

Village of New Bavaria

Financial Condition

As of

December 31, 2011 and 2012

Together with Auditor's Report



Dave Yost • Auditor of State

Village Council
Village of New Bavaria
936 Walnut Street
New Bavaria, Ohio 43548

We have reviewed the *Independent Auditor's Report* of the Village of New Bavaria, Henry County, prepared by Kevin L. Penn, Inc., for the audit period January 1, 2011 through December 31, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

October 24, 2013

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VILLAGE OF NEW BAVARIA

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Independent Auditor's Report

Village of New Bavaria
Henry County
P.O. Box 256
New Bavaria, Ohio 45848-0256

Report on the Financial Statements

I have audited the accompanying financial statements of Village of New Bavaria, Henry County, Ohio (the Village), as of and for the years ended December 31, 2011 and 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to opine on these financial statements based on my audit. I audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require me to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on my judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, I consider internal control relevant to the Government's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Government's internal control. Accordingly, I express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as my evaluation of the overall financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Government prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03, which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village of New Bavaria as of December 31, 2012 and 2011, or changes in financial position thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In my opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Village of New Bavaria, Henry County as of December 31, 2012 and 2011, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permits, described in Note 1.

Emphasis of Matter

As discussed in Note 10 to the financial statements, during 2011 the Village of New Bavaria adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. My opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 31, 2013, on my consideration of the Government's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of my internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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* in considering the Government's internal control over financial reporting and compliance.

Kevin L. Penn, Inc.

May 31, 2013

Village of New Bavaria
Henry County
Combined Statement of Cash Receipts, Disbursements
and Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2011

	Governmental Fund Types		Totals
	General	Special Revenue	(Memorandum Only)
Cash Receipts:			
Property Tax and Other Local Taxes	\$ 4,757	\$ -	\$ 4,757
Intergovernmental Receipts	3,125	4,501	7,626
Charges for Services	1,170		1,170
Earnings on Investments		4	4
Other Revenue	1,712		1,712
Total Cash Receipts	10,764	4,505	15,269
Cash Disbursements:			
Current:			
Community Environment	4,630		4,630
Transportation		340	340
General Government	8,384	-	8,384
Total Cash Disbursements	13,014	340	13,354
Total Receipts Over/(Under) Disbursements	(2,250)	4,165	1,915
Other Financing Receipts/(Disbursements)			
Transfers-In	-	-	-
Transfers-Out	-	-	-
Total Other Financing Receipts/(Disbursements)	-	-	-
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(2,250)	4,165	1,915
Fund Cash Balance - January 1, 2011	(18,326)	21,355	3,029
Fund Cash Balance - December 31, 2011			
Restricted		25,520	25,520
Unassigned	(20,576)		(20,576)
Fund Cash Balance - December 31, 2011	\$ (20,576)	\$ 25,520	\$ 4,944

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

Village of New Bavaria
Henry County
Combined Statement of Cash Receipts, Disbursements
and Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2012

	Governmental Fund Types		Totals
	General	Special Revenue	(Memorandum Only)
Cash Receipts:			
Property Tax and Other Local Taxes	\$ 19,561		\$ 19,561
Intergovernmental Receipts	2,971	4,593	7,564
Charges for Services	780		780
Earnings on Investments		7	7
Other Revenue	1,240		1,240
Total Cash Receipts	24,552	4,600	29,152
Cash Disbursements:			
Current:			
Security of Persons and Property	3,504		3,504
Leisure Time Activities	1,621		1,621
Transportation		1,900	1,900
General Government	8,667		8,667
Total Cash Disbursements	13,792	1,900	15,692
Total Receipts Over/(Under) Disbursements	10,760	2,700	13,460
Other Financing Receipts/(Disbursements)			
Transfers-In	-	-	-
Transfers-Out	-	-	-
Total Other Financing Receipts/(Disbursements)	-	-	-
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	10,760	2,700	13,460
Fund Cash Balance - January 1, 2012	(20,576)	25,520	4,944
Fund Cash Balance - December 31, 2012			
Restricted		28,220	28,220
Unassigned	(9,816)		(9,816)
Fund Cash Balance - December 31, 2012	\$ (9,816)	\$ 28,220	\$ 18,404

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

**VILLAGE OF NEW BAVARIA
HENRY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

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 Bavaria, Henry County, Ohio (the Village), as a body corporate and politic. A publicly elected six-member Council directs the Village. The Village provides general government services, including park operations. The Village contracts with Pleasant Township to receive fire protection services.

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. 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 Fund

This fund accounts 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 Fund:

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

D. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually

**VILLAGE OF NEW BAVARIA
HENRY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Summary of Significant Accounting Policies (Continued)

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. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 cancelled, and are reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2011 and 2012 budgetary activity appears in Note 3.

E. 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.

2. Equity in Pooled Deposits

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:

	<u>2012</u>	<u>2011</u>
Total deposits	<u>\$18,404</u>	<u>\$4,944</u>

Deposits are insured by the Federal Depository Insurance Corporation.

