



**VILLAGE OF BLUFFTON  
ALLEN AND HANCOCK COUNTIES  
REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2019 - 2018**

313 Second St.  
Marietta, OH 45750  
740 373 0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304 422 2203

150 W. Main St., #A  
St. Clairsville, OH 43950  
740 695 1569

1310 Market St., #300  
Wheeling, WV 26003  
304 232 1358

749 Wheeling Ave., #300  
Cambridge, OH 43725  
740 435 3417

[www.perrycpas.com](http://www.perrycpas.com)



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Village Council  
Village of Bluffton  
PO Box 63  
Bluffton, OH 45817

We have reviewed the *Independent Auditor's Report* of the Village of Bluffton, Allen County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2018 through December 31, 2019. 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 Bluffton is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

January 7, 2021

**This page intentionally left blank.**

VILLAGE OF BLUFFTON  
ALLEN AND HANCOCK COUNTIES

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report .....	1
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2019 .....	3
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – Proprietary Fund Type – For the Year Ended December 31, 2019 .....	4
Notes to the Financial Statements – For the Year Ended December 31, 2019.....	5
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2018 .....	14
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – Proprietary Fund Type – For the Year Ended December 31, 2018 .....	15
Notes to the Financial Statements – For the Year Ended December 31, 2018.....	16
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	25
Schedule of Audit Findings .....	27
Schedule of Prior Audit Findings.....	30

**This page intentionally left blank.**



313 Second St.  
Marietta, OH 45750  
740.373.0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304.422.2203

150 West Main St.  
St. Clairsville, OH 43950  
740.695.1569

1310 Market Street, Suite 300  
Wheeling, WV 26003  
304.232.1358

749 Wheeling Ave., Suite 300  
Cambridge, OH 43725  
740.435.3417

## INDEPENDENT AUDITOR'S REPORT

November 30, 2020

Village of Bluffton  
Allen and Hancock Counties  
154 North Main Street  
Bluffton, OH 45817

To the Village Council:

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

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of **Village of Bluffton**, Allen, and Hancock Counties, Ohio (the Village) as of and for the years ended December 31, 2019 and 2018.

### ***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.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
Members: American Institute of Certified Public Accountants  
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.



***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, 2019 and 2018, and the respective changes in financial position and 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 by fund type, and related notes of the Village of Bluffton, Allen and Hancock Counties as of December 31, 2019 and 2018, and for the years then ended 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 12 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will 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 November 30, 2020, 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.



**Perry & Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio



**VILLAGE OF BLUFFTON  
ALLEN AND HANCOCK COUNTIES**

**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 Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>						
Property and Other Local Taxes	\$ 215,857	\$ -	\$ -	\$ -	\$ -	\$ 215,857
Municipal Income Tax	2,067,896	-	-	-	-	2,067,896
Intergovernmental	166,092	269,835	-	121,826	-	557,753
Special Assessments	7,876	4,926	-	-	-	12,802
Charges for Services	354,227	13,281	-	-	-	367,508
Fines, Licenses and Permits	5,931	-	-	-	-	5,931
Earnings on Investments	115,208	1,914	-	-	-	117,122
Miscellaneous	79,846	5,138	-	-	-	84,984
<i>Total Cash Receipts</i>	<u>3,012,933</u>	<u>295,094</u>	<u>-</u>	<u>121,826</u>	<u>-</u>	<u>3,429,853</u>
<b>Cash Disbursements</b>						
Current:						
Security of Persons and Property	973,128	3,900	-	-	-	977,028
Public Health Services	18,052	15,067	-	-	-	33,119
Leisure Time Activities	161,006	2,874	-	-	-	163,880
Community Environment	-	7,247	-	-	-	7,247
Basic Utility Services	13,750	-	-	-	-	13,750
Transportation	62,000	283,820	-	62,836	-	408,656
General Government	663,293	-	-	-	-	663,293
Capital Outlay	260,959	1,388,614	-	412,630	-	2,062,203
<i>Total Cash Disbursements</i>	<u>2,152,188</u>	<u>1,701,522</u>	<u>-</u>	<u>475,466</u>	<u>-</u>	<u>4,329,176</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>860,745</u>	<u>(1,406,428)</u>	<u>-</u>	<u>(353,640)</u>	<u>-</u>	<u>(899,323)</u>
<b>Other Financing Receipts (Disbursements)</b>						
Loans Issued	-	398,937	-	-	-	398,937
Transfers In	-	934,000	-	331,000	-	1,265,000
Transfers Out	(1,488,000)	-	-	-	-	(1,488,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(1,488,000)</u>	<u>1,332,937</u>	<u>-</u>	<u>331,000</u>	<u>-</u>	<u>175,937</u>
<i>Net Change in Fund Cash Balances</i>	<u>(627,255)</u>	<u>(73,491)</u>	<u>-</u>	<u>(22,640)</u>	<u>-</u>	<u>(723,386)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,509,504</u>	<u>863,162</u>	<u>2,730</u>	<u>682,261</u>	<u>1,851</u>	<u>4,059,508</u>
<b>Fund Cash Balances, December 31</b>						
Nonspendable	225	-	-	-	1,500	1,725
Restricted	-	789,671	2,730	491,578	351	1,284,330
Assigned	795,422	-	-	168,043	-	963,465
Unassigned	1,086,602	-	-	-	-	1,086,602
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,882,249</u>	<u>\$ 789,671</u>	<u>\$ 2,730</u>	<u>\$ 659,621</u>	<u>\$ 1,851</u>	<u>\$ 3,336,122</u>

