



OHIO AUDITOR OF STATE  
**KEITH FABER**





VILLAGE OF VAN BUREN  
HANCOCK COUNTY

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Village of Van Buren  
Hancock County  
103 South Main Street  
P.O. Box 275  
Van Buren, Ohio 45899-0275

To the Village Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and proprietary fund type as of and for the year ended December 31, 2019, and related notes of the Village of Van Buren, Hancock County, Ohio (the Village).

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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Efficient • Effective • Transparent

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the Village prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Village does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2020 and 2019, and the respective changes in financial position or cash flows thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and proprietary fund type as of and for the year ended December 31, 2019, and related notes of the Village, in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

***Emphasis of Matter***

As discussed in Note 11 to the 2020 financial statements and in Note 10 to the 2019 financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village. We did not modify our opinion regarding this matter.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2021, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

August 16, 2021

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**Village of Van Buren, Ohio**  
*Hancock County*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2020*

|   | General         | Special<br>Revenue | Debt<br>Service  | Capital<br>Projects | Totals<br>(Memorandum<br>Only) |
|---|-----------------|--------------------|------------------|---------------------|--------------------------------|
| <b>Cash Receipts</b>                    |                 |                    |                  |                     |                                |
| Property and Other Local Taxes          | \$34,590        |                    |                  |                     | \$34,590                       |
| Intergovernmental                       | 30,790          | \$40,277           | \$27,943         |                     | 99,010                         |
| Special Assessments                     |                 | 23,755             | 140,434          |                     | 164,189                        |
| Charges for Services                    |                 |                    | 3,250            |                     | 3,250                          |
| Fines, Licenses and Permits             | 425             |                    |                  |                     | 425                            |
| Earnings on Investments                 | 55              | 4                  |                  |                     | 59                             |
| Miscellaneous                           | 1,629           |                    |                  |                     | 1,629                          |
| <i>Total Cash Receipts</i>              | <u>67,489</u>   | <u>64,036</u>      | <u>171,627</u>   |                     | <u>303,152</u>                 |
| <b>Cash Disbursements</b>               |                 |                    |                  |                     |                                |
| Current:                                |                 |                    |                  |                     |                                |
| Security of Persons and Property        | 6,158           | 10,923             |                  |                     | 17,081                         |
| Public Health Services                  | 1,939           |                    |                  |                     | 1,939                          |
| Leisure Time Activities                 | 386             |                    |                  |                     | 386                            |
| Community Environment                   | 3,300           |                    |                  |                     | 3,300                          |
| Basic Utility Services                  | 1,020           |                    |                  |                     | 1,020                          |
| Transportation                          | 2,125           | 23,845             |                  |                     | 25,970                         |
| General Government                      | 34,720          |                    |                  |                     | 34,720                         |
| Capital Outlay                          |                 | 17,831             |                  |                     | 17,831                         |
| Debt Service:                           |                 |                    |                  |                     |                                |
| Principal Retirement                    | 14,147          |                    | 98,238           |                     | 112,385                        |
| Interest and Fiscal Charges             |                 |                    | 69,238           |                     | 69,238                         |
| <i>Total Cash Disbursements</i>         | <u>63,795</u>   | <u>52,599</u>      | <u>167,476</u>   |                     | <u>283,870</u>                 |
| <i>Net Change in Fund Cash Balances</i> | 3,694           | 11,437             | 4,151            |                     | 19,282                         |
| <i>Fund Cash Balances, January 1</i>    | <u>87,148</u>   | <u>111,016</u>     | <u>273,685</u>   | <u>\$26,586</u>     | <u>498,435</u>                 |
| <i>Fund Cash Balances, December 31</i>  | <u>\$90,842</u> | <u>\$122,453</u>   | <u>\$277,836</u> | <u>\$26,586</u>     | <u>\$517,717</u>               |

*See accompanying notes to the basic financial statements*

**Village of Van Buren, Ohio**  
*Hancock County*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balance (Regulatory Cash Basis)*  
*Proprietary Fund Types*  
*For the Year Ended December 31, 2020*

|   | Enterprise |
|---|------------|
| <b>Operating Cash Receipts</b>                |            |
| Charges for Services                          | \$4,693    |
| <br><b>Operating Cash Disbursements</b>       |            |
| Contractual Services                          | 632        |
| Supplies and Materials                        | 3,505      |
| <br><i>Total Operating Cash Disbursements</i> | 4,137      |
| <br><i>Net Change in Fund Cash Balance</i>    | 556        |
| <br><i>Fund Cash Balance, January 1</i>       | 28,425     |
| <br><i>Fund Cash Balance, December 31</i>     | \$28,981   |

*See accompanying notes to the basic financial statements*

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Note 1 – Reporting Entity**

The Village of Van Buren (the Village), Hancock County, Ohio 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. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities and park operations. The Village contracts with the Hancock County Sheriff's department to provide security of persons and property. The Village contracts with Allen Township to provide fire protection services. Village residents receive water and sewer services from the City of Findlay, which performs the billing and collection of these charges for services.