**VILLAGE OF NEW BAVARIA
HENRY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

3. Budgetary Activity

2011 Budgeted vs. Actual Receipts

Fund Type:	Budgeted Receipts	Actual Receipts	Variance
General	\$ -	\$ 10,764	\$ 10,764
Special Revenue	26,026	4,505	(21,521)
Total	<u>\$ 26,026</u>	<u>\$ 15,269</u>	<u>\$ (10,757)</u>

2011 Budgeted vs Actual Budgetary Basis Expenditures

Fund Type:	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 12,870	\$ 13,014	\$ (144)
Special Revenue	1,000	340	660
Total	<u>\$ 13,870</u>	<u>\$ 13,354</u>	<u>\$ 516</u>

2012 Budgeted vs. Actual Receipts

Fund Type:	Budgeted Receipts	Actual Receipts	Variance
General	\$ -	\$ 24,552	\$ 24,552
Special Revenue	30,210	4,600	(25,610)
Total	<u>\$ 30,210</u>	<u>\$ 29,152</u>	<u>\$ (1,058)</u>

2012 Budgeted vs Actual Budgetary Basis Expenditures

Fund Type:	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 14,339	\$ 13,792	\$ 547
Special Revenue	1,000	1,900	(900)
Total	<u>\$ 15,339</u>	<u>\$ 15,692</u>	<u>\$ (353)</u>

Expenditures exceeded appropriations in the General Fund, during the 2011 calendar year and the Special Revenue Fund, during the 2012 Calendar year.

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 NEW BAVARIA
HENRY COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

5. Retirement System

The Village's officials belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2012 and 2011, 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, 2012.

6. Risk Management

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

7. General Fund Balance

The Village's General Fund had a deficit balance of (\$20,576) at December 31, 2011. The balance as of December 31, 2012 was (\$9,816). The Village has approved an income tax and tax levy in 2011 so as to increase revenues.

The Local Government Services Division of the Auditor of State's office was contacted regarding the financial difficulties, and began a fiscal analysis under the criteria established in ORC Chapter 118. On May 6, 2010, the Village was declared in fiscal emergency due to the significant deficit fund balance in the General fund, fulfilling Chapter 118 criteria. The declaration of the fiscal emergency has prompted the creation of a Financial Planning and Supervision Commission to oversee and direct the Village's financial recovery.

8. Change in Accounting Principles

For fiscal year 2010, the District reclassified certain funds as required by the revised fund classification guidance in Governmental Accounting Standard Board (GASB) Statement No. 54.

9. Fund Balance

Fund balance is divided into two 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. 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 or regulations of other governments; or is imposed by law through constitutional provisions.

**VILLAGE OF NEW BAVARIA
HENRY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

9. Fund Balance (continued)

2. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the 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.



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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards

Village of New Bavaria
Henry County
P.O. Box 256
New Bavaria, Ohio 45848-0256

I have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Village of New Bavaria, Henry County, (the Village), as of and for the years ended December 31, 2011 and 2012, and the related notes to the financial statements and have issued my report thereon dated May 31, 2013 wherein I noted the Government followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permits.

Internal Control Over Financial Reporting

As part of my financial statement audit, I considered the Village of New Bavaria's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support my opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village of New Bavaria's internal control. Accordingly, I have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village of New Bavaria's financial statements. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, I did not identify any deficiencies in internal control that I consider material weaknesses. However, unidentified material weaknesses may exist. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings that I consider significant deficiencies in internal control. I consider findings 2012-01 through 2012-02 to be significant deficiencies.

Compliance and Other Matters

As part of reasonably assuring whether the Village of New Bavaria's financial statements are free of material misstatement, I 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, opining on compliance with those provisions was not an objective of my audit and accordingly, I do not express an opinion. The results of my tests disclosed no instances of noncompliance or other matters I must report under *Government Auditing Standards*.

I noted certain matters that I reported to management of Village of New Bavaria in a separate letter dated May 31, 2013.

The Village of New Bavaria's response to the finding identified in my audit is described in the accompanying schedule of findings. I did not audit the Village of New Bavaria's response and, accordingly, I express no opinion on it.

Purpose of this Report

This report only describes the scope of my internal control and compliance testing and my testing results, and does not opine on the effectiveness of the Village of New Bavaria's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village of New Bavaria's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kevin L. Penn, Inc.

May 31, 2013

Village of New Bavaria
Henry County

Schedule of Findings
December 31, 2011 and 2012

Finding Related to the Financial Statements
Required to be Reported in Accordance with GAGAS

2012-1

Separation of Duties

Condition:

The Fiscal Officer, signs and issues checks; receives and makes deposits, and reconciles the bank accounts. The basic premise is that no one individual should have access to both physical assets the related accounting records or to various phases of a transaction. One of the most critical areas of separation is cash, where I noted that there is not proper separation of duties, pertaining to the handling incoming checks; preparation of the deposit slips; and the reviewing of the monthly bank accounts.

