

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

*Financial Statements  
(Audited)*

For The Years Ended  
December 31, 2011 and 2010

**DOUG BURCHARD, VILLAGE MANAGER**





# Dave Yost • Auditor of State

Members of Council  
Village of Sebring  
135 East Ohio Avenue  
Sebring, Ohio 44672

We have reviewed the *Independent Accountants' Report* of the Village of Sebring, Mahoning County, prepared by Julian & Grube, Inc., for the audit period January 1, 2010 through December 31, 2011. 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 Accountants' 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 Accountants' 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 Sebring is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

September 17, 2012

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**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

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**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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**Independent Accountants' Report**

Village of Sebring  
Mahoning County  
135 East Ohio Avenue  
Sebring, Ohio 44672

To the Members of Council and Mayor:

We have audited the accompanying financial statements of the Village of Sebring, Mahoning County, as of and for the years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Village of Sebring'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 Sebring has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Village of Sebring's larger (i.e. major) funds separately. While the Village of Sebring 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 Sebring 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, 2011 and 2010 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village of Sebring as of December 31, 2011 and 2010, or its changes in financial position or cash flows, where applicable for the years then ended.

Independent Accountants' Report  
Village of Sebring  
Page 2

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances as of December 31, 2011 and 2010 of the Village of Sebring, Mahoning County, and its combined cash receipts and disbursements, combined budgeted and actual receipts and budgeted and actual cash disbursements for the years then ended on the accounting basis Note 2 describes.

As described in Note 2, during 2011 the Village of Sebring adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2012, on our consideration of the Village of Sebring's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

Julian & Grube, Inc.  
June 15, 2012



**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

COMBINED STATEMENT OF FUND CASH BALANCES  
ALL FUND TYPES  
DECEMBER 31, 2011 AND DECEMBER 31, 2010

<u>Cash and Cash Equivalents</u>	2011	2010
Cash and Cash Equivalents	\$ 931,865	\$ 600,271
Total Cash and Cash Equivalents	\$ 931,865	\$ 600,271
<u>Cash Fund Balances</u>		
<u>Governmental Fund Types:</u>		
General Fund	\$ 441,127	\$ 290,353
Special Revenue Funds	407,857	332,372
Capital Projects Funds	13,358	34,735
Total Governmental Fund Types	862,342	657,460
<u>Proprietary Fund Type:</u>		
Enterprise Funds	68,014	(59,322)
<u>Fiduciary Fund Types:</u>		
Agency Funds	1,509	2,133
Total Cash Fund Balances	\$ 931,865	\$ 600,271

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

**VILLAGE OF SEBRING  
MAHONING 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, 2011

	Governmental Fund Types			Total (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Cash receipts:</b>				
Property and other local taxes	\$ 138,560	\$ 183,960	\$ -	\$ 322,520
Income tax	1,066,562	120,076	226,746	1,413,384
Intergovernmental	193,331	234,532	73,440	501,303
Charges for services	65,699	182,388	-	248,087
Fines, licenses, and permits	65,851	-	-	65,851
Interest	225	-	-	225
Miscellaneous	19,715	15,597	6,577	41,889
<b>Total cash receipts</b>	<b>1,549,943</b>	<b>736,553</b>	<b>306,763</b>	<b>2,593,259</b>
<b>Cash disbursements:</b>				
<b>Current:</b>				
Security of persons and property	754,424	156,197	-	910,621
Public health services	13,622	-	-	13,622
Leisure time activities	-	166,622	-	166,622
Community environment	33,600	-	-	33,600
Transportation	-	250,446	-	250,446
General government	435,469	57,001	-	492,470
Capital outlay	-	3,098	178,693	181,791
<b>Debt service:</b>				
Principal retirement	147,556	-	406,150	553,706
Interest	52,166	-	23,297	75,463
<b>Total cash disbursements</b>	<b>1,436,837</b>	<b>633,364</b>	<b>608,140</b>	<b>2,678,341</b>
<b>Total cash receipts (under)/over cash disbursements</b>	<b>113,106</b>	<b>103,189</b>	<b>(301,377)</b>	<b>(85,082)</b>
<b>Other financing receipts/(disbursements):</b>				
Proceeds from sale of notes	-	-	280,000	280,000
Operating transfers in	-	25,000	-	25,000
Operating transfers out	(25,000)	-	-	(25,000)
Other sources	9,964	-	-	9,964
<b>Total other financing receipts/(disbursements)</b>	<b>(15,036)</b>	<b>25,000</b>	<b>280,000</b>	<b>289,964</b>
<b>Net change in fund cash balances</b>	<b>98,070</b>	<b>128,189</b>	<b>(21,377)</b>	<b>204,882</b>
<b>Fund cash balances, January 1, 2011 (Restated)</b>	<b>343,057</b>	<b>279,668</b>	<b>34,735</b>	<b>657,460</b>
<b>Fund cash balances:</b>				
Restricted	-	312,770	-	312,770
Committed	37,125	95,087	13,358	145,570
Unassigned	404,002	-	-	404,002
<b>Fund cash balances, December 31, 2011</b>	<b>\$ 441,127</b>	<b>\$ 407,857</b>	<b>\$ 13,358</b>	<b>\$ 862,342</b>

