



Dave Yost • Auditor of State



Dave Yost • Auditor of State

November 2, 2018

Village of Leesville
Carroll County
P.O. Box 204
Leesville, Ohio 44639

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 Leesville, Carroll 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. The accounting records of the utilities charges for services cycle includes, but is not limited to, a billing/payment records that shows the amount billed, amount paid and amount unpaid. On a monthly basis, at a minimum, Council should be provided a copy of the report for their review and approval. The Village Fiscal Officer maintains a monthly billing/payment register where she records the amounts billed each customer and the corresponding payment. She uses this ledger to determine what accounts are current what accounts are still receivable. The Village Council does not receive or review a copy of this report. Without reviewing this report, Council is not aware of what accounts are current and what accounts are delinquent. While the Village Fiscal Officer does report to Council when she sends letter to customer regarding delinquent accounts, the Council does not regularly review information regarding customer accounts. In doing so, Council has given up some of its authority over the utilities charges for services receipts of the Village. The Fiscal Officer should present Council with a copy of the monthly billing/payment register at their monthly meetings. Council should review the report and make note of what accounts are delinquent and may need addressed further. This may help ensure Council actively monitors the Charges for Services cycle of the Village.

2. The Fiscal Officer did not abide by the adopted chart of account in coding and classifying various transactions in 2017. This resulted in adjustments and reclassifications to the financial statements. The Village Fiscal Officer has agreed to and posted the adjustments to the Village's accounting records. In 2017, a House Bill 64 receipt in the amount of \$319 was posted in the Street and State Highway Special Revenue Funds instead of the General Fund and a fund balance adjustment was subsequently made by the Village. The Village did not have procedures in place to record/report transactions properly. The Fiscal Officer should maintain the accounting system to enable the Village to identify, assemble, analyze, classify, record, and report all transactions and to maintain accountability. All transactions should be properly coded and classified according to the UAN chart of accounts to help ensure that financial activity of the Village is accurately recorded and reported. Failure to consistently follow a uniform chart of accounts increases the possibility the Village will not be able to identify, assemble, classify, record, and report its transactions correctly or to document compliance with finance-related legal and contractual requirements.

Current Status of Matters Reported in our Prior Engagement

1. The matter reported above regarding the posting of receipts was also noted in the prior engagement performed over the Village.
2. The prior engagement reported two instances where purchases were not properly certified. This was not part of our current audit testing procedures.
3. In the prior engagement, amounts per the Certificate of Estimated Resources did not agree to the budgeted amounts listed in the Revenue Status report for the General and Street Improvement funds. This was tested for the General Fund only in the current engagement and the amounts agreed.
4. The prior year engagement reported that the total appropriations required by Ohio Revised Code Section 5705.38 and 5705.40 did not agree to the amounts recorded in the Appropriation Status Report for the General, Street Improvement and Enterprise funds. This was tested for the General Fund only in the current engagement and the amounts agreed.



Dave Yost
Auditor of State

November 2, 2018



Dave Yost • Auditor of State

VILLAGE OF LEESVILLE

CARROLL 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 20, 2018