



**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



VILLAGE OF CLARKSVILLE  
CLINTON COUNTY

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## INDEPENDENT ACCOUNTANTS' REPORT

Village of Clarksville  
Clinton County  
P.O. Box 206  
Clarksville, Ohio 45113

To the Village Council:

We have audited the accompanying financial statements of the Village of Clarksville, Clinton County, Ohio (the Village), as of and for the year ended December 31, 1999. 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.

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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying financial statements present disbursements by fund type only, rather than by disbursement program or object. The Auditor of State requires financial statements to classify disbursements by program or object.

As described in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, except for the omission of disbursement classifications by program or object, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Village as of December 31, 1999, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2001 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 grants. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Village of Clarksville  
Clinton County  
Independent Accountants' Report  
Page 2

This report is intended solely for the information and use of the management, Council, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

August 21, 2001

**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>General</b>	<b>Special Revenue</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Property Tax and Other Local Taxes	\$9,891	\$3,275	\$13,166
Special Assessments	0	5,912	5,912
Intergovernmental Receipts	17,792	20,610	38,402
Charges for Services	0	86,000	86,000
Donations	0	5,592	5,592
Earnings on Investments	2,675	583	3,258
Unclassified	412	11,565	11,977
Total Cash Receipts	30,770	133,537	164,307
<b>Cash Disbursements:</b>			
Unclassified	45,032	154,113	199,145
Total Disbursements	45,032	154,113	199,145
Total Receipts Over/(Under) Disbursements	(14,262)	(20,576)	(34,838)
Fund Cash Balances, January 1	34,589	167,955	202,544
<b>Fund Cash Balances, December 31</b>	<b>\$20,327</b>	<b>\$147,379</b>	<b>\$167,706</b>

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

VILLAGE OF CLARKSVILLE  
CLINTON COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Enterprise</u>
<b>Operating Cash Receipts:</b>	
Charges for Services	<u>\$136,579</u>
Total Operating Cash Receipts	<u>136,579</u>
<b>Operating Cash Disbursements:</b>	
Unclassified	<u>100,305</u>
Total Operating Cash Disbursements	<u>100,305</u>
Operating Income/(Loss)	<u>36,274</u>
<b>Non-Operating Cash Receipts:</b>	
Intergovernmental Receipts	126,550
Unclassified	<u>3,482</u>
Total Non-Operating Cash Receipts	<u>130,032</u>
<b>Non-Operating Cash Disbursements:</b>	
Unclassified	<u>135,224</u>
Total Non-Operating Cash Disbursements	<u>135,224</u>
Net Receipts Over/(Under) Disbursements	31,082
Fund Cash Balances, January 1	<u>27,622</u>
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$58,704</u></u></b>
Reserve for Encumbrances, December 31	<u><u>\$1,874</u></u>

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



**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Village of Clarksville, Clinton County, Ohio (the Village), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including water, sewer and waste utilities. The Village contracts with the Clinton County Sheriff's department to provide security of persons and property.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, except for the classification of disbursements, 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).

The Village did not classify disbursements using the chart of accounts prescribed by the Ohio Admin. Code, Sections 117-5-05, 06 and 08. These sections of the Ohio Administrative Code require disbursements to be classified by program or object.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Deposits**

During 1999, the Village's funds were deposited in a checking account with a local commercial bank.

**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 is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Fund**

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

**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fire and Rescue Fund - This fund receives proceeds from the tax levy and proceeds from contracts with other governmental entities to provide fire and ambulance services.

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

Waste Fund - This fund receives charges for services from residents to cover the cost of providing household garbage removal.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund 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 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 commitments are made. Encumbrances outstanding at year-end are carried over, and need not be reappropriated. Contrary to the Ohio Revised Code, the Village did not encumber all commitments. However, a review was conducted of commitments at year-end and material commitments that should have been recorded at year-end were added to the financial statements as Reserves for Encumbrances.

A summary of 1999 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999  
(Continued)**

**2. EQUITY IN POOLED CASH AND DEPOSITS**

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

	<u><b>1999</b></u>
Demand deposits	<u><u>\$ 226,410</u></u>

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

At December 31, 1999, \$126,410 of deposits were not insured or collateralized, contrary to Chapter 135, Ohio Rev. Code. The Village did not have a depository agreement after October 7, 1999 or collateral statements for their monies on deposit during 1999.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ending December 31, 1999 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 27,826	\$ 30,770	\$ 2,944
Special Revenue	113,600	133,537	19,937
Enterprise	654,000	266,611	(387,389)
Total	\$ 795,426	\$ 430,918	\$ (364,508)

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 42,745	\$ 45,032	\$ (2,287)
Special Revenue	205,460	154,113	51,347
Enterprise	671,473	237,403	434,070
Total	\$ 919,678	\$ 436,548	\$ 483,130

Contrary to Ohio law, estimated receipts exceeded actual receipts in the Sewer Fund by \$409,135. During several months, the Sewer Fund had a negative fund balance.

