

Village of Ripley  
Brown County, Ohio

Regular Audit

For the years ended December 31, 2010, 2009 and 2008  
Fiscal Years Audited Under GAGAS: 2010, 2009 and 2008



**Balestra, Harr & Scherer, CPAs, Inc.**

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# Dave Yost • Auditor of State

Members of Council  
Village of Ripley  
123 Waterworks Road  
Ripley, Ohio 45167

We have reviewed the *Independent Auditor's Report* of the Village of Ripley, Brown County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period January 1, 2008 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

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

Dave Yost  
Auditor of State

July 18, 2011

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**Village of Ripley**  
**Brown County, Ohio**  
*Table of Contents*

*For the Fiscal Years Ended December 31, 2010, 2009 and 2008*

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<b>Title</b>	<b>Page</b>
Independent Auditor's Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Governmental Funds - For the Year Ended December 31, 2010 .....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Proprietary and Similar Fiduciary Fund Types - For the Year Ended December 31, 2010 .....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Governmental Funds - For the Year Ended December 31, 2009 .....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Proprietary and Similar Fiduciary Fund Types - For the Year Ended December 31, 2009 .....	6
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Governmental Funds - For the Year Ended December 31, 2008 .....	7
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Proprietary and Similar Fiduciary Fund Types - For the Year Ended December 31, 2008 .....	8
Notes to the Financial Statements .....	9
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	17
Schedule of Findings.....	19
Schedule of Prior Audit Findings.....	25



### Independent Auditor's Report

Council Members  
Village of Ripley  
Brown County  
123 Waterworks Road  
Ripley, Ohio 45167

We have audited the accompanying financial statements of Village of Ripley, Brown County, Ohio (the Village), as of and for the years ended December 31, 2010, 2009 and 2008. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as described in the fourth following paragraph, 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 1, the Village has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

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

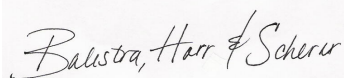
In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2010, 2009 and 2008, or its changes in financial position or cash flows, where applicable for the years then ended.

Because of the inadequacy of accounting records for the year ended December 31, 2009 and 2008, we were unable to satisfy ourselves as to the completeness or occurrence of utility billing receipts for water, sewer, garbage and electric as recorded in the accompanying combined statement of cash receipts, cash disbursements, and changes in fund cash balances proprietary and similar fiduciary funds at December 31, 2009 and 2008 (stated at \$2,638,877 and \$2,670,276, respectively).

Also, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves about the completeness and occurrence of utility billing receipts as described in the preceding paragraph for the year ended December 31, 2009 and 2008, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserve for encumbrances of Village of Ripley, Brown County, as of December 31, 2010, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Village has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2011, on our consideration of the Village'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.



Balestra, Harr & Scherer, CPAs, Inc.

June 24, 2011

**Village of Ripley  
Brown County**

***Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
Governmental Funds  
For the Year Ended December 31, 2010***

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
<b>Cash Receipts:</b>				
Property Taxes	\$ 26,100	\$ 123,577	\$ -	\$ 149,677
Municipal Income Tax	235,330	-	-	235,330
Intergovernmental	34,046	105,149	-	139,195
Special Assessments	709	3,021	-	3,730
Charges for Services	17,108	60,320	2,400	79,828
Fines, Licenses and Permits	76,472	1,642	-	78,114
Earnings on Investments	30,812	1,303	-	32,115
Miscellaneous	26,911	64,293	-	91,204
	<u>447,488</u>	<u>359,305</u>	<u>2,400</u>	<u>809,193</u>
<b>Total Cash Receipts</b>				
	447,488	359,305	2,400	809,193
<b>Cash Disbursements:</b>				
Current:				
Security of Persons & Property	315,998	112,355	-	428,353
Public Health Services	4,178	14,657	-	18,835
Transportation	29,085	136,892	-	165,977
General Government	94,589	-	-	94,589
Capital Outlay	11,903	-	-	11,903
Debt Service:				
Principal Payments	-	40,000	-	40,000
Interest and Fiscal Charges	-	3,016	-	3,016
	<u>455,753</u>	<u>306,920</u>	<u>-</u>	<u>762,673</u>
<b>Total Cash Disbursements</b>				
	455,753	306,920	-	762,673
<b>Total Cash Receipts Over Cash Disbursements</b>	<u>(8,265)</u>	<u>52,385</u>	<u>2,400</u>	<u>46,520</u>
	(8,265)	52,385	2,400	46,520
<b>Other Financing Receipts and (Disbursements):</b>				
Sales of Fixed Assets	-	900	-	900
Other Financing Uses	(546)	-	-	(546)
	<u>(546)</u>	<u>900</u>	<u>-</u>	<u>354</u>
<b>Total Other Financing Receipts</b>				
	(546)	900	-	354
<b>Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements</b>	<u>(8,811)</u>	<u>53,285</u>	<u>2,400</u>	<u>46,874</u>
	(8,811)	53,285	2,400	46,874
<b>Fund Cash Balances, January 1</b>	<u>325,730</u>	<u>42,266</u>	<u>158,383</u>	<u>526,379</u>
	325,730	42,266	158,383	526,379
<b>Fund Cash Balances, December 31</b>	<u>\$ 316,919</u>	<u>\$ 95,551</u>	<u>\$ 160,783</u>	<u>\$ 573,253</u>
	\$ 316,919	\$ 95,551	\$ 160,783	\$ 573,253
<b>Reserve for Encumbrances, December 31</b>	<u>\$ 2,811</u>	<u>\$ 6,323</u>	<u>\$ -</u>	<u>\$ 9,134</u>
	\$ 2,811	\$ 6,323	\$ -	\$ 9,134

