



Dave Yost • Auditor of State



Dave Yost • Auditor of State

November 30, 2018

Village of Castine
Darke County
Castine, Ohio 45304

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Village of Castine, Darke County, (the Village) for the years ended December 31, 2017 and 2016.

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 Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2017 and 2016.

The Village'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. There was no evidence that the Village integrated budgetary estimated receipts or appropriations into the QuickBooks accounting system for 2016 or 2017. The Fiscal Officer should periodically compare amounts recorded in the QuickBooks accounting system to amounts on the Official Certificate of Estimated Resources or the Amended Official Certificate of Estimated Resources and annual appropriation measures to assure they agree. If the amounts do not agree, the Village Council may be using inaccurate information for budgeting and monitoring purposes.
2. We noted that General Fund disbursements of \$22,306 exceeded appropriations of \$8,055 for the year ended December 31, 2017. Ohio Rev. Code Section 5705.41(B) states no subdivision or taxing unit is to expend money unless it has been appropriated. Because appropriations authorize spending, expending more money than appropriated potentially allows for deficit spending. The Village should amend appropriations if necessary, or reduced spending so that disbursements do not exceed appropriations.
3. Ohio Rev. Code Section 117.38 requires entities to file their financial information in the Auditor of State HINKLE system within 60 days after the close of the fiscal year. The Village did not file the 2016 and 2017 annual financial reports timely within 60 days after fiscal year end. Both reports were not filed until October 16, 2018.

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

Dave Yost
Auditor of State

November 30, 2018

This page intentionally left blank.



Dave Yost • Auditor of State

VILLAGE OF CASTINE

DARKE 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 18, 2018