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

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS,  
CASH DISBURSEMENTS, AND CHANGES IN FUND  
CASH BALANCES - PROPRIETARY FUND TYPE AND  
SIMILAR FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Agency	
Operating cash receipts:			
Charges for services	\$ 1,621,391	\$ -	\$ 1,621,391
Other miscellaneous	55	-	55
Total operating cash receipts	<u>1,621,446</u>	<u>-</u>	<u>1,621,446</u>
Operating cash disbursements:			
Personal services	596,548	-	596,548
Employee fringe benefits	4,691	-	4,691
Contractual services	446,896	-	446,896
Supplies and material	128,551	-	128,551
Miscellaneous	397	624	1,021
Total operating cash disbursements	<u>1,177,083</u>	<u>624</u>	<u>1,177,707</u>
Operating income	<u>444,363</u>	<u>(624)</u>	<u>443,739</u>
Nonoperating cash receipts/(disbursements):			
Proceeds of notes	152,903	-	152,903
Capital outlay	(84,318)	-	(84,318)
Debt service:			
Principal	(251,142)	-	(251,142)
Interest	(134,470)	-	(134,470)
Total nonoperating cash receipts/(disbursements)	<u>(317,027)</u>	<u>-</u>	<u>(317,027)</u>
Income before operating transfers	127,336	(624)	126,712
Transfers in	361,686	-	361,686
Transfers out	<u>(361,686)</u>	<u>-</u>	<u>(361,686)</u>
Net cash receipts (under) cash disbursements	127,336	(624)	126,712
Fund cash balances, January 1, 2011	<u>(59,322)</u>	<u>2,133</u>	<u>(57,189)</u>
Fund cash balances, December 31, 2011	<u>\$ 68,014</u>	<u>\$ 1,509</u>	<u>\$ 69,523</u>

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

VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND ENCUMBRANCES COMPARED WITH EXPENDITURE  
AUTHORITY - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2011

Fund Types	Receipts					Disbursements						
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2011 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2011 Appropriations	Total	Actual 2011 Disbursements	Encumbrances Outstanding at 12/31/11	Total	Variance Favorable (Unfavorable)
Governmental:												
General	\$ 343,057	\$ 1,449,935	\$ 1,792,992	\$ 1,559,907	\$ 109,972	\$ -	\$ 1,441,935	\$ 1,441,935	\$ 1,461,837	\$ -	\$ 1,461,837	\$ (19,902)
Special Revenue	279,668	776,701	1,056,369	761,553	(15,148)	-	616,050	616,050	633,364	-	633,364	(17,314)
Capital Projects	34,735	215,000	249,735	586,763	371,763	-	248,500	248,500	608,140	-	608,140	(359,640)
Proprietary:												
Enterprise	(59,322)	1,953,200	1,893,878	2,136,035	182,835	-	1,779,770	1,779,770	2,008,699	-	2,008,699	(228,929)
Total												
(Memorandum Only)	\$ 598,138	\$ 4,394,836	\$ 4,992,974	\$ 5,044,258	\$ 649,422	\$ -	\$ 4,086,255	\$ 4,086,255	\$ 4,712,040	\$ -	\$ 4,712,040	\$ (625,785)

**VILLAGE OF SEBRING  
MAHONING 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			Total (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash receipts:				
Property and other local taxes	\$ 166,044	\$ 184,398	\$ -	\$ 350,442
Income tax	988,967	111,341	209,582	1,309,890
Intergovernmental	167,535	308,483	-	476,018
Charges for services	70,421	142,148	-	212,569
Fines, licenses, and permits	67,873	-	-	67,873
Interest	459	99	-	558
Miscellaneous	121,987	15,161	6,688	143,836
Total cash receipts	<u>1,583,286</u>	<u>761,630</u>	<u>216,270</u>	<u>2,561,186</u>
Cash disbursements:				
Current:				
Security of persons and property	712,244	121,582	-	833,826
Public health services	15,589	-	-	15,589
Leisure time activities	-	149,433	-	149,433
Community environment	-	1,071	-	1,071
Basic utility services	-	54,784	-	54,784
Transportation	-	290,220	6,568	296,788
General government	465,689	96,982	-	562,671
Capital outlay	-	4,579	52,865	57,444
Debt service:				
Principal retirement	143,461	-	548,700	692,161
Interest	59,531	-	49,477	109,008
Total cash disbursements	<u>1,396,514</u>	<u>718,651</u>	<u>657,610</u>	<u>2,772,775</u>
Total cash receipts (under)/over cash disbursements	<u>186,772</u>	<u>42,979</u>	<u>(441,340)</u>	<u>(211,589)</u>
Other financing receipts/(disbursements):				
Proceeds from sale of notes	-	-	336,150	336,150
Proceeds from sale of assets	-	-	104,800	104,800
Operating transfers in	-	25,000	-	25,000
Operating transfers out	(25,000)	-	-	(25,000)
Other sources	-	5,879	-	5,879
Total other financing receipts/(disbursements)	<u>(25,000)</u>	<u>30,879</u>	<u>440,950</u>	<u>446,829</u>
Net change in fund cash balances	161,772	73,858	(390)	235,240
Fund cash balances, January 1, 2010	<u>128,581</u>	<u>258,514</u>	<u>35,125</u>	<u>422,220</u>
Fund cash balances, December 31, 2010	<u>\$ 290,353</u>	<u>\$ 332,372</u>	<u>\$ 34,735</u>	<u>\$ 657,460</u>

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

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS,  
CASH DISBURSEMENTS, AND CHANGES IN FUND  
CASH 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	\$ 1,559,062	\$ -	\$ 1,559,062
Other miscellaneous	-	1,439	1,439
Total operating cash receipts	<u>1,559,062</u>	<u>1,439</u>	<u>1,560,501</u>
Operating cash disbursements:			
Personal services	584,515	-	584,515
Employee fringe benefits	4,483	-	4,483
Contractual services	256,438	-	256,438
Supplies and material	119,542	-	119,542
Miscellaneous	600	-	600
Total operating cash disbursements	<u>965,578</u>	<u>-</u>	<u>965,578</u>
Operating income	<u>593,484</u>	<u>1,439</u>	<u>594,923</u>
Nonoperating cash receipts/(disbursements):			
Intergovernmental receipts	264,562	-	264,562
Proceeds of notes	596,290	-	596,290
Capital outlay	(753,563)	-	(753,563)
Debt service:			
Principal	(597,900)	-	(597,900)
Interest	(146,656)	-	(146,656)
Total nonoperating cash receipts/(disbursements)	<u>(637,267)</u>	<u>-</u>	<u>(637,267)</u>
Income before operating transfers	(43,783)	1,439	(42,344)
Transfers in	591,133	-	591,133
Transfers out	<u>(591,133)</u>	<u>-</u>	<u>(591,133)</u>
Net cash receipts (under) cash disbursements	(43,783)	1,439	(42,344)
Fund cash balances, January 1, 2010	<u>(15,539)</u>	<u>694</u>	<u>(14,845)</u>
Fund cash balances, December 31, 2010	<u>\$ (59,322)</u>	<u>\$ 2,133</u>	<u>\$ (57,189)</u>

