

VILLAGE OF NASHVILLE

HOLMES COUNTY

For the Years Ended December 31, 1999 and 1998

With Independent Auditors' Report Thereon



PARMS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

VILLAGE OF NASHVILLE

HOLMES COUNTY

For the Years Ended December 31, 1999 and 1998

With Independent Auditors' Report Thereon



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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Columbus, Ohio 43215

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Village Council
Village of Nashville
Holmes County

We have reviewed the Independent Auditor's Report of the Village of Nashville, Holmes County, prepared by Parns & Company, for the audit period January 1, 1998 to December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Nashville is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro", written over a large, stylized flourish.

JIM PETRO
Auditor of State

July 6, 2000

VILLAGE OF NASHVILLE
HOLMES COUNTY

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VILLAGE OF NASHVILLE
HOLMES COUNTY
P.O. Box 417
Nashville, Ohio 44661

ELECTED OFFICIALS
As of December 31, 1999

<u>NAME</u>	<u>TITLE</u>	<u>TERM OF OFFICE</u>	<u>SURETY</u>	<u>AMOUNT</u>	<u>PERIOD</u>
Graig Walkerow	Mayor	9/1/97-12/31/99	(A)	\$1,000	(B) (D)
Donna Barnes	Clerk/ Treasurer	10/1/99 - 3/31/00	(A)	\$1,000	(B) (C)
<u>Village Council</u>					
Todd Gordon	President	1/1/98-12/31/01			
Corrina Kerr (E)	Council Member	1/1/98-12/31/01			
Carol Messner	Council Member	1/1/98-12/31/01			
Rosanna Garnes (E)	Council Member	1/1/96-12/31/99			
Elda Messner	Council Member	1/1/98-12/31/01			
Wilda Warszawski (E)	Council Member	1/1/96-12/31/99			

STATUTORY LEGAL COUNSEL

Blair A. Bower, Attorney at Law
111 South Washington Street, Suite 8
Millersburg, Ohio 44654

- (A) State Automobile Mutual Insurance Company
(B) Concurrent with term.
(C) Clerk/Treasurer resigned subsequent to year-end, replaced by Donna Barnes.
(D) Appointed to fill the unexpired term of Gail Strother.
(E) Appointed by Mayor/Council to fill vacant council position.

Report of Independent Auditors'

Village Council
Village of Nashville
Holmes County

We have audited the accompanying financial statements of the Village of Nashville (the Village) as of and for the years ended December 31, 1999 and 1998. 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 audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about 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 that our audits provide a reasonable basis for our opinion.

As described in Note 1, the Village prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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 of Nashville as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated May 30, 2000, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.

This report is intended for the information and use of the officials authorized to receive the report under Section 117.26, Ohio Revised Code. However, this report is a matter of public record and is available upon specific request.

Parms & Company Inc.

Columbus, Ohio
May 30, 2000

**VILLAGE OF NASHVILLE
HOLMES COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
For the Year Ended December 31, 1999

	General	Special Revenue	(Memorandum Only) Total
Cash receipts:			
Local taxes	\$1,490	\$0	\$1,490
Intergovernmental	98,204	6,903	105,107
Charges for services	0	0	0
Fines, licenses, and permits	5,378	0	5,378
Miscellaneous	5,082	0	5,082
Total cash receipts	110,154	6,903	117,057
Cash disbursements:			
Current:			
Security of persons and property	7,252	0	7,252
Public health services	0	0	0
Basic utility services	761	0	761
Leisure time activities	0	0	0
Transportation	74,116	7,610	81,726
General government	30,687	0	30,687
Debt Service:			
Redemption of principal	0	0	0
Interest	0	0	0
Capital outlay	0	0	0
Total cash disbursements	112,816	7,610	120,426
Total cash receipts over cash disbursements	(2,662)	(707)	(3,369)
Other financing receipts (disbursements):			
Transfers-in	0	0	0
Transfers-out	0	0	0
Other sources	0	0	0
Total other financing receipts (disbursements)	0	0	0
Total cash receipts and other financing receipts over (under) cash disbursements and other financing disbursements	(2,662)	(707)	(3,369)
Fund cash balances, January 1, 1999	18,614	(22)	18,592
Fund cash balances, December 31, 1999	\$15,952	(\$729)	\$15,223
Reserves for encumbrances, December 31, 1999	\$0	\$0	\$0