**Public Entity Risk Pool**

The Village participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Presentation**

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for the proprietary fund type which are all organized on a fund type basis

**Fund Accounting**

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

**Street Construction Maintenance and Repair** The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

**Street Lighting** The street lighting fund accounts for and reports that portion of special assessment revenue restricted for lighting of the streets.

**Park Fund** The park fund accounts for and reports donations that are committed to fund construction of the park.

**Debt Service Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Special Assessment Debt Service – Water Line** The special assessment debt service – water line fund accounts for and reports that portion of special assessments with the purpose of paying for the debt on the water line projects.

**Special Assessment Debt Service – Sewer Line** The special assessment debt service – sewer line fund accounts for and reports that portion of special assessments with the purpose of paying for the debt on the sewer line projects.

**Capital Project Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant Capital Project Fund:

**Other Capital Project/Sewer** The other capital projects/sewer fund accounts for and reports revenues and expenses for the purpose of improvement projects to the sewer lines.

**Enterprise Funds** 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:

**Post Office Fund** The post office fund accounts for rental proceeds from the Federal Post Office.

**Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

**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. 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 approve estimated resources.

**Encumbrances** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2020 budgetary activity appears in Note 3.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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***Deposits and Investments***

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

***Capital Assets***

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2020 follows:

| 2020 Budgeted vs. Actual Receipts |                      |                    |          |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance |
| General                           | \$63,157             | \$67,489           | \$4,332  |
| Special Revenue                   | 47,500               | 64,036             | 16,536   |
| Debt Service                      | 164,900              | 171,627            | 6,727    |
| Enterprise                        | 4,693                | 4,693              |          |
| Total                             | \$280,250            | \$307,845          | \$27,595 |

| 2020 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |           |
|---|----------------------------|---------------------------|-----------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance  |
| General   | \$150,305                  | \$63,795                  | \$86,510  |
| Special Revenue                                       | 158,516                    | 52,599                    | 105,917   |
| Debt Service  | 438,584                    | 167,476                   | 271,108   |
| Capital Projects                                      | 26,586                     |                           | 26,586    |
| Enterprise  | 33,118                     | 4,137                     | 28,981    |
| Total   | \$807,109                  | \$288,007                 | \$519,102 |

**Note 4 – Deposits**

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Village's deposit and investment accounts are as follows:

|                                     | 2020      |
|-------------------------------------|-----------|
| <b><i>Cash Management Pool:</i></b> |           |
| Demand deposits                     | \$546,698 |

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the village is holding no unremitted employee payroll withholdings.

***Deposits***

Deposits are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Note 5 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Village.

**Note 6 – Risk Management**

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31 (latest information available):

|                       | <u>2019</u>   |
|-----------------------|---------------|
| Cash and investments  | \$ 38,432,610 |
| Actuarial liabilities | \$14,705,917  |

**Note 7 – Defined Benefit Pension Plan**

***Ohio Public Employees Retirement System***

Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits. The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Note 8 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2020.

**Note 9 – Debt**

Debt outstanding at December 31, 2020, was as follows:

|   | <u>Principal</u>   | <u>Interest Rate</u> |
|---|--------------------|----------------------|
| Ohio Water Development Authority Loan #2896 | \$421,692          | 2.00%                |
| Ohio Water Development Authority Loan #4308 | 65,692             | 4.00%                |
| USDA - Rural Development Loan               | 1,303,600          | 4.25%                |
| OPWC CM25V                                  | 11,202             | 0.00%                |
| OPWC CM31T                                  | 11,634             | 0.00%                |
| Total                                       | <u>\$1,813,820</u> |                      |