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

**VILLAGE OF SEBRING  
MAHONING 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)
	<b>Governmental:</b>											
General	\$ 125,625	\$ 1,444,264	\$ 1,569,889	\$ 1,583,286	\$ 139,022	\$ 2,956	\$ 1,338,135	\$ 1,341,091	\$ 1,421,514	\$ -	\$ 1,421,514	\$ (80,423)
Special Revenue	258,296	647,751	906,047	792,509	144,758	218	620,825	621,043	718,651	-	718,651	(97,608)
Capital Projects	35,125	220,000	255,125	657,220	437,220	-	194,500	194,500	657,610	-	657,610	(463,110)
<b>Proprietary:</b>												
Enterprise	(22,349)	2,144,700	2,122,351	3,011,047	866,347	6,810	2,115,067	2,121,877	3,054,830	-	3,054,830	(932,953)
<b>Total</b>												
(Memorandum Only)	\$ 396,697	\$ 4,456,715	\$ 4,853,412	\$ 6,044,062	\$ 1,587,347	\$ 9,984	\$ 4,268,527	\$ 4,278,511	\$ 5,852,605	\$ -	\$ 5,852,605	\$ (1,574,094)

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 1 - DESCRIPTION OF THE ENTITY**

The Village of Sebring (the “Village”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The Village operates under a council-mayor form of government and provides the following services: park operations, fire services, police services, water and sewer utility services, street maintenance and repair, as well as other general government services.

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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 Type:

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



**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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

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 a portion of the Village's income tax receipts for equipment purchase and repair, improvements to the Village's buildings and other structures, miscellaneous projects and street projects.

Proprietary Fund Type:

Enterprise Funds

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

*Water Works System 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.

Fiduciary 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. The Village did not have private purpose trust funds.

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 funds account for fire damage done to buildings in the community and for possible damage done by contractors doing work within the Village limits.

**B. BASIS OF ACCOUNTING**

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

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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

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 except agency funds. The primary level of budgetary control is at the object level within each office, department and division within each fund. Any budgetary modifications at this level may only be made by resolution of the Village's Council.

*Tax Budget:*

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

*Estimated Resources:*

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews receipt estimates. The County Budget Commission certifies its actions to the Village by September 1. As part of this certification, the Village receives the official certificate of estimated resources, which states the projected receipts of each fund. On or about January 1, the certificate is amended to include unencumbered fund balances at December 31 of the preceding year. Further amendments may be made during the year if the Village determines that receipts collected will be greater than or less than the prior estimates and the Budget Commission finds 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.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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

*Appropriations:*

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

*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 no outstanding encumbrances at December 31, 2011 and December 31, 2010.

**D. FUND BALANCE**

- i. For December 31, 2011, the Village implemented Governmental Accounting Standards Board (GASB) No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." Under GASB No. 54, fund balances are divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. **Nonspendable**

- The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. **Restricted**

- Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws of regulations of other governments; or is imposed by law through constitutional provisions.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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

**3. Committed**

Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**4. Assigned**

Assigned fund balances are intended for specific purposes, but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

**5. Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

- ii. Fund reclassifications are required in order to report funds in accordance with GASB Statement No 54. These fund reclassifications had the following effect on the Village's governmental fund cash balances as previously reported:

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Fund balance at December 31, 2010	\$ 290,353	\$ 332,372	\$ 34,735	\$ 657,460
Fund Reclassifications:				
Revolving Loan	<u>52,704</u>	<u>(52,704)</u>	<u>-</u>	<u>-</u>
Restated Fund Balance at January 1, 2011	<u>\$ 343,057</u>	<u>\$ 279,668</u>	<u>\$ 34,735</u>	<u>\$ 657,460</u>

**E. 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 earned on investments held by the Village is credited to its respective funds. Interest income earned and received by the Village totaled \$225 and \$558 for the years ended December 31, 2011 and 2010, respectively.

**F. 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.

**G. 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.

**H. 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 receiving fund and are recorded as operating transfers.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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

**I. 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 - EQUITY IN POOLED CASH AND CASH EQUIVALENTS**

The Village maintains a cash and cash equivalent 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, 2011 and 2010 were as follows:

	<u>2011</u>	<u>2010</u>
Deposits: Demand Deposits	<u>\$ 931,865</u>	<u>\$ 600,271</u>

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

**NOTE 4 - PROPERTY TAX**

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

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

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

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

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 5 - DEBT OBLIGATIONS**

At December 31, 2011 and 2010, debt obligations consisted of the following issuances:

<u>Description</u>	<u>Balance 12/31/11</u>	<u>Balance 12/31/10</u>
Waterworks System - 1 <sup>st</sup> Mortgage Revenue Bond for improvements to the Village's waterworks system due in annual installments on varying amounts through 2022 bearing interest of 5.00%.	\$1,760,000	\$1,876,000
Ohio Public Works Commission (OPWC) loan for a carbon filtration system due in semiannual installments for 20 years commencing after the project completion, bearing interest of 0.00%.	119,400	0
Ohio Public Works Commission (OPWC) note for the 15 <sup>th</sup> Street/Ohio Avenue Repair/Replacement project, due in semiannual installments of \$9,362, through 2026, bearing no interest.	280,859	299,583
OWDA Waste Water Treatment Plant Phase II note for the improvements to the sewer treatment plant due in semiannual installments of \$26,659, through 2024, bearing interest of 4.84%.	495,705	524,000
OWDA Note for a Headworks Bypass and Sewer Rehabilitation Project through 2030, bearing interest of 1.00%.	1,284,350	1,314,864
Streetscape Improvement Bonds for certain downtown economic revitalization improvements, including streetscape improvements to Maryland and Ohio Avenues in the Village, due in semiannual payments of \$30,000 plus interest, through 2023, bearing interest of 5.38%.	690,000	750,000
Downtown Economic Revitalization Improvement Bonds, Series 2003B for general parks improvements including the acquisition and renovation of a building known as the Stringray Building, due in semiannual payments of \$7,017, through 2013, bearing interest of 6.94%.	25,792	37,427
Downtown Economic Revitalization Improvement Bonds, Series 2003B for paying part of the cost of downtown economic revitalization improvements, including streetscape improvements to Maryland and Ohio Avenues, due in semiannual payments of \$12,684, through 2013, bearing interest of 4.76%.	47,857	70,149

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 5 - DEBT OBLIGATIONS - (Continued)**

<u>Description</u>	<u>Balance 12/31/11</u>	<u>Balance 12/31/10</u>
Economic Development Revenue Bonds, Series 2003A for the Village to make loans as part of the revolving loan fund for economic development, due in semiannual payments of \$21,051, through 2013, bearing interest of 6.94%.	77,377	112,282
Real Estate Bond Anticipation Note (Renewal) for the acquisition of real estate, due in annual installments of \$50,000, with final payment of \$45,200 plus interest due in 2012 bearing interest of 5.11%.	45,200	95,200
Street Improvement Bond Anticipation Note for the partial cost of street improvements, due in annual installments of \$20,000 plus interest, through 2014, bearing interest of 5.11%.	60,000	80,000
Various Purpose Bond Anticipation Note, Series 2010 (Renewal) for the partial cost of the economic revitalization improvements to the park and downtown, due in full in one year, bearing interest of 4%	0	336,150
Various Purpose Bond Anticipation Note, Series 2011 (Renewal) for the partial cost of the economic revitalization improvements to the park and downtown, due in full in one year, bearing interest of 4%	280,000	0
Aquatech sewer vacuum truck, due in annual installments of \$45,130, through 2011, bearing interest of 5.37%.	<u>0</u>	<u>42,830</u>
Total	<u>\$5,166,540</u>	<u>\$5,538,485</u>



**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

**NOTE 5 - DEBT OBLIGATIONS - (Continued)**

Transactions for the years ended December 31, 2011 and 2010 are summarized follows:

2011	Fund Type	Balance at 12/31/10	Proceeds	Retirements	Balance at 12/31/11
Waterworks System - 1st Mortgage Revenue Bond	Enterprise	\$ 1,876,000	\$ -	\$ (116,000)	\$ 1,760,000
OPWC Carbon Filtration System Loan	Enterprise	-	119,400	-	119,400
Downtown Revitalization - OPWC	General	299,583	-	(18,724)	280,859
Wastewater Treatment Plant Phase II - OWDA	Enterprise	524,000	-	(28,295)	495,705
OWDA Headworks and Sewer Project	Enterprise	1,314,864	33,503	(64,017)	1,284,350
Streetscape Improvement Bonds	General	750,000	-	(60,000)	690,000
Economic Development Revenue Bonds - 2003B	General	37,427	-	(11,635)	25,792
Economic Development Revenue Bonds - 2003B	General	70,149	-	(22,292)	47,857
Economic Development Revenue Bonds - 2003A	General	112,282	-	(34,905)	77,377
Real Estate Acquisition BAN	Capital Projects	95,200	-	(50,000)	45,200
Street Improvement BAN	Capital Projects	80,000	-	(20,000)	60,000
Various Purpose BAN - 2010	Capital Projects	336,150	-	(336,150)	-
Various Purpose BAN - 2011	Capital Projects	-	280,000	-	280,000
Vacuum Truck - Aquatech	Enterprise	42,830	-	(42,830)	-
<b>Total</b>		<b>\$ 5,538,485</b>	<b>\$ 432,903</b>	<b>\$ (804,848)</b>	<b>\$ 5,166,540</b>

2010	Fund Type	Balance at 12/31/09	Proceeds	Retirements	Balance at 12/31/10
Waterworks System - 1st Mortgage Revenue Bond	Enterprise	\$ 1,991,000	\$ -	\$ (115,000)	\$ 1,876,000
Wastewater Treatment Plant - OWDA	Enterprise	260,910	-	(260,910)	-
Downtown Revitalization - OPWC*	General	318,305	-	(18,722)	299,583
Wastewater Treatment Plant Phase II - OWDA	Enterprise	550,974	-	(26,974)	524,000
OWDA Headworks and Sewer Project	Enterprise	872,942	596,290	(154,368)	1,314,864
Streetscape Improvement Bonds	General	810,000	-	(60,000)	750,000
Economic Development Revenue Bonds - 2003B	General	48,295	-	(10,868)	37,427
Economic Development Revenue Bonds - 2003B	General	91,417	-	(21,268)	70,149
Economic Development Revenue Bonds - 2003A	General	144,885	-	(32,603)	112,282
Real Estate Acquisition BAN	Capital Projects	250,000	-	(154,800)	95,200
Street Improvement BAN	Capital Projects	100,000	-	(20,000)	80,000
Various Purpose BAN - 2008	Capital Projects	373,900	-	(373,900)	-
Various Purpose BAN - 2010	Capital Projects	-	336,150	-	336,150
Vacuum Truck - Aquatech	Enterprise	83,478	-	(40,648)	42,830
<b>Total</b>		<b>\$ 5,896,106</b>	<b>\$ 932,440</b>	<b>\$ (1,290,061)</b>	<b>\$ 5,538,485</b>

