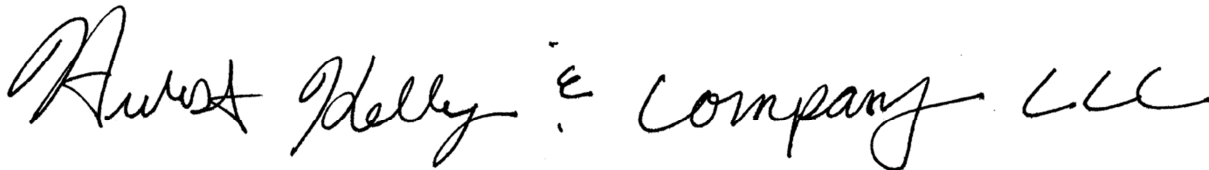
As described more fully in Note 1, the Village has prepared these financial statements using accounting practices prescribed or permitted by the Ohio Auditor of State, whose practices differ from accounting principles generally accepted in the United States of America (GAAP). The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Village's larger (i.e. major) funds separately. While the Village does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Ohio Auditor of State permits, but does not require Villages to reformat their statements. The Village has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Ohio 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 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2010 and 2009, the changes in its financial position, or, where applicable, its cash flows for the years then ended. Further, the Village has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

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 of New Richmond, Clermont County, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2011, 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 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 assessing the results of our audit.

A handwritten signature in black ink that reads "Robert Kelly & Company LLC". The signature is written in a cursive, flowing style.

Mason, Ohio  
September 28, 2011



**VILLAGE OF NEW RICHMOND,  
CLERMONT 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, 2010**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b>Cash Receipts:</b>					
Property and Local Taxes	\$ 262,373	\$ 754,518	\$ -	\$ -	\$ 1,016,891
Municipal Income Tax	195,983	-	-	-	195,983
Intergovernmental	247,939	583,522	-	184,725	1,016,186
Special Assessments	5,941	1,800	-	-	7,741
Charges for Services	4,439	137,024	-	-	141,463
Fines, Licenses and Permits	65,533	18,111	-	-	83,644
Earnings on Investments	5,229	442	-	-	5,671
Contributions and Donations	-	50,000	-	-	50,000
Miscellaneous	5,428	66,407	-	-	71,835
<b>Total Cash Receipts</b>	<b>792,865</b>	<b>1,611,824</b>	<b>-</b>	<b>184,725</b>	<b>2,589,414</b>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	36,593	1,185,040	-	-	1,221,633
Public Health Services	-	29,439	-	-	29,439
Leisure Time Activities	18,098	18,811	-	-	36,909
Community Environment	51,375	4,359	-	-	55,734
Transportation	17,153	211,678	-	-	228,831
General Government	369,954	26,468	-	-	396,422
Debt Service:					
Redemption of Principal	-	47,976	28,668	-	76,644
Interest and Fiscal Charges	-	21,422	-	-	21,422
Capital Outlay	-	228,355	-	181,725	410,080
<b>Total Cash Disbursements</b>	<b>493,173</b>	<b>1,773,548</b>	<b>28,668</b>	<b>181,725</b>	<b>2,477,114</b>
Total Receipts Over (Under) Disbursements	299,692	(161,724)	(28,668)	3,000	112,300
<b>Other Financing Receipts (Disbursements):</b>					
Transfers-In	-	101,000	28,668	-	129,668
Transfers-Out	(129,668)	-	-	-	(129,668)
Advances-In	154,431	232,591	-	750	387,772
Advances-Out	(167,011)	(217,011)	-	(3,750)	(387,772)
<b>Total Other Financing Receipts (Disbursements)</b>	<b>(142,248)</b>	<b>116,580</b>	<b>28,668</b>	<b>(3,000)</b>	<b>-</b>
Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements and Other Financing Disbursements	157,444	(45,144)	-	-	112,300
Fund Cash Balances, January 1	49,606	414,545	-	31,966	496,117
<b>Fund Cash Balances, December 31</b>	<b>\$ 207,050</b>	<b>\$ 369,401</b>	<b>\$ -</b>	<b>\$ 31,966</b>	<b>\$ 608,417</b>
Reserve for Encumbrances, December 31	\$ -	\$ -	\$ -	\$ -	\$ -