The Ohio Water Development Authority (OWDA) loan # 0264 relates to a water distribution system and trunk line construction. The OWDA approved a loan of \$1,746,599 to the Village for this project. The Village will repay the loan in semiannual installments of \$44,730, including interest, over 25 years. The Village has agreed to set special assessment rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) loan # 4308 and USDA-Rural Development loan relate to a sanitary sewer system design the Ohio Environmental Protection Agency mandated. The OWDA approved a loan of \$102,012 and the United States Department of Agriculture (USDA) approved a loan of \$1,642,000 to the Village for this project. The Village will repay the OWDA loan in semiannual installments of \$2,931, including interest, over 30 years. The Village will repay the USDA-Rural Development loan in semiannual installments based on the payments stated for the Revenue Bonds, including interest, over 40 years. The Village has agreed to set special assessment rates sufficient to cover OWDA and USDA debt service requirements.

The Ohio Public Works Commission (OPWC) Loan CM31T relates to phase 1 of a storm sewer replacement project on the south side of the Village. The OPWC approved a loan of \$12,246 for this portion of the project. The Village will repay the loan in semiannual installments of \$204 (0% interest) over 30 years. The loan was approved in 2018 and payments began in 2019.

The Ohio Public Works Commission (OPWC) Loan CM25V relates to phase 2 of a storm sewer replacement project on the south side of the Village. The OPWC approved a loan of \$11,489 for this portion of the project. The Village will repay the loan in semiannual installments of \$287 (0% interest) over 20 years. The loan was approved in 2019 and payments began in 2020.



**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

**Amortization**

Amortization of the above debt, including interest, is scheduled as follows:

| Year Ending<br>December 31: | OWDA Loan<br>2896 | OWDA Loan<br>4308 | USDA Loan          | OPWC Loan<br>CM25V | OPWC Loan<br>CM31T |
|-----------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|
| 2021                        | \$89,461          | \$5,862           | \$86,176           | \$574              | \$408              |
| 2022                        | 89,461            | \$5,862           | 86,141             | \$575              | \$408              |
| 2023                        | 89,461            | \$5,862           | 86,149             | \$574              | \$408              |
| 2024                        | 89,461            | \$5,862           | 86,296             | \$575              | \$408              |
| 2025                        | 89,461            | \$5,862           | 86,177             | \$574              | \$408              |
| 2026-2030                   |                   | 29,311            | 430,614            | 2,872              | 2,041              |
| 2031-2035                   |                   | 29,311            | 430,722            | 2,872              | 2,041              |
| 2036-2040                   |                   |                   | 430,695            | 2,586              | 2,041              |
| 2041-2045                   |                   |                   | 387,559            |                    | 2,042              |
| 2046-2049                   |                   |                   |                    |                    | 1,429              |
| Total                       | <u>\$447,305</u>  | <u>\$87,932</u>   | <u>\$2,110,529</u> | <u>\$11,202</u>    | <u>\$11,634</u>    |

**Note 10 – Fund Balances**

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted, committed or assigned. These restricted, committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include the outstanding encumbrances.

**Note 11 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. In addition, the impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2019*