\*The Village is restating its December 31, 2009 outstanding debt balance of the Downtown Revitalization - OPWC Loan in the amount of \$ 9,364. It was previously overstated by one payment.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 5 - DEBT OBLIGATIONS - (Continued)**

The principal and interest requirements to retire the debt obligations outstanding at December 31, 2011 follow:

Year Ending December 31,	Waterworks System		Downtown Revitalization OPWC		WWTP Phase II OWDA		Streetscape Improvement Bonds		Downtown Economic Revitalization Improvement Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 126,000	\$ 88,000	\$ 18,724	\$ -	\$ 29,681	\$ 23,637	\$ 60,000	\$ 36,315	\$ 12,456	\$ 1,578
2013	128,000	81,700	18,724	-	31,135	22,183	60,000	33,087	13,336	698
2014	139,000	75,300	18,724	-	32,660	20,658	60,000	29,859	-	-
2015	141,000	68,350	18,724	-	34,260	19,058	60,000	26,631	-	-
2016	153,000	61,300	18,724	-	35,939	17,380	60,000	23,403	-	-
2017-2021	873,000	185,300	93,620	-	207,889	58,703	300,000	68,595	-	-
2022-2026	200,000	10,000	93,619	-	124,141	9,156	90,000	4,842	-	-
<b>TOTALS</b>	<b>\$ 1,760,000</b>	<b>\$ 569,950</b>	<b>\$ 280,859</b>	<b>\$ -</b>	<b>\$ 495,705</b>	<b>\$ 170,775</b>	<b>\$ 690,000</b>	<b>\$ 222,732</b>	<b>\$ 25,792</b>	<b>\$ 2,276</b>

Year Ending December 31,	Downtown Economic Revitalization Improvement Bonds		Economic Development Revenue Bonds		Real Estate Acquisition BAN		Street Improvement BAN		Various Purpose 2011 BAN	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 23,365	\$ 2,003	\$ 37,369	\$ 4,733	\$ 45,200	\$ 2,310	\$ 20,000	\$ 3,066	\$ 280,000	\$ 11,200
2013	24,492	878	40,008	2,094	-	-	20,000	2,044	-	-
2014	-	-	-	-	-	-	20,000	1,022	-	-
<b>TOTALS</b>	<b>\$ 47,857</b>	<b>\$ 2,881</b>	<b>\$ 77,377</b>	<b>\$ 6,827</b>	<b>\$ 45,200</b>	<b>\$ 2,310</b>	<b>\$ 60,000</b>	<b>\$ 6,132</b>	<b>\$ 280,000</b>	<b>\$ 11,200</b>

Year Ending December 31,	Total	
	Principal	Interest
2012	\$ 652,795	\$ 172,842
2013	335,695	142,684
2014	270,384	126,839
2015	253,984	114,039
2016	267,663	102,083
2017-2021	1,474,509	312,598
2022-2026	507,760	23,998
<b>TOTALS</b>	<b>\$ 3,762,790</b>	<b>\$ 995,083</b>

The 2009 OWDA Note for the Headworks Bypass and Sewer Rehabilitation Project and the 2011 OPWC Loan for the Carbon Filtration System have not been completely disbursed and thus there are no amortization schedules available.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

**NOTE 6 - DEBT COVENANT**

The Village's Water Works System revenue bond debt covenant requires the Village to maintain a Water Works System 1<sup>st</sup> Mortgage Revenue Fund, a Water Works System Debt Service Fund, and a Water Works System Reserve Fund. The debt covenant further requires the following: the Village must first pay all reasonable and proper expenses of operating and maintaining the Water Works fund; second, the Village must monthly, deposit 1/12<sup>th</sup> of the next ensuing principal and interest payment into the Water Works System Debt Service 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 Water Works System Reserve Fund the sum of \$1,767 each month until there is accumulated in the fund the sum of \$212,040 after which no further deposits need be made into said Water Works System Reserve Fund except to replace withdrawals. Whenever disbursements are made from the Water Works Reserve Fund, monthly payments in the amount of \$1,767 each shall be resumed until there is again accumulated in the fund the maximum amount of \$212,040, at which time payments may be discontinued. The balance in the debt reserve fund at December 31, 2011 and 2010 was \$1,767 and \$1,767, respectively. For the years ended December 31, 2011 and 2010, the required funds existed and were properly funded.

**NOTE 7 - RETIREMENT SYSTEMS**

The Village's salaried employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement healthcare and survivor and disability benefits to participants as prescribed by the Ohio Revised Code. The Village's Police, Fire and Emergency Medical Services employees belong to the Ohio Police & Fire Pension Fund (OP&F).

Contribution rates are also prescribed by the Ohio Revised Code. For 2011, OPERS members contributed 10% of their gross salaries. The Village contributed an amount equal to 14% of participants' gross salaries. For 2011, OP&F members contributed 10% of their gross salaries. The Village contributed an amount equal to 19.5% and 24.0% for police and fire, respectively, for the year ended December 31, 2011. At December 31, 2011, all amounts for the years ended 2011 and 2010 have been paid.

**NOTE 8 - RISK MANAGEMENT**

A. Property and Other

For 2011 and 2010, the Village obtained commercial insurance for the following risks:

- General liability and casualty
- Public official's liability
- Property (fleet and fire)

Settlement amounts did not exceed insurance coverage for the past three fiscal years. There has been no significant reduction in insurance coverages from coverages in prior year.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 8 - RISK MANAGEMENT - (Continued)**

B. Medical

For 2011 and 2010, the Village provided traditional health, life, disability, and prescription insurance to full-time employees through a private carrier.

**NOTE 9 - CONTINGENT LIABILITY**

LITIGATION

The Village is currently not involved in litigation for which the Village's legal counsel anticipates a loss. The Village is currently developing a plan for submission to the Ohio EPA in accordance with orders to make improvements to its water plant and distribution system.