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



**Village of Ripley  
Brown County**

*Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
Proprietary and Similar Fiduciary Fund Types  
For the Year Ended December 31, 2010*

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$ 2,940,593	\$ -	\$ 2,940,593
Total Operating Cash Receipts	2,940,593	-	2,940,593
<b>Operating Cash Disbursements:</b>			
Personal Services	403,577	-	403,577
Employee Fringe Benefits	110,603	-	110,603
Contractual Services	1,622,318	-	1,622,318
Supplies and Materials	184,307	-	184,307
Other	27,115	-	27,115
Total Operating Cash Disbursements	2,347,920	-	2,347,920
Operating Loss	592,673	-	592,673
<b>Non-Operating Receipts (Disbursements):</b>			
Capital Outlay	(421,271)	-	(421,271)
Predemption of Principal	(233,267)	-	(233,267)
Interest and Other Fiscal Charges	(95,308)	-	(95,308)
Capital Contributions	309,054	-	309,054
Proceeds from Debt	31,815	-	31,815
Other Financing Sources	-	75,446	75,446
Other Financing Uses	-	(75,512)	(75,512)
Total Non-Operating Receipts/(Disbursements)	(408,977)	(66)	(409,043)
Net Receipts Over Disbursements	183,696	(66)	183,630
Fund Cash Balances, January 1	1,373,600	9	1,373,609
<b>Fund Cash Balances, December 31</b>	<u>\$ 1,557,296</u>	<u>\$ (57)</u>	<u>\$ 1,557,239</u>
Reserve for Encumbrances, December 31	<u>\$ 6,762</u>	<u>\$ -</u>	<u>\$ 6,762</u>

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

**Village of Ripley  
Brown County**

*Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
Governmental Funds  
For the Year Ended December 31, 2009*

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
<b>Cash Receipts:</b>				
Property Taxes	\$ 23,593	\$ 117,851	\$ -	\$ 141,444
Municipal Income Tax	272,638	-	-	272,638
Intergovernmental	40,090	100,615	-	140,705
Special Assessments	14	14,944	-	14,958
Charges for Services	28,577	61,660	2,375	92,612
Fines, Licenses and Permits	62,924	2,898	-	65,822
Earnings on Investments	40,472	1,831	-	42,303
Miscellaneous	16,727	69,727	-	86,454
	<u>485,035</u>	<u>369,526</u>	<u>2,375</u>	<u>856,936</u>
<b>Total Cash Receipts</b>	<b>485,035</b>	<b>369,526</b>	<b>2,375</b>	<b>856,936</b>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons & Property	306,823	159,121	-	465,944
Public Health Services	-	20,158	-	20,158
Leisure Time Activities	-	103	-	103
Transportation	2,322	207,795	-	210,117
General Government	113,508	-	-	113,508
Capital Outlay	58,219	-	-	58,219
Debt Service:				
Principal Payments	-	38,000	-	38,000
Interest and Fiscal Charges	-	8,000	-	8,000
	<u>480,872</u>	<u>433,177</u>	<u>-</u>	<u>914,049</u>
<b>Total Cash Disbursements</b>	<b>480,872</b>	<b>433,177</b>	<b>-</b>	<b>914,049</b>
<b>Total Cash Receipts Over Cash Disbursements</b>	<b>4,163</b>	<b>(63,651)</b>	<b>2,375</b>	<b>(57,113)</b>
<b>Other Financing Receipts and (Disbursements):</b>				
Transfers In	-	3,000	-	3,000
Transfers Out	(5,165)	-	-	(5,165)
Other Financing Uses	(887)	-	-	(887)
	<u>(6,052)</u>	<u>3,000</u>	<u>-</u>	<u>(3,052)</u>
<b>Total Other Financing Receipts</b>	<b>(6,052)</b>	<b>3,000</b>	<b>-</b>	<b>(3,052)</b>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	(1,889)	(60,651)	2,375	(60,165)
Fund Cash Balances, January 1	<u>327,619</u>	<u>102,917</u>	<u>156,008</u>	<u>586,544</u>
Fund Cash Balances, December 31	<u>\$ 325,730</u>	<u>\$ 42,266</u>	<u>\$ 158,383</u>	<u>\$ 526,379</u>