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

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$ 929,057	\$ -	\$ 929,057
Total Operating Cash Receipts	<u>929,057</u>	<u>-</u>	<u>929,057</u>
<b>Operating Cash Disbursements:</b>			
Personal Services	150,892	-	150,892
Employee Fringe Benefits	62,950	-	62,950
Contractual Services	286,959	-	286,959
Supplies and Materials	190,477	-	190,477
Total Operating Cash Disbursements	<u>691,278</u>	<u>-</u>	<u>691,278</u>
Operating Income (Loss)	<u>237,779</u>	<u>-</u>	<u>237,779</u>
<b>Non-Operating Cash Receipts:</b>			
Special Assessments	5,251	-	5,251
Other Debt Proceeds	5,262	-	5,262
Other Non-Operating Cash Receipts	-	85,991	85,991
Total Non-Operating Cash Receipts	<u>10,513</u>	<u>85,991</u>	<u>96,504</u>
<b>Non-Operating Cash Disbursements:</b>			
Redemption of Principal	169,499	-	169,499
Interest and Other Fiscal Charges	45,834	-	45,834
Other Non-Operating Cash Disbursements	6,793	79,351	86,144
Total Non-Operating Cash Disbursements	<u>222,126</u>	<u>79,351</u>	<u>301,477</u>
Excess of Receipts Over (Under) Disbursements Before Interfund Transfers and Advances	26,166	6,640	32,806
Transfers-In	224,741	-	224,741
Transfers-Out	<u>(224,741)</u>	<u>-</u>	<u>(224,741)</u>
Net Receipts Over (Under) Disbursements	26,166	6,640	32,806
Fund Cash Balances, January 1	<u>373,363</u>	<u>21,040</u>	<u>394,403</u>
<b>Fund Cash Balances, December 31</b>	<u>\$ 399,529</u>	<u>\$ 27,680</u>	<u>\$ 427,209</u>
Reserve for Encumbrances, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**VILLAGE OF NEW RICHMOND,  
CLERMONT 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, 2009**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b>Cash Receipts:</b>					
Property and Local Taxes	\$ 269,287	\$ 733,432	\$ -	\$ -	\$ 1,002,719
Intergovernmental	260,586	536,770	-	27,860	825,216
Special Assessments	4,526	1,820	-	-	6,346
Charges for Services	2,610	126,939	-	-	129,549
Fines, Licenses and Permits	52,612	9,465	-	-	62,077
Earnings on Investments	9,583	264	-	-	9,847
Miscellaneous	7,744	26,680	-	-	34,424
<b>Total Cash Receipts</b>	<b>606,948</b>	<b>1,435,370</b>	<b>-</b>	<b>27,860</b>	<b>2,070,178</b>
<b>Cash Disbursements:</b>					
Current:					
Security of Persons and Property	29,756	1,050,661	-	-	1,080,417
Public Health Services	-	21,155	-	-	21,155
Leisure Time Activities	13,167	-	-	-	13,167
Community Environment	38,146	28,028	-	-	66,174
Transportation	56,193	119,821	-	-	176,014
General Government	365,045	2,520	-	-	367,565
Debt Service:					
Redemption of Principal	-	24,001	28,668	-	52,669
Interest and Fiscal Charges	-	15,588	-	-	15,588
Capital Outlay	-	75,150	-	33,459	108,609
<b>Total Cash Disbursements</b>	<b>502,307</b>	<b>1,336,924</b>	<b>28,668</b>	<b>33,459</b>	<b>1,901,358</b>
<b>Total Receipts Over (Under) Disbursements</b>	<b>104,641</b>	<b>98,446</b>	<b>(28,668)</b>	<b>(5,599)</b>	<b>168,820</b>
<b>Other Financing Receipts (Disbursements):</b>					
Transfers-In	2,463	44,243	28,668	-	75,374
Transfers-Out	(46,168)	(44,469)	-	-	(90,637)
Advances-In	37,750	37,000	-	7,090	81,840
Advances-Out	(40,750)	(37,000)	-	(4,090)	(81,840)
<b>Total Other Financing Receipts (Disbursements)</b>	<b>(46,705)</b>	<b>(226)</b>	<b>28,668</b>	<b>3,000</b>	<b>(15,263)</b>
<b>Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements and Other Financing Disbursements</b>	<b>57,936</b>	<b>98,220</b>	<b>-</b>	<b>(2,599)</b>	<b>153,557</b>
<b>Fund Cash Balances, January 1</b>	<b>(8,330)</b>	<b>316,325</b>	<b>-</b>	<b>34,565</b>	<b>342,560</b>
<b>Fund Cash Balances, December 31</b>	<b>\$ 49,606</b>	<b>\$ 414,545</b>	<b>\$ -</b>	<b>\$ 31,966</b>	<b>\$ 496,117</b>
<b>Reserve for Encumbrances, December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