**NOTE 10 - INTERFUND TRANSACTIONS**

The Village had the following interfund transactions for the year ended December 31, 2011:

<u>Fund Type/Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 25,000
Special Revenue Funds:		
Street Construction, Maintenance and Repair	12,500	-
Income Tax	<u>12,500</u>	<u>-</u>
Total Special Revenue Funds	<u>25,000</u>	<u>-</u>
Enterprise Funds:		
Water Works System	-	209,800
Water 1st Mortgage	209,800	-
Water Debt Reserve	21,204	21,204
Sewer	-	130,682
Sewer 1st Mortgage	<u>130,682</u>	<u>-</u>
Total Enterprise Funds	<u>361,686</u>	<u>361,686</u>
Total Transfers	<u>\$ 386,686</u>	<u>\$ 386,686</u>

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

**NOTE 10 - INTERFUND TRANSACTIONS - (Continued)**

The Village had the following interfund transactions for the year ended December 31, 2010:

<u>Fund Type/Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 25,000
Special Revenue Funds:		
Street Construction, Maintenance and Repair	<u>25,000</u>	<u>-</u>
Total Special Revenue Funds	<u>25,000</u>	<u>-</u>
Enterprise Funds:		
Water Works System	-	212,783
Water 1st Mortgage	214,550	-
Water Debt Reserve	21,204	22,971
Sewer	-	355,379
Sewer 1st Mortgage	<u>355,379</u>	<u>-</u>
Total Enterprise Funds	<u>591,133</u>	<u>591,133</u>
Total Transfers	<u>\$ 616,133</u>	<u>\$ 616,133</u>

Transfers from the general fund are used to subsidize other funds' activities. The transfers from the water works system fund and the water debt reserve fund to the water 1<sup>st</sup> mortgage fund and from the sewer fund to the sewer 1<sup>st</sup> mortgage fund are for the retirement of the debt and debt reserve requirements as described in the Village's debt covenant.

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

**NOTE 11 - COMPLIANCE**

- A. The Village had appropriations in excess of estimated resources at the year end and throughout the year ended December 31, 2010 in noncompliance with Ohio Revised Code Sections 5705.39 and 5705.36.
- B. The Village did not timely certify expenditures for the years ended December 31, 2011 and December 31, 2010 in noncompliance with Ohio Revised Code Section 5705.41(D).
- C. The Village did not enter estimated receipts into the accounting system in noncompliance with Ohio Administrative Code Section 117-2-02(C)(1).
- D. The Village had expenditures exceeding appropriations at December 31, 2011 and 2010 in noncompliance with Ohio Revised Code Sections 5705.40 and 5705.41(B).

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

**NOTE 11 - COMPLIANCE - (Continued)**

- E. The Village had negative fund balances throughout the years and at the years ended for December 31, 2011 and 2010 in noncompliance with Ohio Revised Code Section 5705.10.
- F. The Village did not submit the annual financial report to the NRMSIR or SID for the years ended December 31, 2011 and 2010 in noncompliance with 17 CFR 240.15c-12.

**NOTE 12 - OTHER SOURCES**

For the year ended December 31, 2011, general other sources consisted of revolving loan repayments of principal and interest. For the year ended December 31, 2010, special revenue fund type other sources consisted of revolving loan repayments of principal and interest.

**NOTE 13 - SUBSEQUENT EVENT**

The Village received an extension of payment and refinanced the 2011 Various Purpose Bond Anticipation Notes on March 28, 2012. In 2011, the Village entered into a project loan agreement with the OPWC for their Carbon Filtration System in the amount of \$249,181. Disbursements will begin in 2012.



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**Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards***

Village of Sebring  
Mahoning County  
135 East Ohio Avenue  
Sebring, Ohio 44672

To the Members of Council and Mayor:

We have audited the financial statements of the Village of Sebring, Mahoning County, as of and for the years ended December 31, 2011 and 2010 and have issued our report thereon dated June 15, 2012, wherein we noted the Village of Sebring prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. As described in Note 2, the Village of Sebring adopted Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" for the year ended December 31, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of Sebring'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 Sebring's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of Village of Sebring'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 certain deficiencies in internal control over financial reporting, that we consider material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider findings 2011-VOS-001 and 2011-VOS-005 described in the accompanying schedule of findings and responses to be material weaknesses.

Members of Council and Mayor  
Village of Sebring

Compliance and Other Matters

As part of reasonably assuring whether the Village of Sebring'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 eight instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings and responses as items 2011-VOS-002 through 2011-VOS-009.

We also noted certain matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated June 15, 2012.

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

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



Julian & Grube, Inc.  
June 15, 2012



**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2011-VOS-001

**Material Weakness - Financial Reporting**

A critical part of financial reporting is to maintain internal controls to help ensure the proper reporting of financial statement amounts.

We identified misstatements in the financial statements for the years under audit that were not initially identified by the Village's internal control.

The Village had the following audit adjustments necessary to properly record activity in 2011 and 2010:

2011 Adjustments:

General Fund:

Increase intergovernmental receipts and decrease local tax receipts in the amount of \$58,505 to properly reflect state and county local government funds as intergovernmental receipts.

Special Revenue Fund Type:

Street Construction, Maintenance and Repair Fund

Increase intergovernmental receipts and decrease local tax receipts in the amount of \$27,742 to properly reflect license tax proceeds as intergovernmental receipts.

Recreation Fund

Increase intergovernmental receipts and decrease local tax receipts in the amount of \$9,920 to properly reflect homestead and rollback receipts as intergovernmental receipts.

Fire Levy Fund

Increase intergovernmental receipts and decrease local tax receipts in the amount of \$15,251 to properly reflect homestead and rollback receipts as intergovernmental receipts.

Pool Fund

Increase intergovernmental receipts and decrease local tax receipts in the amount of \$1,788 to properly reflect homestead and rollback receipts as intergovernmental receipts.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-001- (Continued)

Capital Project Fund Type:

Capital Improvement Fund

1. Increase intergovernmental receipts and capital outlay disbursements in the amount of \$73,440 to properly reflect an on behalf payment made by the Ohio Public Works Commission.
2. Increase proceeds of notes receipts and increase principal disbursements in the amount of \$280,000 to properly reflect the payoff and renewal of a bond anticipation note.

