



**Auditor of State
Betty Montgomery**

VILLAGE OF CHICKASAW
MERCER COUNTY

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**Auditor of State
Betty Montgomery**

Village of Chickasaw
Mercer County
P.O. Box 14
Chickasaw, Ohio 45826-0014

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 a February 2, 2005 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 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.

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Betty Montgomery
Auditor of State

September 28, 2005

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Village of Chickasaw
Mercer County
P.O. Box 14
Chickasaw, Ohio 45826-0014

To the Village Council:

We have audited the accompanying financial statements of the Village of Chickasaw, Mercer County, (the Village), as of and for the years ended December 31, 2004 and 2003. 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. The Village processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Village because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. 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.

Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statements present for 2004 (and 2003), the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2004. 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 the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Village has elected not to reformat its statements. Since the Village does not use GAAP to measure financial statement amounts, 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.

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In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended December 31, 2004 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, 2004, or their changes in financial position for the year then ended.

Also, in our opinion, 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, 2004 and 2003, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Village to include Management's Discussion and Analysis for the year ended December 31, 2004. 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 September 28, 2005, 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.



Betty Montgomery
Auditor of State

September 28, 2005

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$30,259	\$1,020		\$31,279
Intergovernmental Receipts	34,287	14,061	140,164	188,512
Charges for Services	1,801		3,675	5,476
Fines, Licenses, and Permits	325			325
Earnings on Investments	420	42		462
Miscellaneous	3,932			3,932
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	71,024	15,123	143,839	229,986
Cash Disbursements:				
Current:				
Security of Persons and Property	5,435			5,435
Public Health Services	2,168			2,168
Leisure Time Activities	1,314			1,314
Community Environment	8,549			8,549
Basic Utility Services	2,059			2,059
Transportation		6,685		6,685
General Government	28,245			28,245
Debt Service:				
Principal Payments			72,500	72,500
Capital Outlay			811,028	811,028
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	47,770	6,685	883,528	937,983
Total Receipts Over/(Under) Disbursements	23,254	8,438	(739,689)	(707,997)
Other Financing Receipts:				
Other Debt Proceeds			743,364	743,364
	<hr/>	<hr/>	<hr/>	<hr/>
Cash Receipts and Other Financing Receipts Over Cash Disbursements	23,254	8,438	3,675	35,367
Fund Cash Balances, January 1	32,713	8,315	10,057	51,085
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$55,967	\$16,753	\$13,732	\$86,452
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Reserves for Encumbrances, December 31		\$1,301		\$1,301

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

VILLAGE OF CHICKASAW
MERCER COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts:	
Charges for Services	<u>\$46,381</u>
Operating Cash Disbursements:	
Personal Services	4,650
Fringe Benefits	972
Contractual Services	5,280
Supplies and Materials	20
Other	<u>22,808</u>
Total Operating Cash Disbursements	<u>33,730</u>
Operating Income	12,651
Fund Cash Balance, January 1	<u>56,230</u>
Fund Cash Balance, December 31	<u><u>\$68,881</u></u>
Reserve for Encumbrances, December 31	<u><u>\$11,209</u></u>

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

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$29,529	\$1,010		\$30,539
Intergovernmental Receipts	33,307	12,290		45,597
Charges for Services	1,801			1,801
Fines, Licenses, and Permits	125			125
Earnings on Investments	428	26		454
Miscellaneous	338			338
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	65,528	13,326		78,854
Cash Disbursements:				
Current:				
Security of Persons and Property	5,093			5,093
Public Health Services	1,952			1,952
Leisure Time Activities	1,480			1,480
Community Environment	14,488			14,488
Basic Utility Services	9,838			9,838
Transportation		9,789		9,789
General Government	32,948			32,948
Debt Service:				
Principal Payments	2,500			2,500
Capital Outlay		50,000		50,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	68,299	59,789		128,088
Total Receipts (Under) Disbursements	<hr/>	<hr/>	<hr/>	<hr/>
	(2,771)	(46,463)		(49,234)
Other Financing Receipts:				
Other Debt Proceeds		30,000		30,000
Sale of Fixed Assets	12,250			12,250
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts	12,250	30,000		42,250
Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	9,479	(16,463)		(6,984)
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>	<hr/>
	23,234	24,778	\$10,057	58,069
Fund Cash Balances, December 31	<hr/>	<hr/>	<hr/>	<hr/>
	<u>\$32,713</u>	<u>\$8,315</u>	<u>\$10,057</u>	<u>\$51,085</u>