	Proprietary Fund Types	Fiduciary Fund Types	Totals (Memorandum Only)
	Enterprise	Agency	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$ 920,650	\$ -	\$ 920,650
Total Operating Cash Receipts	<u>920,650</u>	<u>-</u>	<u>920,650</u>
<b>Operating Cash Disbursements:</b>			
Personal Services	164,389	-	164,389
Employee Fringe Benefits	56,200	-	56,200
Contractual Services	262,807	-	262,807
Supplies and Materials	154,735	-	154,735
Total Operating Cash Disbursements	<u>638,131</u>	<u>-</u>	<u>638,131</u>
Operating Income (Loss)	<u>282,519</u>	<u>-</u>	<u>282,519</u>
<b>Non-Operating Cash Receipts:</b>			
Special Assessments	3,371	-	3,371
Other Debt Proceeds	82,340	-	82,340
Other Non-Operating Cash Receipts	3,435	73,575	77,010
Total Non-Operating Cash Receipts	<u>89,146</u>	<u>73,575</u>	<u>162,721</u>
<b>Non-Operating Cash Disbursements:</b>			
Redemption of Principal	166,945	-	166,945
Interest and Other Fiscal Charges	51,501	-	51,501
Other Non-Operating Cash Disbursements	1,715	66,116	67,831
Total Non-Operating Cash Disbursements	<u>220,161</u>	<u>66,116</u>	<u>286,277</u>
Excess of Receipts Over (Under) Disbursements Before Interfund Transfers and Advances	151,504	7,459	158,963
Transfers-In	226,516	-	226,516
Transfers-Out	(211,253)	-	(211,253)
Advances-In	3,340	-	3,340
Advances-Out	(3,340)	-	(3,340)
Net Receipts Over (Under) Disbursements	166,767	7,459	174,226
Fund Cash Balances, January 1	<u>206,596</u>	<u>13,581</u>	<u>220,177</u>
<b>Fund Cash Balances, December 31</b>	<u>\$ 373,363</u>	<u>\$ 21,040</u>	<u>\$ 394,403</u>
Reserve for Encumbrances, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

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**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of New Richmond, Clermont County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides various services including police protection, fire and EMS services, and water and sewer utilities.

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

**B. Accounting Basis**

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

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

**C. Deposits and Investments**

The Village's funds are pooled in checking and savings accounts with local commercial banks.

**D. Fund Accounting**

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from private-purpose 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 money for constructing, maintaining and repairing Village streets.

Police Levy Fund – This fund receives real estate tax levy monies to fund police department operations.

Ambulance EMS Fund - This fund receives real estate tax levy monies to fund the ambulance service for the Village.

VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

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**3. Debt Service Funds**

These funds account for resources the Village accumulates to pay bond and note debt. The Village had the following significant debt service funds:

Walnut Street Loan OPWC Fund – This fund receives transfers-in to service principal payments on the OPWC loan related to Walnut Street infrastructure improvements.

Old 52 Improvements Loan Fund – This fund receives transfers-in to service principal payments on the OPWC loan related to Old Route 52 infrastructure improvements.

Sycamore Street Improvements Fund – This fund receives transfers-in to service principal payments on the OPWC loan related to Sycamore Street infrastructure improvements.

**4. Capital Project Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Village had the following significant capital project funds:

Wastewater Clarifier Fund – This fund receives monies from the OPWC for improvements to the wastewater clarifier system.

Sanitary Sewer Rehab Fund – This fund receives monies from the OPWC for improvements to the sanitary sewer system.

**5. Enterprise Funds**

These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Funds:

Water Fund – This fund receives charges for services from residents to cover water service costs.

Sewer Fund – This fund receives charges for services from residents to cover sewer service costs.

Waste Collection Fund – This fund receives charges for services from residents to cover waste collection costs.

Sewer Plant Construction Fund – This fund receives transfers-in from the Sewer Fund to cover debt service related to sewer system improvements.

VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

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**6. Fiduciary Funds (Trust and Agency Funds)**

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 Village's 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 had the following significant Agency Fund.

Mayor's Court Fund (Agency Fund) – This fund accounts for monies that are received and disbursed with regards to Mayor's Court operations.

**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 Village 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 individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. The Village did not properly certify the availability of funds for all purchase commitments during 2010 and 2009 as required by Ohio law.

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

**F. Property, Plant, and Equipment**

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

**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.

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

**2. Equity in Pooled Deposits and Investments**

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

	2010	2009
Demand Deposits	\$ 1,035,626	\$ 890,520

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

**3. Budgetary Activity**

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

2010 Budgeted vs. Actual Receipts

Fund Type:	Budgeted Receipts	Actual Receipts	Variance
General Fund	663,148	\$ 792,865	\$ 129,717
Special Revenue	1,690,012	1,712,824	22,812
Debt Service	28,668	28,668	-
Capital Project	188,772	184,725	(4,047)
Enterprise	1,010,740	1,164,311	153,571
Total	\$ 3,581,340	\$ 3,883,393	\$ 302,053

2010 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type:	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	689,231	\$ 622,841	\$ 66,390
Special Revenue	1,986,696	1,773,548	213,148
Debt Service	28,668	28,668	-
Capital Project	188,772	181,725	7,047
Enterprise	1,227,335	1,138,145	89,190
Total	\$ 4,120,702	\$ 3,744,927	\$ 375,775



**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

2009 Budgeted vs. Actual Receipts

Fund Type:	Budgeted Receipts	Actual Receipts	Variance
General Fund	608,540	\$ 609,411	\$ 871
Special Revenue	1,468,385	1,479,613	11,228
Debt Service	32,422	28,668	3,754
Capital Project	31,200	27,860	(3,340)
Enterprise	1,233,401	1,236,312	2,911
Total	<u>\$ 3,373,948</u>	<u>\$ 3,381,864</u>	<u>\$ 15,424</u>

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type:	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	600,570	\$ 548,475	\$ 52,095
Special Revenue	1,642,806	1,381,393	261,413
Debt Service	32,422	28,668	3,754
Capital Project	512,342	33,459	478,883
Enterprise	1,138,718	1,069,545	69,173
Total	<u>\$ 3,926,858</u>	<u>\$ 3,061,540</u>	<u>\$ 865,318</u>

**4. Noncompliance**

- During 2010 and 2009, the Village did not properly certify the availability of funds for all purchase commitments as required by Ohio Revised Code Section 5705.41(D)(1).
- The Village did not certify the 2009 tax levies with the county auditor by October 1st, 2008 as required by Ohio Revised Code Section 5705.34.
- Contrary to Ohio Revised Code Section 5705.39, in 2009 the Village had appropriations that exceeded estimated resources in the following funds:

Fund Type	Fund Name	Estimated Resources	Appropriations	Variance
General	General Fund	\$ 600,210	\$ 600,570	\$ (360)
Special Revenue	Rose Vesper Park Grant Fund	75,149	173,250	(98,101)
Special Revenue	Police Cruiser Fund	-	28,500	(28,500)
Special Revenue	Home Repair Program Fund	28,028	41,949	(13,921)
Capital Project	Wastewater Clarifier Fund	5,561	53,901	(48,340)
Capital Project	Augusta Boat Launch Grant Fund	3,750	113,984	(110,234)
Capital Project	Sanitary Sewer Rehab Fund	20,317	285,224	(264,907)
Capital Project	SR 132 Culvert Grant Fund	1,572	23,700	(22,128)
Enterprise	Utility Deposit Fund	1,715	12,534	(10,819)
Enterprise	Water Well Loan OWDA 4168 Fund	14,533	29,067	(14,534)
Enterprise	Bethel NR Sewer Loan OWDA Fund	4,749	9,498	(4,749)

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

- The Village had actual revenue to be collected that was less than the amount reported in the official certificate and the amount of the deficiency reduced available resources below the level of current appropriations and the deficiency was not reported by the fiscal officer to the Budget Commission as required by Ohio Revised Code Section 5705.36(A)(4) in the following funds:

**2009**

<b>Fund Type</b>	<b>Fund Name</b>	<b>Estimated Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
Debt Service	Old 52 Improvements Loan Fund	\$ 12,138	\$ 12,128	\$ (10)
Capital Project	Wastewater Clarifier Fund	5,561	4,445	(1,116)
Capital Project	Sanitary Sewer Rehab Fund	20,317	18,093	(2,224)