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

**VILLAGE OF NASHVILLE
HOLMES COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE

For the Year Ended December 31, 1999

	Enterprise
Operating cash receipts:	
Charges for services	\$11,452
Interest	1,073
	12,525
Total operating cash receipts	12,525
Operating cash disbursements:	
Personal services	1,398
Travel transportation	0
Contractual services	3,091
Supplies and materials	2,507
Capital outlay	0
	6,996
Total operating cash disbursements	6,996
Operating income	5,529
Non-operating cash disbursements:	
Debt service	0
	0
Total cash receipts over cash disbursements before interfund transfers	5,529
Transfers-in	0
Transfers-out	0
	0
Net cash receipts over cash disbursements	5,529
Fund cash balances, January 1, 1999	39,286
Fund cash balances, December 31, 1999	\$44,815
Reserves for encumbrances, December 31, 1999	\$0

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

**VILLAGE OF NASHVILLE
HOLMES COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
For the Year Ended December 31, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only) Total</u>
Cash receipts:			
Local taxes	\$1,215	\$0	\$1,215
Intergovernmental	32,779	8,120	40,899
Charges for services	0	0	0
Fines, licenses, and permits	7,023	0	7,023
Miscellaneous	6,495	0	6,495
Total cash receipts	47,512	8,120	55,632
Cash disbursements:			
Current:			
Security of persons and property	9,722	0	9,722
Public health services	0	0	0
Basic utility services	943	0	943
Leisure time activities	0	0	0
Transportation	9,125	9,504	18,629
General government	31,613	0	31,613
Debt Service:			
Redemption of principal	0	0	0
Interest	0	0	0
Capital outlay	0	0	0
Total cash disbursements	51,403	9,504	60,907
Total cash receipts over (under) cash disbursements	(3,891)	(1,384)	(5,275)
Other financing receipts (disbursements):			
Transfers-in	0	0	0
Transfers-out	0	0	0
Total other financing receipts (disbursements)	0	0	0
Total cash receipts and other financing receipts over (under) cash disbursements and other financing disbursements	(3,891)	(1,384)	(5,275)
Fund cash balances, January 1, 1998	22,505	1,362	23,867
Fund cash balances, December 31, 1998	\$18,614	(\$22)	\$18,592
Reserves for encumbrances, December 31, 1998	\$0	\$0	\$0

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

**VILLAGE OF NASHVILLE
HOLMES COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND CASH BALANCES - PROPRIETARY FUND TYPE**

For the Year Ended December 31, 1998

	Enterprise
Operating cash receipts:	
Charges for services	\$11,421
Interest	1,014
Other	504
Total operating cash receipts	12,939
Operating cash disbursements:	
Personal services	540
Travel transportation	0
Contractual services	4,784
Supplies and materials	1,174
Capital outlay	0
Total operating cash disbursements	6,498
Operating income	6,441
Non-operating cash disbursements:	
Debt service	0
Total cash receipts over cash disbursements <i>before interfund transfers</i>	6,441
Transfers-in	0
Transfers-out	0
Net cash receipts over cash disbursements	6,441
Fund cash balances, January 1, 1998	32,845
Fund cash balances, December 31, 1998	\$39,286
Reserves for encumbrances, December 31, 1998	\$0

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

VILLAGE OF NASHVILLE
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS
As of December 31, 1999 and 1998

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Village of Nashville (the Village) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected council-mayor form of government using a six-member Council. The Village provides general governmental services, including road maintenance, water and sewer utilities, and police services. In addition the Village operates a mayor's court. 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 basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized 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 prescribed or permitted by the Auditor of State.

C. 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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from 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 taxes and motor vehicle tax money for constructing, maintaining and repairing Village streets.

Enterprise Funds

These funds are used to account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village's only Enterprise Funds are the Water and Sewer funds. These funds receive charges for services from residents to cover the cost of providing these utilities.

VILLAGE OF NASHVILLE
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS
As of December 31, 1999 and 1998

D. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

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.

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.

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made.

A summary of 1999 and 1997 budgetary activity appears in Note 3.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements (capital outlays) when paid. These items are not reflected as assets in the financial statements.

