

**VILLAGE OF BUCHEL**

SOUTHEAST REGION, ATHENS COUNTY

**REGULAR AUDIT**

JANUARY 1, 1999 - DECEMBER 31, 2000

FISCAL YEARS AUDITED UNDER GAGAS: 2000 & 1999

**BALESTRA & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS

528 S. WEST STREET P.O. BOX 687

PIKETON, OHIO 45661

TELEPHONE: (740) 289-4131 FACSIMILE: (740) 289-3639  
E MAIL: [mbalcpa@bright.net](mailto:mbalcpa@bright.net)





STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
Columbus, Ohio 43215  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-728-7398  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Mayor and Members of Council  
Village of Buchtel  
Athens County  
P.O. Box 311  
Buchtel, Ohio 43716

We have reviewed the Independent Auditor's Report of the Village of Buchtel, Athens County, prepared by Balestra & Company, for the audit period January 1, 1999 through December 31, 2000. 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 Buchtel is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

August 14, 2001

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VILLAGE OF BUCHEL  
ATHENS COUNTY  
JANUARY 1, 1999 THROUGH DECEMBER 31, 2000

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**BALESTRA & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
528 S. WEST STREET P.O. BOX 687  
PIKETON, OHIO 45661

TELEPHONE: (740) 289-4131 FACSIMILE: (740) 289-3639  
E MAIL: mbalcpa@bright.net

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**Independent Auditor's Report**

Mayor and Members of Council  
Village of Buchtel  
Athens County  
P.O. Box 311  
Buchtel, Ohio 43716

We have audited the accompanying financial statements of the Village of Buchtel, Athens County, (the Village) as of and for the years ended December 31, 2000, and December 31, 1999. These financial statements are the responsibility of the Village of Buchtel's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 audit 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 audit provides a reasonable basis for our opinion.

As discussed 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 of the Village of Buchtel, Athens County, as of December 31, 2000 and December 31, 1999, and its combined cash receipts and cash 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 a report dated June 28, 2001, on our consideration of the Villages's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with report in considering the results of our audit.

This report is intended solely for the information and use of the Village Council, Mayor, management and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

*Balestra & Company*

**BALESTRA & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

June 28, 2001

VILLAGE OF BUCHEL  
ATHENS COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -  
FOR THE YEAR ENDED DECEMBER 31, 2000

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
<b>CASH RECEIPTS:</b>			
Local Taxes	\$50,747	\$0	\$50,747
Intergovernmental	7,286	11,119	18,405
Fines, Licenses, and Permits	27,183	0	27,183
Miscellaneous	13,983	0	13,983
Total Cash Receipts	99,199	11,119	110,318
<b>CASH DISBURSEMENTS:</b>			
Current:			
Security of Persons and Property	56,801	0	56,801
Transportation	0	4,723	4,723
General Government	63,612	3,906	67,518
Total Cash Disbursements	120,413	8,629	129,042
Excess of Cash Receipts Over/ (Under) Cash Disbursements	(21,214)	2,490	(18,724)
Fund Cash Balances, January 1, 2000	59,173	18,126	77,299
Fund Cash Balances, December 31, 2000	\$37,959	\$20,616	\$58,575

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

VILLAGE OF BUCHEL  
ATHENS COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE -  
FOR THE YEAR ENDED DECEMBER 31, 2000

	Fiduciary Fund <u>Agency</u>
Nonoperating Receipts/(Disbursements):	
Nonoperating Cash Receipts	\$35,160
Nonoperating Cash Disbursements	<u>(35,160)</u>
Other non-operating cash disbursements	0
Total non-operating cash disbursements	<u>0</u>
Net Income/(Loss)	0
Fund Cash Balances, January 1, 2000	<u>0</u>
Fund Cash Balances, December 31, 2000	<u><u>\$0</u></u>

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



VILLAGE OF BUCHTEL  
ATHENS 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

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
<b>CASH RECEIPTS:</b>			
Local Taxes	\$53,263	\$0	\$53,263
Intergovernmental	6,823	8,492	15,315
Fines, Licenses, and Permits	22,886	0	22,886
Miscellaneous	4,281	0	4,281
	<u>87,253</u>	<u>8,492</u>	<u>95,745</u>
<b>CASH DISBURSEMENTS:</b>			
Current:			
Security of Persons and Property	35,374	0	35,374
Transportation	0	10,485	10,485
General Government	41,235	0	41,235
	<u>76,609</u>	<u>10,485</u>	<u>87,094</u>
Excess of Cash Receipts Over/ (Under) Cash Disbursements	10,644	(1,993)	8,651
Fund Cash Balances, January 1, 1999	<u>48,529</u>	<u>20,119</u>	<u>68,648</u>
Fund Cash Balances, December 31, 1999	<u><u>\$59,173</u></u>	<u><u>\$18,126</u></u>	<u><u>\$77,299</u></u>

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

VILLAGE OF BUCHEL  
ATHENS COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE -  
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Fiduciary Fund Agency</u>
Nonoperating Receipts/(Disbursements):	
Nonoperating Cash Receipts	\$26,737
Nonoperating Cash Disbursements	<u>(27,076)</u>
Total Nonoperating Receipts/(Disbursements)	<u>(339)</u>
Net Income/(Loss)	(339)
Fund Cash Balances, January 1, 1999	<u>339</u>
Fund Cash Balances, December 31, 1999	<u><u>\$0</u></u>

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

VILLAGE OF BUCHTEL  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Years Ended December 31, 2000 and December 31, 1999

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Village of Buchtel, Athens County, 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 six-member Council. The Village provides general governmental services, fire protection, and maintenance of Village streets and highways.