Enterprise Fund Type:

Water Works System Fund

Increase proceeds of notes receipts and contractual services disbursements in the amount of \$119,400 to properly reflect an on behalf payment made by the Ohio Public Works Commission.

2010 Adjustments:

Special Revenue Fund Type:

Street Construction, Maintenance and Repair Fund

Increase intergovernmental receipts and decrease local tax receipts in the amount of \$27,360 to properly reflect license tax proceeds as intergovernmental receipts.

Recreation Fund

1. Increase intergovernmental receipts and decrease local tax receipts in the amount of \$10,018 to properly reflect homestead and rollback receipts as intergovernmental receipts.
2. Increase intergovernmental receipts and decrease local tax receipts in the amount of \$14,074 to properly reflect tangible personal property reimbursements as intergovernmental receipts.

Fire Levy Fund

1. Increase intergovernmental receipts and decrease local tax receipts in the amount of \$15,400 to properly reflect homestead and rollback receipts as intergovernmental receipts.
2. Increase intergovernmental receipts and decrease local tax receipts in the amount of \$21,112 to properly reflect tangible personal property reimbursements as intergovernmental receipts.

Special Project Fund

Increase intergovernmental receipts and increase basic utility services disbursements in the amount of \$45,876 to properly reflect an on behalf payment made by the Ohio Public Works Commission.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-001- (Continued)

Pool Fund

1. Increase intergovernmental receipts and decrease local tax receipts in the amount of \$1,806 to properly reflect homestead and rollback receipts as intergovernmental receipts.
2. Increase intergovernmental receipts and decrease local tax receipts in the amount of \$3,519 to properly reflect tangible personal property reimbursements as intergovernmental receipts.

Capital Projects Fund Type:

Capital Improvement Fund

1. Increase proceeds from the sale of assets receipts and decrease miscellaneous receipts in the amount of \$104,800 to properly reflect proceeds from the sale of land.
2. Increase proceeds of notes receipts and increase principal disbursements in the amount of \$336,150 to properly reflect the payoff and renewal of a bond anticipation note.

Enterprise Fund Type:

Water Works System Fund

Increase intergovernmental receipts and capital outlay disbursements in the amount of \$140,691 to properly reflect an on behalf payment made by the Ohio Public Works Commission.

Sewer Fund

Increase proceeds of notes receipts in the amount of \$596,290, increase intergovernmental receipts in the amount of \$123,871, increase capital outlay disbursements in the amount of \$590,664, increase interest disbursements in the amount of \$5,626, and increase principal disbursements in the amount of \$123,871 to properly reflect on behalf payments made by the Ohio Water Development Authority.

The Village's records have been adjusted to reflect these adjustments.

Proper posting of Village receipts and disbursements is a crucial part of the Village's financial statements as potential users may rely on the statements to make decisions that could have an impact on the Village. In addition, improper posting of receipts could mislead the Members of Council and Village citizens during the year and additionally may misrepresent individual fund balances and possibly misrepresent budget and planning reports.

We recommend that the Village implement additional internal controls to help ensure receipts and disbursements are properly recorded and reflected in the Village's records. We further recommend the Village implement additional internal controls over financial reporting to help ensure accurate financial reports throughout the year and at year end. We also recommend the Village consult local government services and SSI for proper posting of transactions.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-001- (Continued)

*Client Response:* The Village will attempt to properly post all transactions in the future. The Village Manager will consult the Village Handbook and/or Local Government Services when unusual/or infrequent transactions occur.

Finding Number	2011-VOS-002
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17 CFR 240.15c-12 states that the issuer of bonds must provide a copy of the annual report to each Nationally Recognized Municipal Securities Information Repository (NRMSIR) and State Information Depository (SID).

The Village did not submit the annual financial report to the NRMSIR or SID for the years ended December 31, 2011 and 2010.

By not timely filing to all approved Nationally Recognized Municipal Securities Information Repository (NRMSIR) and State Information Depository (SID) failure to provide the annual information and operating data could lead to the Village losing tax exempt status and could result in the debt holder declaring the entire principal amount then outstanding and accrued interest immediately due and payable. The Village could also be liable for any or all taxes incurred by the debt holder if holdings were to lose their tax exempt status.

We recommend the annual financial report be provided to the NRMSIR and SID on a timely basis following the issuance of the annual report.

*Client Response:* The Village will remit the requested information as noted.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-003

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

At December 31, 2010 the Village had appropriations in excess of estimated resources in the following fund:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<u>Enterprise Fund:</u>			
Water Works System	\$ 582,907	\$ 712,600	\$ 129,693

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 expenditures 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 Village will continue to attempt to modify appropriations in an efficient and accurate manner.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-004

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 year and at the year ended December 31, 2010, the Village did not request enough amended certificates throughout the year upon notice of increased or decreased resources.

The Village is not properly certifying its most current estimated resources to the appropriate authorities and thus causing appropriations to exceed estimated resources.

We recommend that the Village certify its available sources at year end and file amended certificates as necessary throughout the year. This will facilitate the Village’s appropriation process.

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

Finding Number	2011-VOS-005
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**Material Weakness/Noncompliance**

Ohio Revised Code Section 5705.41(D) requires that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

The Village had 75.0% and 82.4% of expenditures that were not timely certified for the years ended December 31, 2011 and December 31, 2010, respectively.

Without timely certification, the Village may expend more funds than available in the Treasury, in the process of collection or in the funds appropriated. It may also result in unnecessary purchases.

We recommend that all orders or contracts involving the expenditure of money be timely certified to ensure all monies expended are lawfully appropriated and available in the treasury or in the process of collection. A policy and procedure statement adopted by the Council and distributed at least annually may be beneficial. The Village should consider using “Then” and “Now” certificates where applicable.