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

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$43,845
Operating Cash Disbursements:	
Personal Services	4,512
Fringe Benefits	653
Contractual Services	5,720
Supplies and Materials	39
Other	15,557
Total Operating Cash Disbursements	26,481
Operating Income	17,364
Fund Cash Balance, January 1	38,866
Fund Cash Balance, December 31	\$56,230
Reserve for Encumbrances, December 31	\$4,210

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

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003**

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 Chickasaw, Mercer County, (the Village), as a body corporate and politic. A publicly-elected six-member Council governs the Village. The Village provides general governmental services, including water utilities, park operations (leisure time activities), and street construction maintenance and repair. The Mercer County Sheriff's department provides security of persons and property. The Village contracts with Mercer County EMS to provide fire protection services.

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 accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. This basis 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 adequately disclose material matters the Auditor of State prescribes.

C. Cash and Investments

The Village maintains all of its funds in an interest bearing checking account.

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 Fund

These funds account for proceeds from specific sources (other than 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.

VCIF Sewer Loan Fund - This fund receives Ohio Water Development Authority loan proceeds for planning a sewer system within the Village. Note this fund was closed out at the end of 2003 when the planning phase for the sewer project was completed.

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Village had the following significant Capital Project Fund:

Sewer System Construction Fund - This fund receives money from the Ohio Water Development Authority, the Ohio Public Works Commission, and the Small Cities Community Development Block Grant (CDBG) for the construction of a sewer system within the Village.

4. Enterprise Fund

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 Fund:

Water Fund - This fund receives charges for services from residents to cover water service costs.

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. Village Council must annually approve appropriation measures and subsequent amendments. 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 commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2004 and 2003 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.

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2004	2003
Demand deposits	\$155,333	\$107,315

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village. However, during the period September 30, 2003 through August 31, 2004, deposits ranging from \$13,342 to \$434,437 were not insured or collateralized, contrary to Ohio law.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2004 and 2003 follows:

2004 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$69,338	\$71,024	\$1,686
Special Revenue	13,467	15,123	1,656
Capital Projects	887,203	887,203	0
Enterprise	45,000	46,381	1,381
Total	\$1,015,008	\$1,019,731	\$4,723

2004 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$87,210	\$47,770	\$39,440
Special Revenue	17,800	7,986	9,814
Capital Projects	883,528	883,528	0
Enterprise	91,625	44,939	46,686
Total	\$1,080,163	\$984,223	\$95,940

2003 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$81,294	\$77,778	(\$3,516)
Special Revenue	43,075	43,326	251
Capital Projects	5,000	0	(5,000)
Enterprise	43,800	43,845	45
Total	\$173,169	\$164,949	(\$8,220)

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$90,810	\$68,299	\$22,511
Special Revenue	65,300	59,789	5,511
Enterprise	82,562	30,691	51,871
Total	\$238,672	\$158,779	\$79,893

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Village Council adopts 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 State pays the Village amounts equaling these deductions. The Village includes these with Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half payment is due December 31. The second half payment is due the following June 20.

Property owners assess tangible personal property tax. They must file a list of tangible 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 the Village's behalf.