**2010**

<b>Fund Type</b>	<b>Fund Name</b>	<b>Estimated Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
Special Revenue	Street Construction, Maintenance and Repair Fund	\$ 210,000	\$ 182,270	\$ (27,730)
Special Revenue	Boat Launch Repair Grant Fund	20,000	-	(20,000)
Special Revenue	Tree Fund	2,000	1,800	(200)
Capital Project	Sanitary Sewer Rehab Fund	121,506	117,459	(4,047)

**5. Property Tax**

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

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

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

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

**6. Local Income Tax**

Effective January 1, 2010, the Village began levying a municipal income tax of 1 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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 NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

**7. Debt**

Debt outstanding at December 31, 2010 was as follows:

	Principal	Interest Rate
Ohio Water Development Authority Loan - 1994	\$ 964,044	2.20%
OPWC Loan - 2000 Sycamore Street	30,196	0.00%
OPWC Loan - 2001 Old US 52	145,541	0.00%
OWDA Loan - Bethel/New Richmond Road Sewer Extension	171,396	2.00%
OPWC Loan - 2002 Bethel New Richmond Sewer II	97,347	0.00%
OWDA Loan - Water System Plant Expansion	387,206	5.06%
Dump Truck Loan - 2005	10,529	5.00%
OPWC Loan - 2006 Walnut Street	189,860	0.00%
Bank Note - Fire Truck	254,712	4.50%
OWDA Loan - Consolidation Loan	85,869	2.00%
Total	\$ 2,336,700	

The Ohio Water Development Authority (OWDA) 1994 loan relates to a sewer plant expansion project that was mandated by the Ohio Environmental Protection Agency. The loan will be repaid in semi-annual payments of \$86,196, including interest, January 1 and July 1 of each year for 20 years. The final payment is due July 1, 2016. The loan is collateralized by sewer receipts.

The Ohio Public Works Commission (OPWC) 2000 loan relates to the Sycamore Street drainage and road improvements. The loan will be repaid in semi-annual payments of \$2,516 January 1 and July 1 of each year for 15 years. The final payment is due January 1, 2017. It is an obligation of the Village.

The Ohio Public Works Commission (OPWC) 2001 loan relates to the Old U.S. 52 street widening project. The loan will be repaid in semi-annual payments of \$6,064 January 1 and July 1 of each year for 20 years. The final payment is due January 1, 2023. It is an obligation of the Village.

The Ohio Water Development Authority's (OWDA) Bethel/New Richmond Road Sewer Extension loan relates to the construction of a wastewater collection line extension. The loan will be repaid in semi-annual payments of \$4,749 January 1 and July 1 for 30 years. The final payment is due January 1, 2033.

The Ohio Public Works Commission (OPWC) 2002 loan relates to the Bethel-New Richmond Road sewer line extension phase II project. The loan will be repaid in semi-annual payments of \$3,744 January 1 and July 1 of each year for 20 years. The final payment is due January 1, 2024. It is an obligation of the Village.

The Ohio Water Development Authority (OWDA), Water System Plant Expansion loan relates to the construction of a wastewater collection line extension. The loan will be repaid in semi-annual payments of \$13,734, including interest, January 1 and July 1 of each year for 30 years. The final payment is due July 1, 2035.

The dump truck bank loan was issued May, 2005 and is secured by the truck. This loan will be repaid in annual payments of \$10,591 including principal and interest. The loan matures May, 2011.

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

The Ohio Pubic Works Commission (OPWC) 2006 loan relates to Walnut Street storm drain improvements. The loan will be repaid in semi-annual payments of \$5,753 January 1 and July 1 of each year for 20 years. The final payment is due July 1, 2027.

The fire truck bank loan, dated March 10, 2008, was issued to refinance existing debt and purchase additional equipment. The loan will be repaid in annual payments of \$28,807, principal and interest, with a final payment of \$11,870, principal and interest, due March, 2023. The loan is secured by a fire truck.

The OWDA Consolidation loan relates to various utility infrastructure improvements that were made prior to 2010 that were originally financed with operating receipts. As of December 31, 2010, the loan is in an "open" status and no loan amortization or repayment terms have been established. As a result, no amortization for this loan is included in the amortization schedule below. Loan proceeds totaled \$82,340 and \$5,262 during 2009 and 2010, respectively, and the Village paid down \$1,733 of loan principal in 2010. The loan amount, when finalized, will be paid over 30 years.

Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	OWDA Loan 1994	OPWC Loan		OWDA	
		Sycamore Street	OPWC Loan Old US 52	Bethel/NR Rd Sewer Extension	OPWC Loan Bethel NR Sewer II
2011	\$ 172,392	\$ 2,516 *	\$ 6,064 *	\$ 9,498	\$ 3,744 *
2012	172,392	5,032	12,128	9,498	7,488
2013	172,392	5,032	12,128	9,498	7,488
2014	172,392	5,032	12,128	9,498	7,488
2015	172,392	5,032	12,128	9,498	7,488
2016-2020	172,392	7,552	60,640	47,490	37,440
2021-2025	-	-	30,325	47,490	26,211
2026-2030	-	-	-	47,490	-
2031-2035	-	-	-	23,745	-
Total	<u>\$ 1,034,352</u>	<u>\$ 30,196</u>	<u>\$ 145,541</u>	<u>\$ 213,705</u>	<u>\$ 97,347</u>

Year Ending December 31:	OWDA		OPWC Loan		Total **
	Water System Plant Expansion	Dump Truck Loan	Walnut Street	Fire Truck Loan	
2011	\$ 27,468	\$ 10,591	\$ 5,753 *	\$ - *	\$ 238,026
2012	27,468	-	11,506	28,807	274,319
2013	27,468	-	11,506	28,807	274,319
2014	27,468	-	11,506	28,807	274,319
2015	27,468	-	11,506	28,807	274,319
2016-2020	137,340	-	57,530	144,035	664,419
2021-2025	137,340	-	57,530	69,484	368,380
2026-2030	137,340	-	23,023	-	207,853
2031-2035	137,340	-	-	-	161,085
Total	<u>\$ 686,700</u>	<u>\$ 10,591</u>	<u>\$ 189,860</u>	<u>\$ 328,747</u>	<u>\$ 2,737,039</u>

\* The Village paid a portion of the scheduled 2011 debt service in 2010.

\*\* Excludes amounts related to the OWDA Consolidation loan that has not been scheduled for repayment as of December 31, 2010.

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

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

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**8. Retirement Systems**

The Village's certified Fire Fighters and full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). Other 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 these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OP&F participants contributed 10% of their wages. For 2010 and 2009, the Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages and 24% of full-time fire fighters' wages. For 2010 and 2009, OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2010.

**9. Risk Management – Risk Pool Membership**

Prior to 2009, the Village belonged to the Ohio Government Risk Management Plan (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan was legally separate from its member governments.

On January 1, 2009, through an internal reorganization, the Plan created three separate non-profit corporations including:

- Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Risk Management Plan;
- Ohio Plan Healthcare Consortium, Inc. (OPHC) - formerly known as the Ohio Healthcare Consortium; and
- Ohio Plan, Inc. - mirrors the oversight function previously performed by the Board of Directors. The Board of Trustees consists of eleven (11) members that include appointed and elected officials from member organizations.

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 retains 40% (17.5% through October 31, 2010 and 15% through October 31, 2009) 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 761 and 725 members as of December 31, 2010 and 2009 respectively. The Village participates in this coverage.

The Plan 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 65 and 60 members as of December 31, 2010 and 2009 respectively. The Village does not participate in this coverage.

VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

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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.

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 members' equity at December 31, 2010 and 2009, and include amounts for both OPRM and OPHC:

	2010		2009	
	OPRM	OPHC	OPRM	OPHC
Assets	\$ 12,036,541	\$ 1,355,131	\$ 11,176,186	\$ 1,358,802
Liabilities	(4,845,056)	(1,055,096)	(4,852,485)	(1,253,617)
Members' Equity	\$ 7,191,485	\$ 300,035	\$ 6,323,701	\$ 105,185

You can read the complete audited financial statements for OPRM and OPHC at the Plan's website [www.ohioplan.org](http://www.ohioplan.org).

