



# Dave Yost • Auditor of State

## 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 that have a material effect on the financial condition; (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 the Village of Bloomingburg (Fayette County) financial records on November 4, 2013, the Village of Bloomingburg met the following fiscal caution conditions:

1. Significant deficiencies, material weaknesses and direct and material noncompliance with Ohio law as disclosed in the Village of Bloomingburg's 2011-2012 financial audit including negative cash fund balance, multiple overpayments to vendors, receipts incorrectly posted to wrong receipt codes, disbursements being made from incorrect funds and the lack of the Village of Bloomingburg certifying purchases;
2. Based on a review of fund financial data for the Village of Bloomingburg at December 31, 2012, the Village had a general fund deficit balance in the amount of \$28,819. The deficit exceeded two percent of estimated revenues by \$26,825. Based on a review of fund financial data at November 30, 2013, the Village had a general fund deficit balance in the amount of \$28,011. The deficit exceeded two percent of estimated revenues by \$23,685.

Accordingly, the Auditor of State hereby declares the Village of Bloomingburg 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 Gayle Brown, Mayor of the Village of Bloomingburg, Donald Fleak, President Pro-Tempore of Village Council and Lorie Johnson, Fiscal Officer.

A handwritten signature in blue ink that reads "Dave Yost".

Dave Yost  
Auditor of State

December 17, 2013