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

**Village of Ripley  
Brown County**

*Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
Proprietary and Similar Fiduciary Fund Types  
For the Year Ended December 31, 2009*

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$ 2,638,877	\$ -	\$ 2,638,877
Total Operating Cash Receipts	2,638,877	-	2,638,877
<b>Operating Cash Disbursements:</b>			
Personal Services	391,519	-	391,519
Employee Fringe Benefits	108,394	-	108,394
Contractual Services	1,520,122	-	1,520,122
Supplies and Materials	185,809	-	185,809
Other	35,192	-	35,192
Total Operating Cash Disbursements	2,241,036	-	2,241,036
Operating Loss	397,841	-	397,841
<b>Non-Operating Receipts (Disbursements):</b>			
Capital Outlay	(290,324)	-	(290,324)
Preemption of Principal	(239,933)	-	(239,933)
Interest and Other Fiscal Charges	(68,560)	-	(68,560)
Proceeds from Debt	39,904	-	39,904
Transfer In	2,165	-	2,165
Other Financing Sources	4,555	58,223	62,778
Other Financing Uses	-	(60,870)	(60,870)
Total Non-Operating Receipts/(Disbursements)	(552,193)	(2,647)	(554,840)
Net Receipts Over Disbursements	(154,352)	(2,647)	(156,999)
Fund Cash Balances, January 1	1,527,952	2,656	1,530,608
<b>Fund Cash Balances, December 31</b>	<u>\$ 1,373,600</u>	<u>\$ 9</u>	<u>\$ 1,373,609</u>

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

**Village of Ripley  
Brown County**

**Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
Governmental Funds  
For the Year Ended December 31, 2008**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
<b>Cash Receipts:</b>				
Property Taxes	\$ 25,719	\$ 113,908	\$ -	\$ 139,627
Municipal Income Tax	203,000	-	-	203,000
Intergovernmental	391,235	101,371	-	492,606
Special Assessments	308	-	-	308
Charges for Services	24,604	64,046	3,935	92,585
Fines, Licenses and Permits	66,515	33,685	-	100,200
Earnings on Investments	62,341	2,999	-	65,340
Miscellaneous	29,669	69,994	-	99,663
	<u>803,391</u>	<u>386,003</u>	<u>3,935</u>	<u>1,193,329</u>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons & Property	362,771	109,137	-	471,908
Public Health Services	-	20,739	-	20,739
Leisure Time Activities	-	41	-	41
Community Environment	1,414	-	-	1,414
Transportation	25,826	179,309	-	205,135
General Government	133,748	-	-	133,748
Capital Outlay	42,307	-	-	42,307
Debt Service:				
Principal Payments	-	36,000	-	36,000
Interest and Fiscal Charges	-	8,276	-	8,276
	<u>566,066</u>	<u>353,502</u>	<u>-</u>	<u>919,568</u>
Total Cash Receipts Over Cash Disbursements	<u>237,325</u>	<u>32,501</u>	<u>3,935</u>	<u>273,761</u>
<b>Other Financing Receipts and (Disbursements):</b>				
Sales of Fixed Assets	2,200	-	-	2,200
Advances - Out	(1,000)	-	-	(1,000)
Advances - In	-	1,000	-	1,000
Other Financing Uses	(10,000)	-	-	(10,000)
	<u>(8,800)</u>	<u>1,000</u>	<u>-</u>	<u>(7,800)</u>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	228,525	33,501	3,935	265,961
Fund Cash Balances, January 1	<u>99,094</u>	<u>69,416</u>	<u>152,073</u>	<u>320,583</u>
Fund Cash Balances, December 31	<u>\$ 327,619</u>	<u>\$ 102,917</u>	<u>\$ 156,008</u>	<u>\$ 586,544</u>

