



Mary Taylor, CPA
Auditor of State

VILLAGE OF JACKSONBURG
BUTLER COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2008.....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007.....	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	11
Schedule of Findings	13
Schedule of Prior Audit Findings	17

This page intentionally left blank.



Mary Taylor, CPA
Auditor of State

Village of Jacksonburg
Butler County
4610 Middletown Oxford Road
Middletown, Ohio 45042

To the Village Council:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS 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. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

Mary Taylor

Mary Taylor, CPA
Auditor of State

November 24, 2009

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Village of Jacksonburg
Butler County
4610 Middletown Oxford Road
Middletown, Ohio 45042

To the Village Council:

We have audited the accompanying financial statements of the Village of Jacksonburg, Butler County, Ohio (the Village), as of and for the years ended December 31, 2008 and 2007. 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 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 Villages to reformat their statements. The Village has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007 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, 2008 and 2007, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Jacksonburg, Butler County, Ohio as of December 31, 2008 and 2007, 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 November 24, 2009, 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.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

November 24, 2009

**VILLAGE OF JACKSONBURG
BUTLER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts:			
Property and Local Taxes	\$988	\$527	\$1,515
Intergovernmental	18,400	2,032	20,432
Charges for Services	67		67
Total Cash Receipts	19,455	2,559	22,014
Cash Disbursements:			
Current:			
Security of Persons and Property	1,853		1,853
Basic Utility Service	6,668		6,668
General Government	19,404		19,404
Total Cash Disbursements	27,925	0	27,925
Total Receipts Over/(Under) Disbursements	(8,470)	2,559	(5,911)
Fund Cash Balances, January 1	99,391	22,127	121,518
Fund Cash Balances, December 31	\$90,921	\$24,686	\$115,607

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

**VILLAGE OF JACKSONBURG
BUTLER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Property and Local Taxes	\$1,976	\$737	\$2,713
Intergovernmental	23,729	1,558	25,287
Charges for Services	81		81
	<u>25,786</u>	<u>2,295</u>	<u>28,081</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
Security of Persons and Property	2,567		2,567
Basic Utility Service	5,320		5,320
General Government	16,056		16,056
	<u>23,943</u>	<u>0</u>	<u>23,943</u>
Total Cash Disbursements			
Total Receipts Over Disbursements	<u>1,843</u>	<u>2,295</u>	<u>4,138</u>
Fund Cash Balances, January 1	<u>97,548</u>	<u>19,832</u>	<u>117,380</u>
Fund Cash Balances, December 31	<u><u>\$99,391</u></u>	<u><u>\$22,127</u></u>	<u><u>\$121,518</u></u>

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

**VILLAGE OF JACKSONBURG
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007**

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 Jacksonburg, Butler County, Ohio (the Village), as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides refuse collection services. The Village contracts with the Butler County Sheriff's department to provide security of persons and property. The Village contracts with Wayne 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. Cash and Deposits

The Village maintains a general checking account.

D. Fund Accounting

The Village uses fund accounting to segregate cash and deposits 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.

State Highway Improvement Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing state highways.

**VILLAGE OF JACKSONBURG
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

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 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 canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2008 and 2007 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.

2. Equity in Pooled Cash Deposits

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

	<u>2008</u>	<u>2007</u>
Demand deposits	<u>\$115,607</u>	<u>\$121,518</u>

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

**VILLAGE OF JACKSONBURG
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$20,987	\$19,455	(\$1,532)
Special Revenue	0	2,559	2,559
Total	\$20,987	\$22,014	\$1,027

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$39,445	\$27,925	\$11,520
Special Revenue	0	0	0
Total	\$39,445	\$27,925	\$11,520

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$25,786	\$25,786
Special Revenue	0	2,295	2,295
Total	\$0	\$28,081	\$28,081

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$29,640	\$23,943	\$5,697
Special Revenue	0	0	0
Total	\$29,640	\$23,943	\$5,697

The Village did not certify to the county auditor their Certificate of the Total Amount from All Sources Available for Expenditures, and Balances for fiscal year 2007 or 2008. In addition, appropriations exceeded available resources and estimated resources for the General Fund at December 31, 2007.

