



Dave Yost • Auditor of State



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July 26, 2018
Millstone Community Authority
Delaware County
101 North Sandusky Street
Delaware, Ohio 43015

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of Millstone Community Authority, Delaware County, Ohio (the Authority) for the years ended December 31, 2016 and 2015.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Authority's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Authority's financial statements, transactions or balances for the years ended December 31, 2016 and 2015.

The Authority's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. Ohio Rev. Code Section 117.38 requires facilities to file their financial information in the Hinkle system within 60 days after the close of the fiscal year. We noted that the Authority filed its 2015 and 2016 annual financial report in the Hinkle System on March 5, 2018 and April 5, 2018 (respectively), which was not within the required date. Failure to file the complete annual financial reports within 60 days of the fiscal year end could result in fines and penalties and result in lack of transparency for the Authorities constituents. The Authority should file their annual financial report in the Hinkle system within 60 days of the fiscal year end and ensure the filing is accurate and complete.
2. A bank to book reconciliation should be performed monthly to ensure accurate financial reporting. We noted that the Authority did not perform monthly bank to book reconciliations during the audit period. Failing to perform monthly bank to book reconciliations could result in inaccurate financial reporting. The Authority should perform monthly bank to book reconciliations which should be reviewed by the Board during regular meetings.

Current Year Observations (Continued)

3. All local public offices should maintain accounting records in a manual or computerized format in order to record transactions. Such records should include a cash journal, a receipt ledger, and a disbursement ledger. We noted that the Authority does not have an accounting system in which to record transactions. As a result, no receipts or disbursements were recorded (i.e. in a ledger) during the audit period. Failure to record all transactions could result in inaccurate financial reporting. The Authority should develop an accounting system in order to record transactions.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

July 26, 2018



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MILLSTONE COMMUNITY AUTHORITY

DELAWARE 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
AUGUST, 14 2018**