

OHIO AUDITOR OF STATE KEITH FABER



Declaration of Fiscal Caution

Pursuant to Section 118.025(A), Revised Code, the Auditor of State developed guidelines for identifying fiscal practices and budgetary conditions that, if uncorrected, could result in a future declaration of a fiscal watch or fiscal emergency of a municipal corporation, county, or township. If the Auditor of State determines that a municipal corporation, county, or township is engaging in any of those practices or that any of those conditions exist, the Auditor of State may declare a municipal corporation, county, or township to be in a state of Fiscal Caution.

The Auditor of State's guidelines for a declaration of fiscal caution include (1) unauditible financial records; (2) significant deficiencies, material weaknesses, direct and material noncompliance as disclosed in the financial audit; (3) deficit fund balances; (4) a carryover fund balance of less than one month's average expenditures for two consecutive years, and (5) a failure to reconcile accounting journals and ledgers with the treasury.

Based on a review of financial data on January 25, 2019 the Village of Harrisburg (Franklin County) meets the following fiscal caution conditions:

1. Significant deficiencies, and material weaknesses and direct and material noncompliance with Ohio law as disclosed in the Village of Harrisburg's 2015-2016 basic audit including appropriations exceeding estimated resources and expenditures exceeding appropriations in the Street Construction Maintenance and Repair, Sewer Operating, and Sewer Improvement funds, unrecorded on behalf payments, negative fund balance in the general fund at December 31, 2015 and December 31, 2016, and misstatement of financial statements for 2015 and 2016.
2. Fund balances cannot be determined for 2017 and 2018 because the Village is not reconciled.
3. The Village has not reconciled its account journals and ledgers with the bank. The last reconciliation was December 31, 2016 (24 months).

Accordingly, the Auditor of State hereby declares the Village of Harrisburg to be in a state of Fiscal Caution under Section 118.025(A) of the Ohio Revised Code. A copy of this declaration is being submitted to Michael Lytle, Mayor of the Village of Harrisburg and Doris Beatty, President of Council.

A handwritten signature in blue ink, appearing to read 'Keith Faber'.

Keith Faber
Auditor of State

February 26, 2019