*Client Response:* The Village is attempting to use blanket certificates and ‘then and now’ certificates when applicable.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-006

Ohio Administrative Code 117-2-02(C)(1) states that all public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system.

The Village's estimated receipts were not entered into the accounting system.

Without accurate estimated receipts in the accounting system, the Village could spend more than available or not recognize the need for amendments.

We recommend that once the Village receives its certificate of estimated resources and any subsequent amendments, the Village incorporate them into the accounting system. This will aid the Village Council in their review of estimated receipts versus actual receipts and appropriations.

Client Response: The Village understands the need for incorporating estimated receipts in the accounting system.

Finding Number	2011-VOS-007
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Ohio Revised Code Section 5705.41(B) provides that no subdivision or taxing unit shall make any expenditure of money unless it has been appropriated as provided in such chapter.

The Village had expenditures exceeding appropriations in the following fund types and by the corresponding amounts at December 31, 2011 and 2010, respectively.

Fund Type

<u>2011</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
General	\$ 1,441,935	\$ 1,461,837	\$ 19,902
Special Revenue	616,050	633,364	17,314
Capital Projects	248,500	608,140	359,640
Enterprise	1,779,770	2,008,699	228,929

2010

General	1,341,091	1,421,514	80,423
Special Revenue	621,043	718,651	97,608
Capital Projects	194,500	657,610	463,110
Enterprise	2,121,877	3,054,830	932,953

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-007 - (Continued)

Disclosure is presented at the fund type level, rather than at the department and object level within the fund due to the practicality of determining these values.

We recommend that Village Council and the Village Manager monitor closely the annual budget and file amended certificates of estimated resources and appropriations as needed to ensure disbursements are within the amounts legally appropriated. In addition, we also recommend the Village Manager review and amend appropriations when it is determined that expenditures will exceed appropriations.

*Client Response:* When necessary, the Village will file amended certificates of estimated resources and appropriations as needed to ensure disbursements are within the amounts legally appropriated. The administration will deny any and all expenditures that exceed appropriations.

Finding Number	2011-VOS-008
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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.

Expenditures exceeded appropriations during 2011 and 2010 due to the Village not timely or properly modifying its appropriations throughout the year.

By not timely and properly modifying the Village's appropriations, the Village is not adequately monitoring appropriations versus expenditures. With expenditures exceeding appropriations, overspending may occur which may result in a negative fund balance.

We recommend that the Village comply with Ohio Revised Code and Auditor of State Bulletin 97-010 by monitoring expenditures 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 will continue to attempt to modify appropriations in an efficient and accurate manner.



**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2011-VOS-009

Ohio Revised Code Section 5705.10 in part requires that on a cash basis, no fund shall have a negative fund balance during the fiscal year or at fiscal year end.

The Village had negative fund balances throughout the years and at the following years ended December 31:

<u>December 31, 2011</u>	
<u>Enterprise</u>	
Water Works System	(79,127)
<u>December 31, 2010</u>	
<u>Enterprise</u>	
Water Works System	(127,011)
Sewer	(18,765)

Disclosure is presented at year end, rather than throughout the year due to practicality.

By having a negative fund balance, these funds have spent other funds' balances. This could indicate insufficient monitoring of appropriations and related expenditures and continual review of cash management.

We recommend that the Village properly expend monies only after funds have been received and subsequent to proper appropriation. If funds are anticipated, but not yet received and expenditures are necessary, the Village should advance or transfer funds from the General Fund with proper Council approval. We recommend the Village utilize its accounting software program to its fullest and continually review relevant reports to assist in preventing negative fund balances.

Client Response: The Village will attempt to monitor the fund balances more closely.

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2011 AND 2010**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No <u>Longer</u> Valid; <i>Explain:</i></b>
2009-VOS-001	<u>Material Weakness - Financial Reporting</u> - A critical part of financial reporting is to maintain internal controls to help ensure the proper reporting of financial statement amounts. We identified misstatements in the financial statements for the years under audit that were not initially identified by the Village's internal control.	No	Repeated as finding 2011-VOS-001
2009-VOS-002	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.	Yes	N/A
2009-VOS-003	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 2011-VOS-003

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2011 AND 2010**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i></b>
2009-VOS-004	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.	No	Repeated as finding 2011-VOS-004
2009-VOS-005	Ohio Revised Code Section 5705.41(D) requires that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.	No	Repeated as finding 2011-VOS-005
2009-VOS-006	Ohio Revised Code Section 5705.36, in part, requires fiscal officers to certify to the County Auditor the total amount from all sources which is available for expenditures from each fund in the tax budget along with any unencumbered balances that existed at the end of the preceding year.	Yes	N/A

**VILLAGE OF SEBRING  
MAHONING COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2011 AND 2010**

<b><u>Finding Number</u></b>	<b><u>Finding Summary</u></b>	<b><u>Fully Corrected?</u></b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No <u>Longer Valid</u>; <i>Explain:</i></b>
2009-VOS-007	Ohio Revised Code Section 5705.41(B) provides that no subdivision or taxing unit shall make any expenditure of money unless it has been appropriated as provided in such chapter.	No	Repeated as finding 2011-VOS-007
2009-VOS-008	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.	No	Repeated as finding 2011-VOS-008
2009-VOS-009	Ohio Revised Code Section 5705.10 in part requires that on a cash basis, no fund shall have a negative fund balance during the fiscal year or at fiscal year end.	No	Repeated as finding 2011-VOS-009
2009-VOS-010	17 CFR 240.15c-12 states that the issuer of bonds must provide a copy of the annual report to each Nationally Recognized Municipal Securities Information Repository (NRMSIR) and State Information Depository (SID).	No	Repeated as finding 2011-VOS-002



# Dave Yost • Auditor of State

VILLAGE OF SEBRING

MAHONING 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  
OCTOBER 04, 2012