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

**Village of Ripley  
Brown County**

*Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
Proprietary and Similar Fiduciary Fund Types  
For the Year Ended December 31, 2008*

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$ 2,670,377	\$ -	\$ 2,670,377
Total Operating Cash Receipts	2,670,377	-	2,670,377
<b>Operating Cash Disbursements:</b>			
Personal Services	432,525	-	432,525
Employee Fringe Benefits	127,095	-	127,095
Contractual Services	1,554,161	-	1,554,161
Supplies and Materials	179,340	-	179,340
Other	31,055	-	31,055
Total Operating Cash Disbursements	2,324,176	-	2,324,176
Operating Loss	346,201	-	346,201
<b>Non-Operating Receipts (Disbursements):</b>			
Capital Outlay	(613,472)	-	(613,472)
Principal	(226,424)	-	(226,424)
Interest and Other Fiscal Charges	(49,672)	-	(49,672)
Capital Contributions	313,611	-	313,611
Proceeds from Debt	191,486	-	191,486
Other Financing Sources	-	66,597	66,597
Other Financing Uses	-	(67,990)	(67,990)
Total Non-Operating Receipts/(Disbursements)	(384,471)	(1,393)	(385,864)
Net Receipts Over Disbursements	(38,270)	(1,393)	(39,663)
Fund Cash Balances, January 1	1,566,222	4,049	1,570,271
<b>Fund Cash Balances, December 31</b>	<u>\$ 1,527,952</u>	<u>\$ 2,656</u>	<u>\$ 1,530,608</u>

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

**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Ripley, Brown County, Ohio (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides water, electric, and sewer utilities, refuse pickup, and fire and police 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. Cash and Investments**

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Village values common stock at fair value when donated.

**D. Fund Accounting**

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

**1. General Fund**

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

**2. Special Revenue Funds**

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

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

**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**1. Summary of Significant Accounting Policies (continued)**

Voted Fire Levy Fund – This fund receives property tax from a levy to provide fire services to the village.

**3. Permanent Funds**

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Village's programs. The Village had the following significant permanent fund:

Perpetual Care Fund – This fund receives a portion of the monies from collections for the sale of lots. Interest monies earned are to be used for maintenance and care of the Cemetery premises and are credited directly to the Cemetery fund for this purpose.

**4. Enterprise Funds**

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

Electric Fund - This fund receives charges for electrical services provided to residents to cover the cost of providing the utility.

Water Fund – This fund receives charges for water services provided to residents to cover the cost of providing the utility.

Sewer Fund – This fund receives charges for sewer services provided to residents to cover the cost of providing the utility.

**5. 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 has no 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 fund accounts for Mayor's Court, which receives monies collected on fines imposed from tickets issued by the Village's police protection force.

**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**1. Summary of Significant Accounting Policies (continued)**

**E. Budgetary Process**

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at yearend are carried over, and need not be reappropriated. Encumbrances outstanding at years end 2009 and 2008 were canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2010, 2009, and 2008 budgetary activity appears in Note 3.

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

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

**G. Accumulated Leave**

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

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

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

	2010	2009	2008
Demand deposits	\$ 795,826	\$ 570,711	\$ 987,875
Certificates of deposit	1,333,792	1,328,403	1,128,403
Total deposits	2,129,618	1,899,114	2,116,278
Common stock (recorded at cost)	874	874	874
Total deposits and investments	<u>\$ 2,130,492</u>	<u>\$ 1,899,988</u>	<u>\$ 2,117,152</u>



**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**2. Equity in Pooled Cash and Investments (continued)**

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

**Investments:** For the years ended December 31, 2010, 2009, and 2008, the Village held investments of stock. Shares of Procter and Gamble Common Stock were donated to the Village in 1967. The Village carries this stock on their records at \$874, which is the fair market value on the date of donation. The approximate value of the stock at December 31, 2010, 2009, and 2008, was \$16,428, \$15,764, and \$15,615, respectively.