2. Equity in Pooled Cash and Investments

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$48,335	\$46,770
Certificate of deposit	\$11,703	\$11,108

Deposits:

Deposits held were insured by the Federal Depository Insurance Corporation.

VILLAGE OF NASHVILLE
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS
As of December 31, 1999 and 1998

3. Budgetary Activity

Budgetary activity for the years ended December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$112,512	\$110,154	(\$2,358)
Special Revenue	8,500	6,903	(1,597)
Enterprise	<u>12,500</u>	<u>12,525</u>	<u>25</u>
Total	<u>\$133,512</u>	<u>\$129,582</u>	<u>(\$3,930)</u>

1999 Budgeted vs. Actual Budgetary Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$131,750	\$112,816	\$18,934
Special Revenue	8,580	7,610	970
Enterprise	<u>8,100</u>	<u>6,996</u>	<u>1,104</u>
Total	<u>\$148,430</u>	<u>\$127,422</u>	<u>\$21,008</u>

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$45,992	\$47,512	\$1,520
Special Revenue	7,400	8,120	720
Enterprise	<u>11,200</u>	<u>12,939</u>	<u>1,739</u>
Total	<u>\$64,592</u>	<u>\$68,571</u>	<u>\$3,979</u>

VILLAGE OF NASHVILLE
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS
As of December 31, 1999 and 1998

Budgetary Activity (continued)

1998 Budgeted vs. Actual Budgetary Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$68,409	\$51,403	\$17,006
Special Revenue	8,812	9,504	(692)
Enterprise	<u>9,310</u>	<u>6,498</u>	<u>2,812</u>
Total	<u>\$86,531</u>	<u>\$67,405</u>	<u>\$19,126</u>

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the financial statements as Intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

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. Debt

The Village did not have any debt outstanding as of December 31, 1999.

6. Retirement Systems

All Village personnel, including the Village's part-time law enforcement officers belong to the Public Employees Retirement System (PERS) of Ohio. This retirement program is a statewide cost-sharing multiple employer defined benefit pension plan. These plans provide retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code. Benefits are established and amended by State of Ohio statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy of the PERS financial report by making a written request the Public Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085 or 1-800-222-PERS (7377).

VILLAGE OF NASHVILLE
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS
As of December 31, 1999 and 1998

6. Retirement Systems (continued)

PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

Funding Policy

The Ohio Revised Code provides PERS statutory authority for employee and employer contributions. The employee contribution rates are 8.5% for employees. The 1999 employer contribution rate for state employers was 13.31% of covered payroll. Required employer contributions are equal to 100% of the dollar amount billed to each employer.

Trend Information

Contributions required by State of Ohio Statutes:

<u>Fiscal Year</u>	<u>Percentage Contribution</u>	<u>Required Contributed</u>
1999	100%	\$2,163
1998	100%	\$1,928

Trend information showing the progress of PERS in accumulating sufficient assets to pay benefits when due is presented in their annual financial reports. Copies of these reports may be obtained from PERS.

7. Other Post-employment Benefits

In addition to the retirement benefits described in Note 10, PERS provides post-retirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an *Other Post-Employment Benefits (OPEB)* as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 1999 employer contribution rate for state employers was 13.31% of covered payroll; 4.2% was the portion that was used to fund health care for the year. The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

OPEB are financed through employer contributions and investment earnings there on. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures for OPEB during 1998 were \$440,596,663. As of December 31, 1998, the unaudited estimated net assets available for future OPEB payments were \$9,447,325,318. The number of benefit recipients eligible for OPEB at December 31, 1998 was 115,579.

VILLAGE OF NASHVILLE
HOLMES COUNTY

NOTES TO THE FINANCIAL STATEMENTS
As of December 31, 1999 and 1998

7. Risk Management

The Village has entered into contract with the Public Entities Pool of Ohio to provide municipal property insurance coverage for the following risks:

- *Comprehensive property and general liability*
- *Vehicles*

The Village also obtained commercial insurance to provide insurance coverage for the following risk:

- *Public officials' liability*

**Report of Independent Accountants on Compliance and on Internal
Control Required by Government Auditing Standards**

Village Council
Village of Nashville
Holmes County
Nashville, Ohio 44661

We have audited the financial statements of the Village of Nashville (the Village) as of and for the years ended December 31, 1998 and 1999, and have issued our report thereon dated May 30, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards, which are described in the accompanying Schedule of Findings as items 1999-001, 1999-002, 1999-003 and 1999-004.