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 JACKSONBURG
BUTLER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

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. Retirement System

Effective July 1, 1991, all employees not otherwise covered by the Ohio Public Employees Retirement System (OPERS) have an option to choose Social Security. As of December 31, 2008, all employees of the Village have elected Social Security. The employees' liability is 6.2 percent of wages paid. As of December 31, 2008 all payments have been made.

6. Compliance

The Village did not properly maintain the books and exhibit accurate statements of all monies received and expended.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Village of Jacksonburg
Butler County
4610 Middletown Oxford Road
Middletown, Ohio 45042

To the Village Council:

We have audited the financial statements of the Village of Jacksonburg, Butler County, Ohio (the Village), as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated November 24, 2009, 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. 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 expressing our opinion on the financial statements, but not to opine 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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Village's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider finding 2008-003 described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Village's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe the significant deficiency described above is not a material weakness.

We also noted certain internal control matters that we reported to the Village's management in a separate letter dated November 24, 2009.

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 we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2008-001, 2008-002, 2008-004, and 2008-005.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated November 24, 2009.

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



Mary Taylor, CPA
Auditor of State

November 24, 2009

**VILLAGE OF JACKSONBURG
BUTLER COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007**

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

FINDING NUMBER 2008-001

Noncompliance Citation

Ohio Administrative Code, § 117-2-02(A), requires governments to maintain an accounting system and accounting records sufficient to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements as required by Ohio Administrative Code § 117-2-03. Per Ohio Administrative Code § 117-2-02(D), accounting records that can help achieve these objectives include:

1. Cash journal, which typically includes the amount, date, receipt number, check number, account code, purchase order number, and any other information necessary to properly classify the transaction.
2. Receipts ledger, which typically assembles and classifies receipts into separate accounts for each type of receipt of each fund.
3. Appropriation ledger, which assembles and classifies disbursements into separate accounts, for at a minimum, each account listed in the appropriation resolution.

The Village maintained a cash journal during the audit period; however, the journal was not reconciled to the bank balance for 2007 or 2008. The Village also maintained a receipt ledger during the audit period; however, the ledger did not include estimated receipts and declining balances. The receipt ledger was not reconciled to the cash journal for 2007 or 2008. The receipt ledger did not utilize account classifications to facilitate preparation of the Village's annual financial report. The Village also maintained an appropriation ledger during the audit period to record disbursements; however, the ledger did not include appropriations, encumbrances, and declining unencumbered appropriation balances. The appropriation ledger did not utilize account classifications to facilitate preparation of the Village's annual financial report.

All of these conditions exhibit a lack of control over the recording and reporting of the Village's financial activity.

We recommend the Village reconcile the cash journal to the bank, the receipt ledger, and the appropriation ledger on a monthly basis. We also recommend that the Village incorporate estimated receipts and appropriations within the ledgers and monitor these amounts on a regular basis. Implementation of these procedures will add a substantial measure of control to the receipt and expenditure process, as well as provide assurance that the activity is properly handled and fairly presented on the Village's ledgers and financial reports.

FINDING NUMBER 2008-002

Noncompliance Citation

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

FINDING NUMBER 2008-002
(Continued)

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 certification ("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 \$3,000 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 expenditures by the Village.

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. 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 any one particular line item appropriation.
3. Super Blanket Certificate – The Village may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

Fifty-seven percent of all transactions in 2007 and thirty-three percent of all transactions in 2008 were not certified by the fiscal officer at the time the commitment was incurred and there was no evidence that the Village followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village's funds exceeding budgetary spending limitations, we recommend that the Fiscal Officer certify that the funds are or will be available prior to obligation by the Village. When prior certification is not possible, "then and now" certification should be used.