**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999  
(Continued)**

**4. PROPERTY TAX**

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

**5. DEBT**

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
OWDA Loan #EV0428	\$ 26,803	0%
OWDA Loan #EV0438	30,000	0%
OWDA Loan #EV0462	20,000	0%
OWDA Loan #499SRF	137,480	0.00%
Fire Truck Lease Purchase Agreement	64,055	5.85%
Ambulance Lease Purchase Agreement	36,410	5.60%
Total	\$ 314,748	

The OWDA loans (EV0438, EV0462 and 499SRF) were issued in 1993, 1996 and 1999 relating to the waste water treatment plant. These loans were for the planning phase of the project. These were secured by the revenues.

The OWDA loan #EV0428 was issued in 1993 relating to the water works improvements. This was secured by the revenues.

The Fire Truck Lease Purchase Agreement was entered into in 1997, when the 1994 fire truck bond anticipation notes were converted to a lease purchase agreement with Fifth Third Bank, which retains a security interest in and to all rights, title, and interest in and to the equipment.

The Ambulance Lease Purchase Agreement was entered into in 1998 with Leasing One Corporation, a division of Farmers Bank and Capital Trust Company, which retains a security interest in and to all rights, title, and interest in and to the equipment.

**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999  
(Continued)**

**5. DEBT (Continued)**

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

Year ending December 31:	OWDA #EV0428	OWDA #EV0438	OWDA #EV0462	OWDA #499SRF	Fire Truck	Ambulance
2000	\$ 1,985	\$ 5,000	\$ 2,500	\$ 27,496	\$ 23,590	\$ 13,716
2001	1,985	5,000	2,500	27,496	23,590	13,716
2002	1,985	5,000	2,500	27,496	23,590	13,716
2003	1,985	5,000	2,500	27,496	0	0
2004	1,985	5,000	2,500	27,496	0	0
Subsequent	<u>16,878</u>	<u>5,000</u>	<u>7,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 26,803</u>	<u>\$ 30,000</u>	<u>\$ 20,000</u>	<u>\$ 137,480</u>	<u>\$ 70,770</u>	<u>\$ 41,148</u>

**6. RETIREMENT SYSTEMS**

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

Contribution rates are also prescribed by the Ohio Revised Code. For 1999, PERS members contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55% of participants' gross salaries.

**7. RISK MANAGEMENT**

The Village has obtained commercial insurance for the following risks:

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

**8. OTHER NONCOMPLIANCE**

Contrary to Ohio Rev. Code, Section 9.38, the Village failed to deposit money collected every 24 hours.

The Village prepared unclassified financial statements for disbursements for the year ended December 31, 1999. This presentation is a material departure from the presentation prescribed by the Auditor of State in Ohio Admin. Code, Section 117-5-05, 06 and 08. These sections of the Ohio Administrative Code requires disbursements to be classified by program or object.

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

Village of Clarksville  
Clinton County  
P.O. Box 206  
Clarksville, Ohio 45113

To the Village Council:

We have audited the accompanying financial statements of the Village of Clarksville, Clinton County, Ohio (the Village), as of and for the year ended December 31, 1999, and have issued our report thereon dated August 21, 2001 which was qualified since the Village did not classify disbursements in the manner prescribed by the Auditor of State. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 1999-30414-001 through 1999-30414-004. We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated August 21, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely effect the Village's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings as items 1999-30414-001, 1999-30414-002 and 1999-30414-005.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 1999-30414-001 and 1999-30414-002 to be material weaknesses.

Village of Clarksville  
Clinton County  
Report on Compliance and on Internal Control Required by  
*Government Auditing Standards*  
Page 2

This report is intended for the information and use of the management and Council, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

August 21, 2001



**VILLAGE OF CLARKSVILLE  
CLINTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 1999**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 1999-30414-001**

**Material Noncompliance/Material Weakness**

Ohio Rev. Code, Section 5705.41(D), prohibits a subdivision or taxing unit from making any contract or giving any order involving the disbursement of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every such contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

This section also provides two exceptions to the above requirement:

- A. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free fo any previous encumbrances, the Council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- B. If the amount involved is less than \$1,000, the Clerk-Treasurer may authorize payment through a Then and Now Certificate without affirmation of the Council, if such expenditure is otherwise valid.

The availability of funds was not certified for 90% of the Village's commitments. Purchase orders are used to ensure that the funds are available and not already "set aside" to be spent, and aids in helping to prevent negative appropriation balances. Purchase orders should be completed before an expenditure is made.

**FINDING NUMBER 1999-30414-002**

**Material Noncompliance/Material Weakness**

The Village's fiscal officer did not maintain an accurate receipt ledger or appropriation ledger.

Ohio Rev. Code, Section 733.28, requires the Clerk to keep the books of the Village, exhibit accurate statements of all monies received and expended, and maintain records of all property owned by the Village and the income derived.

Ohio Rev. Code, Section 117.43, authorized the Auditor of State to prescribe by rule, requirements for accounting and financial reporting for public offices other than state agencies. The Auditor of State had prescribed a uniform accounting system for Villages which is set forth in Ohio Admin. Code, Chapter 117-5, as follows:

- Sections 117-5-04 and 07 establish guidelines for the proper coding and classification of Village receipts. The Village did not always properly code and classify receipts. However, the financial statements have been adjusted to code and classify receipts in accordance with these sections.