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2010, 2009, and 2008, follows:

2010 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 530,762	\$ 447,488	\$ (83,274)
Special Revenue	382,525	360,205	(22,320)
Enterprise	4,045,862	3,281,462	(764,400)
Permanent	2,000	2,400	400
Total	\$ 4,961,149	\$ 4,091,555	\$ (869,594)

2010 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 610,762	\$ 459,110	\$ 151,652
Special Revenue	386,455	313,243	73,212
Enterprise	5,133,713	3,104,528	2,029,185
Permanent	160,383	-	160,383
Total	\$ 6,291,313	\$ 3,876,881	\$ 2,414,432

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 451,880	\$ 485,035	\$ 33,155
Special Revenue	390,977	372,526	(18,451)
Enterprise	2,746,038	2,685,501	(60,537)
Permanent	2,000	2,375	375
Total	\$ 3,590,895	\$ 3,545,437	\$ (45,458)

**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**3. Budgetary Activity (continued)**

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 779,497	\$ 486,924	\$ 292,573
Special Revenue	455,180	433,177	22,003
Enterprise	4,258,125	2,839,853	1,418,272
Permanent	158,008	-	158,008
Total	\$ 5,650,810	\$ 3,759,954	\$ 1,890,856

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 725,111	\$ 805,591	\$ 80,480
Special Revenue	415,209	387,003	(28,206)
Enterprise	4,495,143	3,175,474	(1,319,669)
Permanent	155,618	3,935	(151,683)
Total	\$ 5,791,081	\$ 4,372,003	\$ (1,419,078)

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 979,852	\$ 577,066	\$ 402,786
Special Revenue	446,270	353,502	92,768
Enterprise	4,944,226	3,213,744	1,730,482
Permanent	153,661	-	153,661
Total	\$ 6,524,009	\$ 4,144,312	\$ 2,379,697

**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.

**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**4. Property Tax (continued)**

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.

**5. Local Income Tax**

The Village levies a municipal income tax of one percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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

**6. Debt**

Debt outstanding at December 31, 2010, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
2001 Fire Truck Bond	\$ 42,000	4.80%
1970 OWDA 1030	12,340	6.25%
2006 OWDA Loan 4539	2,348,926	0.00%
2006 OWDA Loan 4438	2,780,488	1.50%
2007 OWDA Loan 4752	181,077	3.97%
2010 OWDA Loan 5634	400	1.50%
Total	<u>\$ 5,365,231</u>	

October 24, 2001, the Village issued \$342,000 in Fire Truck Bonds for the purchase of a fire truck. The bonds are due in ten annual installments beginning October 1, 2002, and ending October 1, 2011, in varying principal amounts with an interest rate of 4.80%.

June 30, 1970, the Village obtained a loan from Ohio Water Development Authority (OWDA) in the amount of \$128,666 for a sewer project. The loan was for forty years due in semi-annual installments of \$4,411 through 2012, bearing interest at 6.25%.

January 26, 2006, the Village obtained a loan from OWDA in the amount of \$3,025,745 for a water treatment plant replacement project. The loan is for 30 years due in semi-annual installments on January 1 and July 1, bearing interest at 1.50%.

May 25, 2006, the Village obtained a loan from OWDA in the amount of \$2,783,573 for a wastewater treatment plant project. The loan is for 20 years due in semi-annual installments on January 1 and July 1, with no interest. As of December 31, 2010, \$2,510,438 of the loan has been utilized. Repayment will begin at the completion of the project.

**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**6. Debt (continued)**

July 26, 2010, the Village obtained a loan from OWDA in the amount of \$205,947 for a water treatment plant replacement project. The loan is for 30 years due in semi-annual installments on January 1 and July 1, bearing interest at 3.97%. As of December 31, 2010, \$187,741 of the loan has been utilized. Repayment will begin at the completion of the project.

May 31, 2010, the Village obtained a loan from OWDA in the amount of \$564,225 for water system improvements project. The loan is for 30 years due in semi-annual installments on January 1 and July 1, bearing interest of 1.50%. As of December 31, 2010, \$1,968 of the loan has been utilized. Repayment will begin at the completion of the project.

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

Year ending December 31:	2001 Fire Truck Bond	1978 OWDA 1030	2006 OWDA Loan 4438	2007 OWDA Loan 4752
2011	\$ 44,016	8,822	\$ 125,619	\$ 10,973
2012	-	4,411	125,619	10,973
2013	-	-	125,619	10,973
2014	-	-	125,619	10,973
2015	-	-	125,619	10,973
2016 - 2020	-	-	628,095	54,865
2021 - 2025	-	-	628,095	54,865
2026 - 2030	-	-	628,095	54,865
2031 - 2035	-	-	628,095	54,865
2036 - 2038	-	-	251,238	32,919
Total	<u>\$ 44,016</u>	<u>\$ 13,233</u>	<u>\$ 3,391,713</u>	<u>\$ 307,244</u>

**7. Retirement Systems**

The Village's full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2010, 2009, and 2008, OP&F participants contributed 10% of their wages. For 2010, 2009, and 2008, the Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. For 2010, 2009, and 2008, OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2010.