Criteria:

The following functions should be performed by individuals/board member who are totally independent:

- Issuing and signing checks
- Maintaining the accounting records
- Reviewing the bank statements
- Performing bank reconciliations
- Maintaining vendor statements and invoices

Effect:

Resulted in inadequate separation of duties.

Cause:

As a result of the number of staff employed by the Village, there is a limit to the extent of separation of duties.

Recommendation:

In order to improve internal controls, I recommend that a board member performs the following functions: 1) signs the checks; 2) reviews invoices before disbursements are made, and 3) receives the bank statements directly from the bank so they can be reviewed prior to the Fiscal Officer's performance of the bank reconciliation. By performing these procedures, the risk of an inadequate segregation of duties over cash transactions will be significant reduced.

Village of New Bavaria
Henry County

Schedule of Findings
December 31, 2011 and 2012

Finding Related to the Financial Statements
Required to be Reported in Accordance with GAGAS

2012-1

Separation of Duties (continued)

Auditee's Response:

The Village of New Bavaria is in the process of working on correcting the deficiencies identified.

2012-2

Payroll

Condition:

The Village has no complete payroll journal or ledger which records gross pay, deductions, net pay, check numbers and dates for each payroll transaction and in total for the entire year. Furthermore, there are no personnel files maintained.

Criteria:

A payroll journal or ledger which records gross pay, deductions, net pay, check numbers and dates for each payroll transaction and in total for the entire year should be maintained. In addition, personnel files should be maintained for each employee, with such information as the Form W-4, Form IT-4, and OPERS personal history record.

Effect:

The payroll process is not being properly monitored.

Cause:

Lack of internal controls, relating to payroll procedures.

Recommendation:

I recommend the Village either prepare a complete payroll journal record or utilize the payroll software available from UAN. In addition, personnel files should be maintained for each employee, with such information as the Form W-4, Form IT-4, and OPERS personal history record.

Auditee's Response:

The Village of New Bavaria is in the process of working on correcting the deficiencies identified.

Village of New Bavaria
Henry County

Schedule of Prior Audit Findings
December 31, 2011 and 2012

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2010-001	Ohio Revised Code, § 117.38 , annual report was not filed within 60 days and published in the local newspaper.	No	Partially Corrected. Will be included with management letter.
2010-002	Ohio Revised Code, § 149.43(B)(2) , The Village has not adopted a public records policy, no Village official has attended the Ohio Public Records Laws training, and no records retention schedule has been adopted or filed by the Village as required.	No	Not corrected. Will be included with management letter.
2010-003	Ohio Revised Code, § 5705.10(E) , General Fund had a deficit cash balance.	No	Not corrected. Will be included with management letter.
2010-004	Ohio Revised Code, § 5705.34 , there was no ordinance or resolution passed to authorize the necessary tax levies.	No	Partially Corrected. Will be included with management letter.

Village of New Bavaria
Henry County

Schedule of Prior Audit Findings
December 31, 2011 and 2012

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2010-005	Ohio Revised Code, § 5705.36, the Village did not certify to the county auditor on or about the first day of each fiscal year, the total amount from all sources which is available for expenditures from each fund in the tax budget along with any unencumbered balances which existed at the end of the preceding year.	No	Partially corrected. Will be included in the management letter.
2010-006	Ohio Revised Code, § 5705.38, the Village did not pass an appropriation measure for the 2009 and 2010 fiscal year.	Yes	Finding No Longer Valid.
2010-007	Ohio Revised Code, § 5705.41(D)(1), expenditures not properly certified.	No	Partially Corrected. Will be included with management letter.
2010-008	Duplicate Payments, the Treasurer of Ohio was paid twice for audit costs and UAN fees.	Yes	Finding No Longer Valid.

Village of New Bavaria
Henry County

Schedule of Prior Audit Findings
December 31, 2011 and 2012

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2010-009	Estimated Revenues , the Village did not submit its estimated receipts to the County Auditor. No Certificate of Estimated Resources was obtained for 2010 or 2009.	Yes	Finding No Longer Valid.
2010-010	Payroll , the Village has no complete payroll journal or ledger which records gross pay, deductions, net pay, check numbers and dates for each payroll transaction and in total for the entire year. There was also no W-3's or W-4's or other withholding records or authorizations. And, there was no documentation of pay rates approved years ago.	No	Partially Corrected. Will be repeated in the 2012 audit.
2010-011	Establishing an Audit Committee , the Village did not establish an Audit Committee to serve as liaison between management and its auditors.	No	Not corrected. Will be included with management letter.

Village of New Bavaria
Henry County

Schedule of Prior Audit Findings
December 31, 2011 and 2012

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2010-012	Minutes , the minute records from Council meetings during the audit period were not always prepared, or did not note a meeting was not held. Meeting dates and times were not always made aware to the public.	Yes	Finding No Longer Valid.
2010-013	Depository Designation , the Village has deposits at the Henry County Bank, and has no depository agreement with the Henry County Bank.	Yes	Finding No Longer Valid.

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Dave Yost • Auditor of State

VILLAGE OF NEW BAVARIA

HENRY 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 7, 2013**