**10. Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal, state and other local governments. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Hurst, Kelly & Company LLC**  
**Certified Public Accountants**  
3530 Irwin Simpson Road, Suite B  
Mason, Ohio 45040  
513.234.0977  
www.hurstkelly.com

**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***

Village of New Richmond, Clermont County  
102 Willow Street  
New Richmond, Ohio 45157

To Village Council:

We have audited the financial statements of the Village of New Richmond, Clermont County, (the Village) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated September 28, 2011, in which it is noted that the Village prepared its financial statements on a basis of accounting prescribed or permitted by the Ohio Auditor of State, which is a basis other than accounting principles generally accepted in the United States of America. We conducted our audits 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 *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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 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 audits, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2010-001 through 2010-004.

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

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

*Russell Kelly & Company LLC*

Mason, Ohio  
September 28, 2011



VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO

SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2010 AND 2009

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

FINDING NUMBER 2010-001 – NONCOMPLIANCE – FAILURE TO PROPERLY ENCUMBER

**Criteria:**

Ohio Revised Code Section 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

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

**Condition:**

During our testing of non-payroll cash disbursements, we noted that for 4 of sixty disbursements tested in 2009 and for 1 disbursement of sixty tested in 2010 the Village did not certify the availability of funds for the disbursement.

**Cause:**

The Village did not use a purchase order as required by Section 5705.41(D)(1) of the Ohio Revised Code.

**Effect:**

Failure to properly certify the availability of funds can result in overspending and deficit fund balances and is noncompliant with Section 5705.41(D)(1) of the Ohio Revised Code.

**Recommendation:**

Unless the Village uses an exception to the standard requirement, purchase orders certified by the fiscal officer should be issued prior to entering into a contract or order involving the expenditure of money.

**View of Responsible Officials and Planned Corrective Actions:**

We are in agreement with finding and recommendations.

VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
DECEMBER 31, 2010 AND 2009

**FINDING NUMBER 2010-002 – NONCOMPLIANCE – FAILURE TO PROPERLY AND TIMELY CERTIFY TAX LEVIES**

**Criteria:**

Ohio Revised Code Section 5705.34 states, in part, that each taxing authority is to pass an ordinance or resolution to authorize the necessary tax levies. Each such authority is to certify the levies to the county auditor before October 1<sup>st</sup>, unless a later date is approved by the tax commissioner.

**Condition:**

The Village did not certify the tax levies for 2009 until October 14<sup>th</sup>, 2008.

**Cause:**

The Village was not aware of the October 1<sup>st</sup> due date.

**Effect:**

The Village was noncompliant with Section 5705.34 of the Ohio Revised Code.

**Recommendation:**

The Village should adopt an ordinance or resolution authorizing the necessary tax levies by October 1<sup>st</sup>.

**View of Responsible Officials and Planned Corrective Actions:**

We are in agreement with finding and recommendations.

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
DECEMBER 31, 2010 AND 2009**

**FINDING NUMBER 2010-003 – NONCOMPLIANCE – APPROPRIATIONS IN EXCESS OF AMOUNTS CERTIFIED AS AVAILABLE FOR EXPENDITURE**

**Criteria:**

Ohio Revised Code Section 5705.39 provides that appropriations for each fund shall not exceed the estimated revenue available for expenditure as certified by the County Budget Commission.

**Condition:**

The following funds had appropriations in excess of the estimated revenue available for expenditure as certified by the County Budget Commission for 2009:

<b>Fund Type</b>	<b>Fund Name</b>	<b>Estimated</b>		
		<b>Resources</b>	<b>Appropriations</b>	<b>Variance</b>
General	General Fund	\$ 600,210	\$ 600,570	\$ (360)
Special Revenue	Rose Vesper Park Grant Fund	75,149	173,250	(98,101)
Special Revenue	Police Cruiser Fund	-	28,500	(28,500)
Special Revenue	Home Repair Program Fund	28,028	41,949	(13,921)
Capital Project	Wastewater Clarifier Fund	5,561	53,901	(48,340)
Capital Project	Augusta Boat Launch Grant Fund	3,750	113,984	(110,234)
Capital Project	Sanitary Sewer Rehab Fund	20,317	285,224	(264,907)
Capital Project	SR 132 Culvert Grant Fund	1,572	23,700	(22,128)
Enterprise	Utility Deposit Fund	1,715	12,534	(10,819)
Enterprise	Water Well Loan OWDA 4168 Fund	14,533	29,067	(14,534)
Enterprise	Bethel NR Sewer Loan OWDA Fund	4,749	9,498	(4,749)

**Cause:**

The Village appropriated amounts in excess of actual expenditures and did not reduce the amount of appropriations outstanding below the estimated revenue available for expenditure as certified by the County Budget Commission.