The Village's management believes these financial statements represent 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 a payment is made rather than when a liability is incurred.

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 that is 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 tax and motor vehicle license tax money to construct, maintain and repair Village streets.

State Highway Improvement Fund - This fund receives gasoline tax and motor vehicle license tax money to maintain state highways.

Motor Vehicle License Tax Fund - This fund receives motor vehicle license tax fund money for maintaining and repairing Village Streets.

**Agency Fund**

This fund accounts for activity for which the Village is acting in an agency capacity. The village had the following significant Agency Funds:

Mayor's Court Fund - This fund accounts for the financial activity of the Mayor's Court.

VILLAGE OF BUCHTEL  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Years Ended December 31, 2000 and December 31, 1999

1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Process

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

Appropriations

Budgetary expenditures (i.e., 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 beginning of the year fund cash balances. 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. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

2. Equity in Pooled Cash

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

	<u>2000</u>	<u>1999</u>
Demand deposits	\$67,977	\$53,464
Certificate of Deposit	<u>10,474</u>	<u>10,979</u>
Total Deposits	78,451	64,443
Reconciling Items	<u>(19,876)</u>	<u>12,856</u>
Carrying Amount	<u>\$58,575</u>	<u>\$77,299</u>

**Deposits:**

The Village's deposits are insured by the Federal Deposit Insurance Corporation.

VILLAGE OF BUCHTEL  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Years Ended December 31, 2000 and December 31, 1999

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2000 and December 31, 1999, was as follows:

<u>2000 Budgeted vs. Actual Receipts</u>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$85,000	\$ 99,199	\$14,199
Special Revenue	<u>7,900</u>	<u>11,119</u>	<u>3,219</u>
Total	<u>\$92,900</u>	<u>\$110,318</u>	<u>\$17,418</u>

<u>2000 Budgeted vs. Actual Budgetary Basis Expenditures</u>			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Disbursements</u>	<u>Variance</u>
General	\$137,300	\$120,413	\$16,887
Special Revenue	<u>22,852</u>	<u>8,629</u>	<u>14,223</u>
Total	<u>\$160,152</u>	<u>\$129,042</u>	<u>\$31,110</u>

<u>1999 Budgeted vs. Actual Receipts</u>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$86,366	\$87,253	\$ 887
Special Revenue	<u>5,775</u>	<u>8,492</u>	<u>2,717</u>
Total	<u>\$92,141</u>	<u>\$95,745</u>	<u>\$3,604</u>

<u>1999 Budgeted vs. Actual Budgetary Basis Expenditures</u>			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Disbursements</u>	<u>Variance</u>
General	\$82,100	\$76,609	\$5,491
Special Revenue	<u>10,950</u>	<u>10,485</u>	<u>465</u>
Total	<u>\$93,050</u>	<u>\$87,094</u>	<u>\$5,956</u>

VILLAGE OF BUCHTEL  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Years Ended December 31, 2000 and December 31, 1999

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by 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 accompanying financial statements as Intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, 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.

6. Retirement Systems

The Village employees, as well as the Clerk/Treasurer and Council members, belong to the Public Employees Retirement System (PERS) of Ohio. PERS are cost-sharing, multiple-employer plan. This plan provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries as prescribed by the Ohio Revised Code.

Contributions rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PERS contributed 8.5% of wages. The Village contributed an amount equal to 13.55% of participants' wages. The Village has paid all contributions required through December 31, 2000.

7. Risk Management

The Village has obtained commercial insurance coverage for the following risks:

- General liability and casualty
- Public officials' liability
- Vehicles
- Property

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PIKETON, OHIO 45661

TELEPHONE: (740) 289-4131 FACSIMILE: (740) 289-3639  
E MAIL: mbalcpa@bright.net

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**Report on compliance and on internal control over financial reporting based on an audit  
Of financial statements performed in accordance with *Government Auditing Standards***

Mayor and Members of Council  
Village of Buchtel  
Athens County  
P.O. Box 311  
Buchtel, Ohio 43716

We have audited the financial statements of the Village of Buchtel, Athens County, (the Village) as of and for the years ended December 31, 2000, and December 31, 1999, and have issued our report thereon dated June 28, 2001. We conducted our audit 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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the Village in a separate letter dated June 28, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, 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. 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 material weaknesses.

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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be a material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the management of the Village in a separate letter dated June 28, 2001.

Village of Buchtel

Athens County

Report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*

Page 2

This report is intended for the information and use of the Village Council, Mayor, and management, and is not intended to be and should not be used by anyone other than these specified parties.

*Balestra & Company*

**BALESTRA & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

June 28, 2001





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**VILLAGE OF BUCHEL**

**ATHENS 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  
AUGUST 23, 2001**