5. DEBT

Debt outstanding at December 31, 2004 was as follows:

	Principal	Interest Rate
Ohio Water Development Authority Loan	\$743,364	0.00%

The Ohio Water Development Authority (OWDA) loan relates to a central gravity sewer system with two lift stations and a wastewater treatment plant consisting of three aerated lagoons the Ohio Environmental Protection Agency mandated. The OWDA approved up to \$1,462,020 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$36,551, over 20 years. The scheduled payment amount below assumes that \$1,462,020 will be borrowed. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrowed. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

Amortization of the above debt, including interest, follows:

Year ending December 31:	OWDA Loan
2005	\$0
2006	36,551
2007	73,101
2008	73,101
2009	73,101
2010-2026	1,206,166
Total	\$1,462,020

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003
(Continued)**

6. RETIREMENT SYSTEMS

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

The Ohio Revised Code also prescribes contribution rates. For 2004 and 2003, OPERS members contributed 8.5 percent of their wages. The Village contributed an amount equal to 13.55 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2004.

7. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

8. CONTRACTUAL COMMITMENTS

The Village has the following contractual commitment as of December 31, 2004:

Jutte Excavating, Inc. (Sanitary Sewer System Collection Project)	\$971,422
Chuck Samples (Sanitary Sewer System Treatment Plant)	\$151,091

9. SUBSEQUENT EVENTS

The Village had the following material matters occur after December 31, 2004:

- The Council awarded bid for South Roosevelt and Liberty Street project in the amount of \$84,573.
- The Council approved to proceed with the paperwork necessary to put a five-year, 3.0 mill levy on the November 2005 ballot.
- The Council approved a change order from Jutte Excavating in the amount of \$63,597.

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Auditor of State Betty Montgomery

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

Village of Chickasaw
Mercer County
P.O. Box 14
Chickasaw, Ohio 45826-0014

To the Village Council:

We have audited the financial statements of the Village of Chickasaw, Mercer County, (the Village), as of and for the years ended December 31, 2004 and 2003, which and have issued our report thereon dated September 28, 2005, 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 also noted that the Village uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Village because the Auditor of State designed, developed, implemented, and, as requested, operates UAN. 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 to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Village's management dated September 28, 2005, we reported on other matters involving internal control over financial reporting we did not deem as reportable conditions.

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 one instance of noncompliance we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as 2004-001. In a separate letter to the Village's management dated September 28, 2005, we also reported other matters related to noncompliance we deemed immaterial.

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Village of Chickasaw
Mercer County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the audit committee, management and Village Council. It is not intended for anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

September 28, 2005

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2004 AND 2003**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2004-001

Noncompliance Citation

Ohio Rev. Code Section 135.18 states that the Treasurer of a political subdivision must require the depository to provide as security an amount equal to the funds on deposit at all times. Such security may consist of federal deposit insurance, surety company bonds, or pledged securities. During our testing, we noted that the Village's deposits exceeded the amount secured for the following month ending balances:

<u>Month Ending Date</u>	<u>Amount on Deposit Not Secured</u>
September 30, 2003	\$13,341.60
October 31, 2003	\$19,803.66
November 30, 2003	\$24,003.38
December 31, 2003	\$15,753.74
January 31, 2004	\$13,995.01
April 30, 2004	\$434,437.31
August 31, 2004	\$131,584.44

Failure to require the depository bank to secure amounts on deposit could lead to a loss of Village funds.

The Village should monitor the securities pledged for their deposits, and require the depository bank to pledge securities in an amount equal to the funds on deposit at all times.

**VILLAGE OF CHICKASAW
MERCER COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2004 AND 2003**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2002-001	ORC Sec. 5705.40 - BPA appropriations were not approved by Council.	Yes	
2002-002	ORC Sec. 5705.41(B) - Expenditures exceeded appropriations at the legal level of control.	Yes	



**Auditor of State
Betty Montgomery**

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VILLAGE OF CHICKASAW

MERCER 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
NOVEMBER 15, 2005**