|   | General         | Special<br>Revenue | Debt<br>Service  | Capital<br>Projects | Totals<br>(Memorandum<br>Only) |
|---|-----------------|--------------------|------------------|---------------------|--------------------------------|
| <b>Cash Receipts</b>                    |                 |                    |                  |                     |                                |
| Property and Other Local Taxes          | \$31,040        |                    |                  |                     | \$31,040                       |
| Intergovernmental                       | 30,674          | \$35,762           | \$27,942         | \$11,489            | 105,867                        |
| Special Assessments                     |                 | 21,215             | 139,349          |                     | 160,564                        |
| Charges for Services                    |                 |                    | 17,100           |                     | 17,100                         |
| Fines, Licenses and Permits             | 700             |                    |                  |                     | 700                            |
| Earnings on Investments                 | 55              | 4                  |                  |                     | 59                             |
| Miscellaneous                           | 2,494           | 15,000             |                  |                     | 17,494                         |
| <i>Total Cash Receipts</i>              | <u>64,963</u>   | <u>71,981</u>      | <u>184,391</u>   | <u>11,489</u>       | <u>332,824</u>                 |
| <b>Cash Disbursements</b>               |                 |                    |                  |                     |                                |
| Current:                                |                 |                    |                  |                     |                                |
| Security of Persons and Property        | 6,002           | 13,718             |                  |                     | 19,720                         |
| Public Health Services                  | 1,655           |                    |                  |                     | 1,655                          |
| Leisure Time Activities                 | 458             |                    |                  |                     | 458                            |
| Community Environment                   | 3,200           |                    |                  |                     | 3,200                          |
| Basic Utility Services                  | 1,000           |                    |                  |                     | 1,000                          |
| Transportation                          | 1,798           | 29,064             |                  |                     | 30,862                         |
| General Government                      | 57,972          |                    |                  |                     | 57,972                         |
| Capital Outlay                          |                 | 22,303             |                  | 11,489              | 33,792                         |
| Debt Service:                           |                 |                    |                  |                     |                                |
| Principal Retirement                    | 14,070          |                    | 96,335           |                     | 110,405                        |
| Interest and Fiscal Charges             |                 |                    | 72,164           |                     | 72,164                         |
| <i>Total Cash Disbursements</i>         | <u>86,155</u>   | <u>65,085</u>      | <u>168,499</u>   | <u>11,489</u>       | <u>331,228</u>                 |
| <i>Net Change in Fund Cash Balances</i> | (21,192)        | 6,896              | 15,892           |                     | 1,596                          |
| <i>Fund Cash Balances, January 1</i>    | <u>108,340</u>  | <u>104,120</u>     | <u>257,793</u>   | <u>26,586</u>       | <u>496,839</u>                 |
| <b>Fund Cash Balances, December 31</b>  |                 |                    |                  |                     |                                |
| Restricted                              |                 | 111,016            | 273,685          | 26,586              | 411,287                        |
| Assigned                                | 87,148          |                    |                  |                     | 87,148                         |
| <i>Fund Cash Balances, December 31</i>  | <u>\$87,148</u> | <u>\$111,016</u>   | <u>\$273,685</u> | <u>\$26,586</u>     | <u>\$498,435</u>               |

*See accompanying notes to the basic financial statements*

**Village of Van Buren, Ohio**  
*Hancock County*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balance (Regulatory Cash Basis)*  
*Proprietary Fund Type*  
*For the Year Ended December 31, 2019*

|   | Enterprise |
|---|------------|
| <b>Operating Cash Receipts</b>            |            |
| Charges for Services                      | \$4,693    |
| <b>Operating Cash Disbursements</b>       |            |
| Contractual Services                      | 632        |
| Supplies and Materials                    | 14,697     |
| <i>Total Operating Cash Disbursements</i> | 15,329     |
| <i>Net Change in Fund Cash Balance</i>    | (10,636)   |
| <i>Fund Cash Balance, January 1</i>       | 39,061     |
| <i>Fund Cash Balance, December 31</i>     | \$28,425   |

*See accompanying notes to the basic financial statements*

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 1 – Reporting Entity**

The Village of Van Buren (the Village), Hancock County, Ohio 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. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities and park operations. The Village contracts with the Hancock County Sheriff's department to provide security of persons and property. The Village contracts with Allen Township to provide fire protection services. Village residents receive water and sewer services from the City of Findlay, which performs the billing and collection of these charges for services.

**Public Entity Risk Pool**

The Village participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Presentation**

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for the proprietary fund type which are all organized on a fund type basis.

**Fund Accounting**

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

**Street Construction Maintenance and Repair** The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

**Street Lighting** The street lighting fund accounts for and reports that portion of special assessment revenue restricted for lighting of the streets.

**Park Fund** The park fund accounts for and reports donations that are committed to fund construction of the park.

**Debt Service Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

**Special Assessment Debt Service – Water Line** The special assessment debt service – water line fund accounts for and reports that portion of special assessments with the purpose of paying for the debt on the water line projects.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Special Assessment Debt Service – Sewer Line** The special assessment debt service – sewer line fund accounts for and reports that portion of special assessments with the purpose of paying for the debt on the sewer line projects.

**Capital Project Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant Capital Project Fund:

**Other Capital Projects/Sewer** The fund accounts for capital improvements made to the Village sewer system

**Enterprise Funds** 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:

**Post Office Fund** The post office fund accounts for rental proceeds from the Federal Post Office.

**Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

**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. 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 approve estimated resources.