**VILLAGE OF RIPLEY  
BROWN COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009 and 2008

**8. Risk Management**

**Commercial Insurance**

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles and equipment;
- Inland marine;
- Errors and omissions; and
- Umbrella for Volunteer Fireman's Insurance

The Village also provides health insurance coverage to full-time employees through a private carrier.

**9. Accountability and Compliance**

Contrary to the Ohio Revised Code section 5705.36 the Village had several funds with appropriations in excess of available resources.

Contrary to the Ohio Revised Code section 9.38 the Village did not make timely deposits of public monies.

Contrary to the Ohio Revised Code section 5705.41(D)(1) the Village did not properly encumber funds prior to expending them.

Contrary to the Ohio Revised Code section 5705.39 the Village had several funds with appropriations in excess of estimated resources.



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

Council Members  
Village of Ripley  
Brown County  
123 Waterworks Road  
Ripley, Ohio 45167

We have audited the financial statements of Village of Ripley, Brown County, Ohio, (the Village) as of and for the years ended December 31, 2010, 2009 and 2008, and have issued our report thereon dated June 24, 2011, wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America, and that we were unable to satisfy ourselves as to the accuracy of the Village utility billing receipts for the years ended December 31, 2009 and 2008. 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'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's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Village'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 we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses and another deficiency we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and timely corrected. We consider findings 2010-004 through 2010-007 described in the accompanying schedule of findings to be material weaknesses.

A significant deficiency is a deficiency or 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. We consider finding 2010-008 described in the accompanying schedule of findings to be a significant deficiency.

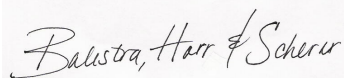
### Compliance and Other Matters

As part of reasonably assuring whether the Village'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 instances of noncompliance or other matters that we must report under *Government Auditing Standards* which described in the accompanying schedule of findings as items 2010-001 through 2010-003 and 2010-009.

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 24, 2011.

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

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



Balestra, Harr & Scherer, CPAs, Inc.  
June 24, 2011

**Village of Ripley**  
**Brown County**  
*Schedule of Findings*  
*December 31, 2010*

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**FINDING NUMBER 2010-001**

**Material Noncompliance**

Ohio Revised Code Section 5705.36(A)(2) allows all subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources.

Ohio Revised Code Section 5705.36(A)(4) requires obtaining a reduced amended certificate if the amount of the deficiency will reduce available resources below the current level of appropriation. The total appropriations made during a fiscal year from any fund must not exceed the amount contained in the certificate of estimated resources or the amended certificate of estimated resources that was certified prior to making the appropriation or supplemental appropriation.

On December 31, 2008, appropriations exceeded actual resources as follows:

Fund	Actual Resources	Appropriations	Variance
General	\$ 904,685	\$ 979,852	\$ (75,167)
Street Construction, Maintenance, and Repair	190,153	210,378	(20,225)
Cemetery	21,364	21,818	(454)
Law Enforcement Trust	3,535	4,571	(1,036)
Liberty Monument	2,769	2,910	(141)
Sewer	776,745	846,385	(69,640)
Electric	2,652,793	2,752,583	(99,790)
Trash	183,741	187,766	(4,025)
Enterprise Improvement	416,006	473,574	(57,568)
Metter Deposits	171,940	183,647	(11,707)

On December 31, 2009, appropriations exceeded actual resources as follows:

Fund	Actual Resources	Appropriations	Variance
Street Construction, Maintenance, and Repair	177,558	184,340	(6,782)
Drug Law Enforcement	38,700	42,798	(4,098)
Law Enforcement Trust	1,364	1,799	(435)
Water	550,248	431	549,817
Electric	2,502,001	2,513,633	(11,632)
Enterprise Improvement	35,735	70,000	(34,265)



**Village of Ripley**  
**Brown County**  
*Schedule of Findings*  
*December 31, 2010*

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**FINDING NUMBER 2010-001 (continued)**

On December 31, 2010, appropriations exceeded actual resources as follows:

Fund	Actual Resources	Appropriations	Variance
Street Construction, Maintenance, and Repair	158,110	167,143	(9,033)
Water	496,521	510,102	(13,581)
Enterprise Improvement	338,223	560,000	(221,777)
Enterprise Improvement/Water	2,646	600,000	(597,354)

The Village should monitor variances between estimated and actual revenues and amended certificates as necessary.