We recommend the Village certify purchases to which section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The fiscal officer should sign the certification at the time the Village incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The fiscal officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

FINDING NUMBER 2008-003

Significant Deficiency

When designing the public office's system of internal control and the specific control activities, management should ensure that accounting records are properly designed. All local public offices should maintain payroll records including:

- W-2's, W-4's and other withholding records and authorizations.
- Payroll journal that records, assembles and classifies by pay period the name of the employee, social security number, hours worked, wage rates, pay date, withholdings by type, net pay, and other compensation paid to an employee (such as a termination payment), and the fund and account charged for the payments.
- Check register that includes, in numerical sequence, the check number, payee, net amount, and the date.
- Information regarding nonmonetary benefits such as car usage and life insurance.
- Information, by employee, regarding leave balances and usage.

The Village does not maintain a payroll ledger showing the gross pay, the deductions, and the net pay. We consider this a control weakness in the system for processing payroll.

Failure to establish a favorable control environment could result in a material misstatement, overpayment, or unauthorized payment relating to payroll expenditures.

The following procedures should be applied to ensure that a favorable control environment is in place to identify misstatements:

- A payroll ledger should be maintained for each official and employee of the Village. The payroll ledger should maintain his/her gross pay for the period, the deductions taken, the net pay, and the check number used to pay the employee or official.
- Council should approve a policy for when employees and officials will be paid.

All employees and officials should complete state and federal withholding forms and if required have state and federal tax withheld from his/her checks.

FINDING NUMBER 2008-004

Noncompliance Citation

Ohio Revised Code § 5705.36(A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency. At December 31, 2007 appropriations exceeded available resources in the General Fund by \$3,854.

**FINDING NUMBER 2008-004
(Continued)**

The Village did not provide proof that the County Auditor's certificate had been filed or approved for the fiscal year 2007. Failure to properly monitor budgetary activity could result in overspending and ultimately negative fund balances. We recommend that the Village monitor their appropriations versus their actual resources. We also recommend that the Village execute all budgetary documents required by the Ohio Revised Code so that all budgetary documents are effective.

FINDING NUMBER 2008-005

Noncompliance Citation

Ohio Revised Code, § 5705.39, states that the total appropriation from each fund shall not exceed the total estimated revenue available for expenditure therefrom, as certified by the budget commission, or in the case of appeal, by the board of tax appeals. No appropriation measure shall become effective until the county auditor files a certificate that the total appropriations from each fund, taken together with all other outstanding appropriations, do not exceed the total official estimate or amended official estimate. Contrary to this section, the Village had appropriations exceeding estimated revenues in the General Fund by \$29,640 at December 31, 2007.

The Village did not obtain the required certification from the County Auditor for the fiscal year 2007. Failure to properly monitor budgetary activity could result in overspending and ultimately negative fund balances. We recommend that the Village monitor their appropriations versus their estimated resources. We also recommend that the Village execute all budgetary documents required by the Ohio Revised Code so that all budgetary documents are effective.

We did not receive a response from officials to the findings reported above.

**VILLAGE OF JACKSONBURG
BUTLER COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2006-001	Ohio Admin. Code Section 117-2-02(A): maintaining proper books and records	No	Not Corrected – Re-Issued as Finding 2008-001
2006-002	Ohio Rev. Code Section 5705.41(D)(1): the availability of funds was not certified for certain commitments.	No	Not Corrected – Re-Issued as Finding 2008-002
2006-003	Ohio Rev. Code Section 5705.36: failure to certify total amount available for expenditures.	No	Not Corrected – Re-Issued in the Management Letter
2006-004	Ohio Rev. Code Section 5705.41(B), (D): disbursements exceeded appropriations at the legal level of control	Yes	
2006-005	Processing of Payroll	No	Not Corrected – Re-Issued as Finding 2008-003
2006-006	Monthly Bank Reconciliations	No	Not Corrected – Re-Issued in the Management Letter
2006-007	Segregation of Duties	No	Not Corrected – Re-Issued in the Management Letter
2006-008	Proper posting of revenues and expenditures	Yes	



Mary Taylor, CPA
Auditor of State

VILLAGE OF JACKSONBURG

BUTLER 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
DECEMBER 10, 2009**