**Encumbrances** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2019 budgetary activity appears in Note 3.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Deposits and Investments**

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**Capital Assets**

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2019 follows:

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

| 2019 Budgeted vs. Actual Receipts |                      |                    |          |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance |
| General                           | \$58,718             | \$64,963           | \$6,245  |
| Special Revenue                   | 57,500               | 71,981             | 14,481   |
| Debt Service                      | 164,900              | 184,391            | 19,491   |
| Capital Projects                  |                      | 11,489             | 11,489   |
| Enterprise                        | 4,693                | 4,693              |          |
| Total                             | \$285,811            | \$337,517          | \$51,706 |

| 2019 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |           |
|---|----------------------------|---------------------------|-----------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance  |
| General   | \$167,058                  | \$86,155                  | \$80,903  |
| Special Revenue                                       | 160,961                    | 65,085                    | 95,876    |
| Debt Service  | 422,693                    | 168,499                   | 254,194   |
| Capital Projects                                      | 38,075                     | 11,489                    | 26,586    |
| Enterprise  | 43,754                     | 15,329                    | 28,425    |
| Total   | \$832,541                  | \$346,557                 | \$485,984 |

**Note 4 – Deposits**

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

|                                     |           |
|-------------------------------------|-----------|
|                                     | 2019      |
| <b><i>Cash Management Pool:</i></b> |           |
| Demand deposits                     | \$526,860 |

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2019, the village is holding no unremitted employee payroll withholdings.

***Deposits***

Deposits are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 5 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Village.

**Note 6 – Risk Management**

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

|                       | <u>2019</u>   |
|-----------------------|---------------|
| Cash and investments  | \$ 38,432,610 |
| Actuarial liabilities | \$14,705,917  |

**Note 7 – Defined Benefit Pension Plan**

***Ohio Public Employees Retirement System***

Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits. The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.



**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 8 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2019.

**Note 9 – Debt**

Debt outstanding at December 31, 2019, was as follows:

|   | <u>Principal</u>   | <u>Interest Rate</u> |
|---|--------------------|----------------------|
| Ohio Water Development Authority Loan #2896 | \$501,130          | 2.00%                |
| Ohio Water Development Authority Loan #4308 | 68,839             | 4.00%                |
| USDA - Rural Development Loan               | 1,333,400          | 4.25%                |
| OPWC CM25V                                  | 11,489             | 0.00%                |
| OPWC CM31T                                  | 11,838             | 0.00%                |
| Total                                       | <u>\$1,926,696</u> |                      |

The Ohio Water Development Authority (OWDA) loan # 0264 relates to a water distribution system and trunk line construction. The OWDA approved a loan of \$1,746,599 to the Village for this project. The Village will repay the loan in semiannual installments of \$44,730, including interest, over 25 years. The Village has agreed to set special assessment rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) loan # 4308 and USDA-Rural Development loan relate to a sanitary sewer system design the Ohio Environmental Protection Agency mandated. The OWDA approved a loan of \$102,012 and the United States Department of Agriculture (USDA) approved a loan of \$1,642,000 to the Village for this project. The Village will repay the OWDA loan in semiannual installments of \$2,931, including interest, over 30 years. The Village will repay the USDA-Rural Development loan in semiannual installments based on the payments stated for the Revenue Bonds, including interest, over 40 years. The Village has agreed to set special assessment rates sufficient to cover OWDA and USDA debt service requirements.

The Ohio Public Works Commission (OPWC) Loan CM31T relates to phase 1 of a storm sewer replacement project on the south side of the Village. The OPWC approved a loan of \$12,246 for this portion of the project. The Village will repay the loan in semiannual installments of \$204 (0% interest) over 30 years. The loan was approved in 2018 and payments began in 2019.

The Ohio Public Works Commission (OPWC) Loan CM25V relates to phase 2 of a storm sewer replacement project on the south side of the Village. The OPWC approved a loan of \$11,489 for this portion of the project. The Village will repay the loan in semiannual installments of \$287 (0% interest) over 20 years. The loan was approved in 2019 and payments will begin in 2020.

**Amortization**

Amortization of the above debt, including interest, is scheduled as follows:

**Village of Van Buren, Ohio**  
*Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

| Year Ending<br>December 31: | OWDA Loan<br>2896 | OWDA Loan<br>4308 | USDA Loan          | OPWC Loan<br>CM25V | OPWC Loan<br>CM31T |
|-----------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|
| 2020                        | \$89,461          | \$5,862           | \$86,157           | \$287              | \$204              |
| 2021                        | 89,461            | \$5,862           | 86,176             | \$575              | \$408              |
| 2022                        | 89,461            | \$5,862           | 86,141             | \$574              | \$408              |
| 2023                        | 89,461            | \$5,862           | 86,149             | \$575              | \$408              |
| 2024                        | 89,461            | \$5,862           | 86,296             | \$574              | \$408              |
| 2025-2029                   | 89,461            | 29,311            | 430,716            | 2,872              | 2,041              |
| 2030-2034                   |                   | 29,311            | 430,636            | 2,873              | 2,041              |
| 2035-2039                   |                   | 5,862             | 430,696            | 2,872              | 2,041              |
| 2040-2044                   |                   |                   | 430,724            | 287                | 2,041              |
| 2045-2049                   |                   |                   | 42,995             |                    | 1,838              |
| Total                       | <u>\$536,766</u>  | <u>\$93,794</u>   | <u>\$2,196,686</u> | <u>\$11,489</u>    | <u>\$11,838</u>    |

**Note 10 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village. In addition, the impact on the Village’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**Note 11 – Miscellaneous Revenues**

During 2019, the Village received significant Special Revenue fund miscellaneous revenues, primarily consisting of a donation from Marathon Petroleum for the Special Revenue Parks Fund totaling \$15,000.



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NorthwestRegion@ohioauditor.gov

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

Village of Van Buren  
Hancock County  
103 South Main Street  
P.O. Box 275  
Van Buren, Ohio 45899-0275

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and proprietary fund type as of and for the year ended December 31, 2019, and related notes of the Village of Van Buren, Hancock County, Ohio (the Village) and have issued our report thereon dated August 16, 2021, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Village.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2020-001 to be a material weakness.

***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 financial statements. However, opining 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

August 16, 2021

**VILLAGE OF VAN BUREN  
HANCOCK COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2020 AND 2019**

|  |
|--|
| <b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b> |
|--|

**FINDING NUMBER 2020-001**

**Material Weakness – Financial Reporting**

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. In addition, Governmental Accounting Standards Board (GASB) Statement No. 54 (codified as GASB Cod 1800.165-.179) requires fund balance be divided into one of five classifications based on the extent to which constraints are imposed upon the resources. The following errors were noted in the accompanying 2020 and 2019 financial statements and notes to the financial statements:

- In 2019, General fund subsequent year appropriations in excess of estimated receipts was incorrectly classified as unassigned instead of assigned fund balance in the amount of \$87,148.
- In 2019, a receipt from Marathon Petroleum Company was incorrectly recorded as intergovernmental revenue instead of miscellaneous revenue in the Park fund in the amount of \$15,000.
- In 2019, an on-behalf Ohio Public Works Commission (OPWC) loan to the Village for a sewer improvement project, totaling \$11,489, was not booked by the Village, resulting in an understatement to both intergovernmental revenue and capital outlay in the Capital Projects fund.
- In the 2020 notes to the financial statements, we noted the omission of the Fund Balances and COVID-19 notes. In addition, we noted errors in the amounts in the Deposits, Budgetary Activity, and Debt notes.
- In the 2019 notes to the financial statements, we noted errors in the amounts in the Deposits, Budgetary Activity, and Debt notes. In addition, the notes to the financial statements also included notes that did not apply to the village such as AMP Ohio, Contingent liabilities, and Jointly Governed Organizations.

These errors were the result of inadequate policies and procedures in reviewing the financial statements. Failure to complete accurate financial statements could lead to Council making misinformed decisions. The accompanying financial statements and notes to the financial statements have been adjusted to correct these errors. In addition to the adjustments noted above, we also identified additional misstatements ranging from \$88 to \$900 that we have brought to the Village's attention.

To help ensure the Village's financial statements and notes to the financial statements are complete and accurate, the Village should adopt policies and procedures, including a final review of the financial statements and notes to the financial statements by the Fiscal Officer and Council, to identify and correct errors and omissions. In addition, the Fiscal Officer should review Auditor of State Audit Bulletin 2011-004 for information on GASB Statement No. 54.

**Officials' Response:**

We did not receive a response from Officials to this finding.

# Village of Van Buren Hancock County

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2020 AND 2019

| <b>Finding Number</b> | <b>Finding Summary</b>   | <b>Status</b>  | <b>Additional Information</b>  |
|-----------------------|--|--|--|
| 2018-001              | Material weakness for financial reporting due to audit adjustments. Finding first reported in the 2012-2011 audit. | Not corrected and repeated as Finding 2020-001 in this report. | The Fiscal Officer will review the errors, the proper procedures and make corrections in the future. |

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF VAN BUREN**

**HANCOCK COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 9/7/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)