We also noted certain immaterial instances of noncompliance that we have reported to management of the Village in a separate letter dated May 30, 2000.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Village's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Village's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings as items 1999-004 and 1999-005.

A material weakness is a 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 in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and, accordingly, would not disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described in the accompanying Schedule of Findings is a material weaknesses.

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Village in a separate letter dated May 30, 2000.

This report is intended for the information of management and the Village Council. However, this report is a matter of public record and its distribution is not limited.

Parms & Company, Inc.

Columbus, Ohio
May 30, 2000

VILLAGE OF NASHVILLE
HOLMES COUNTY
DECEMBER 31, 1999 AND 1998

SCHEDULE OF FINDINGS

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

Finding Number	1999-001
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Section 5705.41(B), Revised Code, restricts the expenditure of money to the amount appropriated by the Village.

During fiscal year 1998, general and street maintenance funds were found to have expenditures which exceeded appropriations.

Management's Response

The Village has purchased a governmental approved computer program that shows Appropriated funds minus monthly expense, year to date expenses and remaining appropriation funds. Along with this program it also provides all monthly and yearly revenue that is compared to the monthly bank reconciliation.

Finding Number	1999-002
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Rule 117-5-11 (B,C & D), requires a village to post to each appropriation account an amount of money equal to the amount appropriated for that account in the annual appropriation resolution. It also provides that expenditures shall be entered in the "Amount of Warrant" column and in the "Debit" column and subtracted from the unencumbered balance.

During fiscal years 1998 and 1999, the appropriation ledgers were maintained through a spreadsheet program which did not provide for the prescribed format. In addition, we noted instances where disbursements were posted to incorrect expenditure ledger accounts, per the spreadsheet utilized.

We recommend the Village amend its accounting process to provide the required appropriation accountability.

Management's Response

The Village has purchased a governmental approved computer program that shows Appropriated funds minus monthly expense, year to date expenses and remaining appropriation funds. Along with this program it also provides all monthly and yearly revenue that is compared to the monthly bank reconciliation.

**VILLAGE OF NASHVILLE
HOLMES COUNTY
DECEMBER 31, 1999 AND 1998**

**SCHEDULE OF FINDINGS
(Continued)**

Finding Number	1999-003
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We noted the following weaknesses within the remittance process between the Mayor's Court and the Village Clerk:

1. There is a lack of accountability within the collection and remittance of cash receipts. There is no reconciliation process to reconcile the amounts collected by the court and the amounts remitted to the Village Clerk. Currently, the Mayor's Court utilizes the ledger "Offenses Charged, Disposition" to record cash collections on ticketed offenses. This ledger does not summarize in any form, the amount of fines paid over to the Village Clerk. As a consequence, it is difficult to tie remittances made to the Village Clerk to this ledger book.
2. The Court does not utilize a depository clearing account for daily collections. Funds collected are simply held until paid over to the Village Clerk.

These control weaknesses expose the Village to potential loss of funds and/or accountability over such funds.

We recommend a ledger be maintained which summarizes funds collected, including information on ticket number, date collected, amount collected, from whom collected, and any other pertinent information. Such collections should be deposited in a separate depository account on a daily basis. The Court should then summarize such receipts and pay over to the Clerk the sum total of what had been collected for that day's receipts. The depository account should be reconciled monthly to ensure the account "zeros" out.

Management's Response

A change in procedure has been implemented to correct this finding. All traffic fine money will be mailed to the Clerk of Village of Nashville's post office box. The Village Clerk records a deposit slip with attached pay-in-order receipt to document receipt of Traffic fines.

VILLAGE OF NASHVILLE
HOLMES COUNTY
DECEMBER 31, 1999 AND 1998

SCHEDULE OF FINDINGS
(Continued)

STATUS OF PRIOR FINDINGS

The prior audit report covering the fiscal years ending December 31, 1997 and 1996, contained compliance and internal control citations required to be reported in accordance with *Government Auditing Standards*. Finding numbers 1999-001, 1999-003, 1999-004, and 1997-005 cited above were also cited in the prior report. All other findings were either corrected or were not deemed reportable under *Government Auditing Standards*.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF NASHVILLE
HOLMES 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.

By: Susan Babbitt

Date: JUL 25 2000