***Client Response:***

Fiscal Officer will keep a close check on this and he sure to get appropriation certificate.

**FINDING NUMBER 2010-002**

**Material Noncompliance Citation**

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

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

1. “Then and Now” certificate – if the fiscal officer can certify that both at the time that the contract or order was made (“then”), and at the time that the fiscal officer is completing the certificate (“now”), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from the receipt of the “then and now” certificate to approve payment by ordinance or resolution.

Amounts of less than \$3000 (\$1,000 prior to April 7, 2003) may be paid by the fiscal officer without a resolution or ordinance upon completion of the “then and now” certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditure by the Village.

**Village of Ripley**  
**Brown County**  
*Schedule of Findings*  
*December 31, 2010*

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**FINDING NUMBER 2010-002 (continued)**

2. Blanket Certificate – Fiscal officers may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. (Prior to September 26, 2003, blanket certificates were limited to \$5,000 and three months.) The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for one particular line item appropriation.

The availability of funds were not certified in 29% of the Villages expenditures tested, nor did the Village use the aforementioned exceptions. Every effort should be made by the Village to properly utilize the encumbrance method of accounting by certifying funds on purchase orders.

The Village did not certify the availability of funds or properly utilize the encumbrance method of accounting by certifying funds on purchase orders. Procedures should be adopted by the Village that would assure that commitments are properly encumbered prior to the expenditure of Village funds.

***Client Response:***

We were just starting to use the P.O. System, this has been corrected.

**FINDING NUMBER 2010-003**

**Material Noncompliance Citation**

Ohio Revised Code section 9.38 states in part that public money must be deposited with the treasurer of the public office or to a designated depository on the business day following the day of receipt. Public money collected for other public offices must be deposited by the first business day following the date of receipt.

The Village utility department was not making timely deposits during 2008 and 2009. We noted that the Village was only making deposits once or twice per month.

The Village should deposit public monies by the following business day.

***Client Response:***

This was cited in the previous special audit. The issue was corrected prior to the conclusion of the special audit and a response was issued to the Auditor of State.

**Village of Ripley**  
**Brown County**  
*Schedule of Findings*  
*December 31, 2010*

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**FINDING NUMBER 2010-004**

**Material Weakness**

Customer utility account adjustments were made with limited or no supervision. Additionally, none of the adjustments were authorized by the Village Administrator.

Failure to obtain supervisory approval and reconcile adjustments posted to those authorized could result in errors or irregularities going undetected for an extended period of time.

The Village should establish procedures for requesting posting and approving customer utility deposit adjustments. Documentation maintained should explain the reason for the adjustment and reflect supervisory approval prior to posting the adjustment to the utility system. Periodically, an individual independent of the adjustment process should reconcile authorized adjustments to those posted to the utility system to verify and authorized adjustments were posted to the utility system.

***Client Response:***

This was cited in the previous special audit. The issue was corrected prior to the conclusion of the special audit and a response was issued to the Auditor of State.

**FINDING NUMBER 2010-005**

**Material Weakness**

On a monthly basis, an individual independent of the utility collection process should reconcile the utility receipts received to the receipts posted to UAN and deposited. No reconciliation was performed to verify whether funds collected per the utility computer system agreed to those posted as receipts in UAN or to those deposited into the Village's bank account.

Due to this lack of reconciliation, the Village was unaware that some payments posted in the utility system were not recorded in the UAN system. Failing to reconcile the utility subsystem with the Village's ledgers and bank accounts prevented the timely detection of utility funds received that were not posted into UAN or deposited.

***Client Response:***

This was cited in the previous special audit. The issue was corrected prior to the conclusion of the special audit and a response was issued to the Auditor of State.

**Village of Ripley**  
**Brown County**  
*Schedule of Findings*  
*December 31, 2010*

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**FINDING NUMBER 2010-006**

**Material Weakness**

On the date received, customer utility payments should be posted to the Village utility computer system, receipted in UAN, and deposited into the Village's bank account. While the Village posted payments received to the customer's accounts within the utility system, some of the payments deposited did not agree to the payments for that day's collections recorded in the utility computer system. Additionally, some of the payments posted in the utilities computer system were never received and some payments were posted prior to the date received. The Village utility department issued manual receipts for partial payments of utility services. The utility clerk voided receipts without documenting the reasoning or with the Village Administrator's approval.