**FINDING NUMBER 1999-30414-002**  
**(Continued)**

- Sections 117-5-05, 06, and 08 establish guidelines for the proper coding and classification of Village disbursements. The Village did not always properly code and classify disbursements.
- Section 117-5-10 requires a Village to post to each receipts account the estimated amount of monies to be received into the account as specified by the County budget commission. It also provides that receipts shall be entered in the "Amount Received" column and in the "Credit" column and subtracted from the budget estimate amount ("Balance"). The Village did not maintain a complete receipt ledger during 1999.
- Section 117-5-11 requires the Village to maintain an appropriation ledger in a complete and accurate form, as prescribed. The Village did not maintain a complete, accurate, and reliable appropriation ledger during 1999.
- Section 117-5-13 provides that each Village use purchase orders, as prescribed, for all expenditures. The Village did not use purchase orders for all expenditures during 1999.
- Section 117-5-14 provides that the date, purchase order number, amount, and other required information shall be entered in the space or column provided on the (voucher) form prescribed in paragraph (C) of this rule. The Village did not list purchase orders on their voucher packages and an appropriation code was not utilized on the voucher.

Failure to use these ledgers to monitor activity could result in budgetary law violations. Budgetary variances should be monitored through the year, and amended certificates and appropriation modifications should be obtained when necessary.

Maintaining the above-mentioned ledgers will help to provide accurate and complete financial information for management to use in the decision making process. It will also assist in the preparation of the Village's annual financial reports.

We recommend the Village maintain receipt and appropriation ledgers, as prescribed by the Ohio Admin. Code. Encumbrances and disbursements should be posted to the appropriation ledger resulting in declining unencumbered balances. Receipts should be posted by fund and source, with a running balance maintained. Receipts received and checks written should be posted in chronological and numerical order. At year-end, the totals from these ledgers should be carried forward to the annual financial report.

**FINDING NUMBER 1999-30414-003**

**Material Noncompliance**

Ohio Rev. Code, Section 9.38, states public money must be deposited with the treasurer of the public office or to a designated depository on the business day of the receipt, if the total amount of such moneys received exceeds \$1,000. If the total amount does not exceed \$1,000, the public official has the option of either depositing the money on the next business day following the day for receipt or adopting a policy permitting a different time period. The alternate time period, however, shall not exceed three business days following the day of receipt. Further, the policy must include procedures to safeguard the money until the time of deposit. During testing, it was noted that 60% of utility receipts were not deposited timely.

**FINDING NUMBER 1999-30414-004**

**Material Noncompliance**

Ohio Rev. Code, Section 5705.36, provides, in part, that upon the determination by a Clerk that the revenue to be collected by the Village will be less than the amount included in the current certificate, the Clerk shall certify the amount of the deficiency to the budget commission, and if the commission determines that the Clerk's certification is reasonable, the commission shall certify an amended official certificate reflecting the reduction. The Village did not certify the deficiency in the Sewer Fund in the amount of (\$409,135).

**FINDING NUMBER 1999-30414-005**

**Reportable Condition**

The small size of the Village staff does not allow for an adequate segregation of duties. The Clerk processes all the financial record keeping including receipting, posting and reconciling to the depository. Bookkeeping errors may occur without the detection of management. It is, therefore, important that the Council monitor financial activity.

We believe the following conditions indicate a need for increased oversight of management by the Village:

- The annual appropriation resolution did not foot to the totals shown on the appropriation form. The Council's resolution adopting the appropriations did not contain any amounts, so it is assumed that the actual total of the individual appropriations were adopted, and not the incorrect amount shown. The appropriations form should be footed to assure that the totals are correct before adoption by the Council, and that the Council resolution include at least fund totals.
- The Village was making payments to the Auditor of State for usage of the Uniform Accounting Network (UAN) during the audit period, but was not using the system. The Village should begin using the UAN system to help clear up the common errors noted when using a manual system, since they are already paying for it.
- The cashbook does not agree to the receipts and appropriation ledgers. All items were posted to the cashbook, but did not get posted to the receipts and appropriation ledgers. Individual fund balances were not carried in the cashbook, just receipts and disbursement totals by month. Fund balances should be carried throughout the cashbook and used in the monthly reconciliations.
- The annual financial report does not tie within itself. The individual fund worksheets do not tie to the appropriation or receipts ledgers, and the individual fund worksheets do not carry forward to the combining or combined statements in the financial report.

To maintain continuing accountability and to strengthen internal accounting controls, officials should periodically review the records to determine accuracy and to assure themselves that proper procedures are followed by the fiscal officer. For each regular Council meeting, the Clerk should provide Council members with detailed budget and actual financial statements, cash balances, checks paid, outstanding encumbrances and bank reconciliations. These periodic reviews should be noted in the minutes and documents reviewed should be initialed by the reviewer.





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**VILLAGE OF CLARKSVILLE**

**CLINTON 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 2, 2001**