**Effect:**

Allowing appropriations in excess of amounts certified as available for expenditure can result in deficit fund balances and is noncompliant with Section 5705.39 of the Ohio Revised Code.

**Recommendation:**

The Village should routinely compare appropriations to the estimated revenue available for expenditure as certified by the County Budget Commission for each fund to ensure compliance with the requirements of Ohio Revised Code Section 5705.39.

**View of Responsible Officials and Planned Corrective Actions:**

We are in agreement with finding and recommendations.

**VILLAGE OF NEW RICHMOND,  
CLERMONT COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
DECEMBER 31, 2010 AND 2009**

**FINDING NUMBER 2010-004 – NONCOMPLIANCE – FAILURE TO PROPERLY OBTAIN AMENDED CERTIFICATES**

**Criteria:**

Ohio Revised Code Section 5705.36(A)(4) requires that upon 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 budget commission, and the commission shall certify an amended certificate reflecting the deficiency.

**Condition:**

Estimated receipts exceeded actual receipts and the deficiency reduced available resources below the level of current appropriations and the fiscal officer did not certify the deficiency or amend the certificate in the following funds:

**2009**

Fund Type	Fund Name	Estimated Receipts	Actual Receipts	Variance
Debt Service	Old 52 Improvements Loan Fund	\$ 12,138	\$ 12,128	\$ (10)
Capital Project	Wastewater Clarifier Fund	5,561	4,445	(1,116)
Capital Project	Sanitary Sewer Rehab Fund	20,317	18,093	(2,224)

**2010**

Fund Type	Fund Name	Estimated Receipts	Actual Receipts	Variance
Special Revenue	Street Construction, Maintenance and Repair Fund	\$ 210,000	\$ 182,270	\$ (27,730)
Special Revenue	Boat Launch Repair Grant Fund	20,000	-	(20,000)
Special Revenue	Tree Fund	2,000	1,800	(200)
Capital Project	Sanitary Sewer Rehab Fund	121,506	117,459	(4,047)

**Cause:**

The Village did not obtain an amended certificate as required by Ohio Revised Code Section 5705.36(A)(4).

**Effect:**

Failure to properly obtain amended certificates when the amount of deficiency will reduce available resources below the current level of appropriations can result in overspending and deficit fund balances and is noncompliant with Section 5705.36(A)(4) of the Ohio Revised Code.

**Recommendation:**

The Village should monitor estimated receipts and actual receipts and obtain amended certificates when required.

**View of Responsible Officials and Planned Corrective Actions:**

We are in agreement with finding and recommendations.

**VILLAGE OF NEW RICHMOND,  
CLERMONT 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; <b>Explain</b>
2008-001	<b>Material Weakness</b> – Inaccurate reconciliation of bank account balances to general ledger fund balances.	Yes	
2008-002	<b>Noncompliance/Material Weakness</b> – Inadequate maintenance of accounting records and material audit adjustments posted to the financial statements.	Yes	
2008-003	<b>Noncompliance/Significant Deficiency</b> – Noncompliance with debt covenant.	Yes	
2008-004	<b>Noncompliance</b> – Failure to properly encumber.	No	Not Corrected – Reissued as Finding 2010-001.
2008-005	<b>Noncompliance</b> – Money from one fund used to cover expenses of another fund resulting in deficit fund balances.	Yes	
2008-006	<b>Noncompliance</b> – Failure to properly and timely adopt a tax budget.	Yes	
2008-007	<b>Noncompliance</b> – Failure to properly and timely certify tax levies.	No	Not Corrected – Reissued as Finding 2010-002.
2008-008	<b>Noncompliance</b> – Failure to properly certify to the County Auditor amounts available for expenditure.	Yes	
2008-009	<b>Noncompliance</b> – Appropriations in excess of amounts certified as available for expenditure.	No	Not Corrected – Reissued as Finding 2010-003.
2008-010	<b>Noncompliance</b> – Expenditures in excess of appropriations.	Yes	
2008-011	<b>Noncompliance</b> – Failure to properly obtain amended certificates.	No	Not Corrected – Reissued as Finding 2010-004.

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# Dave Yost • Auditor of State

VILLAGE OF NEW RICHMOND

CLERMONT COUNTY

## CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
NOVEMBER 29, 2011