Posting payments to the utility customer accounts when the payment has not been received and deposited results in the reporting of inaccurate utility account balances and potential revenue loss for payments not received and penalties not charged.

We recommend the utility clerk post payments to the utility computer system and deposit the payments on the day they are received. The Village should also refrain from issuing manual receipts. Also, the Village should receive approval for any voided transactions and maintain the documentation for the voided transaction.

***Client Response:***

This was cited in the previous special audit. The issue was corrected prior to the conclusion of the special audit and a response was issued to the Auditor of State.

**FINDING NUMBER 2010-007**

**Material Weakness**

When establishing utility service, the customer is required to pay the Village a utility deposit. The deposit rates are established by council approved ordinance. The Village should have a policy and procedures for issuing utility deposit refunds. The utility deposit cards did not always note the approved rates and did not note the amount the customer paid. There were instances of deposits that did not agree to the authorized council rates. The Village does not have a policy or procedures in place for issuing utility deposit refunds.

The Village should complete the deposit cards in their entirety. The Village should ensure that the authorized deposits are being charged. The Village should establish a policy and procedures over deposit refunds. Also, the Village should have all deposit reports reviewed.

***Client Response:***

This was cited in the previous special audit. The issue was corrected prior to the conclusion of the special audit and a response was issued to the Auditor of State.

**Village of Ripley**  
**Brown County**  
*Schedule of Findings*  
*December 31, 2010*

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**FINDING NUMBER 2010-008**

**Significant Deficiency**

When collecting utility payments, check payments should be listed as payable to the Village of Ripley. These payments should be posted to the Village's utility computer system and deposited into the Village's bank account. The Village permitted employees and certain village residents to cash personal checks using cash collected from utility customer payments. By cashing personal and third party checks, the Village increases its exposure to loss due to returned bad checks and related non-sufficient fund charges.

We recommend the Village discontinue the practice of cashing third-party checks and only accept checks payable to the Village for customer utility account payments. Additionally, the Village should implement and post their policy prohibiting the cashing of personal checks at the Village.

***Client Response:***

This was cited in the previous special audit. The issue was corrected prior to the conclusion of the special audit and a response was issued to the Auditor of State.

**FINDING NUMBER 2010-009**

**Material Noncompliance**

Ohio Rev. Code Section 5705.39 – Appropriations limited by estimated resources. The total appropriations from each fund shall not exceed the total estimated resources. No appropriation measure is effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate.

Appropriations exceeded combined estimated resources and unencumbered fund balance in the General Fund by \$155,647, the Cemetery Fund by \$4,133 and the Drug Law Enforcement Fund by \$5,735 for 2008.

Appropriations exceeded combined estimated resources and unencumbered fund balance in the Fire Fund by 18,530 for 2009.

We recommend that the Township monitor their appropriations to the combined unencumbered balance and estimated resources more closely throughout the year and make amendments where necessary.

***Client Response:***

Fiscal Officer will make sure this doesn't happen in the future.

**VILLAGE OF RIPLEY  
BROWN COUNTY  
SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2010, 2009 AND 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2007-001	Significant Deficiency/Material Weakness Non-Compliance Ohio Revised Code Section 733.28 – Proper maintaining of accounting records	Yes	
2007-002	Significant Deficiency/Material Weakness – Accurate and timely bank reconciliations	Yes	
2007-003	Material Non-Compliance Ohio Revised Code Section 5705.36 – Appropriations exceeded available resources.	No	Reissue as 2010-001
2007-004	Material Non-Compliance Ohio Revised Code Section 5705.36 – Certify All Resource Available from all sources.	Yes	
2007-005	Material Non-Compliance Ohio Revised Code Section 9.38 – Timely Deposits.	No	Reissue as 2010-003
2007-006	Material Non-Compliance Ohio Revised Code Section 5705.41(D)(1) – Then and Now Certifications	No	Reissue as 2010-002
2007-007	Material Non-Compliance Ohio Revised Code Section 5705.41(B) – Expending more money than was appropriated.	Yes	
2007-008	Material Non-Compliance Ohio Revised Code Section 5705.10 – Negative Fund Balances.	No	Partially corrected issued in the Management Letter
2007-009	Material Non-Compliance Ohio Revised Code Section 5705.14 – Transfer funds without Council Approval.	Yes	
2007-010	Material Non-Compliance Ohio Revised Code Section 731.12 – Holding a position with the Village while being a Council Member.	Yes	



# Dave Yost • Auditor of State

VILLAGE OF RIPLEY

BROWN 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  
JULY 28, 2011