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

**VILLAGE OF BLUFFTON  
ALLEN AND HANCOCK COUNTIES**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Proprietary Fund Type
	Enterprise
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 2,038,363
Miscellaneous	949
	2,039,312
<i>Total Operating Cash Receipts</i>	<i>2,039,312</i>
<b>Operating Cash Disbursements</b>	
Personal Services	270,471
Employee Fringe Benefits	80,822
Contractual Services	1,111,838
Supplies and Materials	240,246
	1,703,377
<i>Total Operating Cash Disbursements</i>	<i>1,703,377</i>
<i>Operating Income (Loss)</i>	<i>335,935</i>
<b>Non-Operating (Disbursements)</b>	
Property and Other Local Taxes	516,974
Special Assessments	19,602
Capital Outlay	(865,038)
Principal Retirement	(683,436)
Interest and Other Fiscal Charges	(338,534)
	(1,350,432)
<i>Total Non-Operating (Disbursements)</i>	<i>(1,350,432)</i>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<i>(1,014,497)</i>
Transfers In	823,000
Transfers Out	(600,000)
	(791,497)
<i>Net Change in Fund Cash Balances</i>	<i>(791,497)</i>
<i>Fund Cash Balances, January 1</i>	<i>1,238,764</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 447,267</i>

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

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 1 - Reporting Entity**

The Village of Bluffton (the Village), Allen & Hancock Counties, 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 six-member Council elected at large for four year terms. The Mayor is elected to a four-year term and votes only to break a tie. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Village. The Village provides general government services, water and sewer utilities, maintenance of Village roads and bridges, park operations, and police services. The Village appropriates general fund money to support a volunteer fire department and emergency medical squad.

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 all proprietary fund types which are 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 Fund:

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

***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:

***Swimming Pool Debt Service Fund*** – The Swimming Pool Debt Service Fund accounts for the balance of funds restricted to disbursement for principal and interest payments.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Fund Accounting (Continued)**

**Capital Projects 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 Projects Funds:

**Fire and Rescue Improvement Fund** – The Fire and Rescue Improvement Fund is used to account for resources whose use is restricted to funding the purchase of capital improvement items for the EMS and fire departments.

**Airport Improvement Fund** – The Airport Improvement Fund is used to account for resources whose use is restricted to funding the purchase of capital improvements for the airport.

**Permanent Funds** – These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Village had the following significant Permanent Fund:

**Cemetery Trust Cahill/Wilcox Fund** – The Cemetery Trust Cahill/Wilcox Fund is used to account for interest earned on a certain amount of principal and spent for the upkeep of graves and lots.

**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 Funds:

**Water Fund** - The water fund accounts for the provision of water to the residents and commercial users located within the Village.

**Sewer Fund** - The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

**Water/Sewer Improvement Fund**- The water/sewer improvement fund accounts for monies derived from the income tax to pay for improvements to the water and sewer infrastructure and its' related debt.

**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.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**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 and department level and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**Estimated Resources** Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered 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 carried over, and need not be reappropriated. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2019 budgetary activity appears in Note 4.

**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.

**Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**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.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Fund Balance (Continued)**

**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*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

**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 – Compliance**

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Refuse and Water Funds. Contrary to Ohio law, appropriations exceeded estimated resources in the Parks and Recreation, Storm Sewer Improvement and Water/Sewer Improvement Funds.

**Note 4 - Budgetary Activity**

Budgetary activity for the year ending 2019 follows:

2019 Budgeted vs. Actual Budgetary Basis Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 3,172,800	\$ 3,012,933	\$ (159,867)
Special Revenue	1,430,400	1,628,031	197,631
Capital Projects	470,798	452,826	(17,972)
Enterprise	3,328,000	3,398,888	70,888
Total	\$ 8,401,998	\$ 8,492,678	\$ 90,680

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 4 - Budgetary Activity (Continued)**

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 3,810,236	\$ 3,683,199	\$ 127,037
Special Revenue	2,151,402	1,805,290	346,112
Capital Projects	689,839	582,881	106,958
Enterprise	4,551,769	4,280,088	271,681
Total	\$ 11,203,246	\$ 10,351,458	\$ 851,788

**Note 5 – Deposits and Investments**

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

	2019
Demand Deposits	\$ 2,211,100
Certificates of Deposit	1,553,148
Total Deposits	3,764,248
STAR Ohio	15,691
Total Investments	15,691
Total Deposits and Investments	\$ 3,779,939

The Village also held a balance of \$3,450 in petty cash on hand at December 31, 2019.

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village.

***Investments***

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**Note 6 – 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.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 6 – Taxes (Continued)**

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

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

***Income Taxes***

The Village levies a one and a quarter percent income tax whose proceeds are placed into the General Fund (one percent) and Water/Sewer Improvement Fund (quarter percent). The Village levies and collects the tax on all income earned within the Village as well as on incomes of residents earned outside the Village. In the latter case, the Village allows a credit of the lesser of actual taxes paid to another city of one hundred percent of the one and a quarter percent tax rate on taxable income. Employers within the Village are required to withhold income tax on employee earnings and remit the tax to the Village at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

**Note 7 - Risk Management**

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some 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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.



**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 8 - Defined Benefit Pension Plans (Continued)**

**Ohio Police and Fire Retirement System**

Some Village's certified full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2019.

**Social Security**

Several Village's employees contributed to social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2% of their gross salaries. The Village contributed an amount equal to 6.2% of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.

**Note 9 - Postemployment Benefits**

Both OPERS and OP&F offer 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. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

**Note 10 – Debt**

Under the cash basis of accounting, debt obligations are not reported as a liability in the accompanying financial statements.

The Village's long-term debt activity for the year ended December 31, 2019 is as follows:

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 10 – Debt (Continued)**

	Principal	Interest Rate
OPWC (CM13N) - S Main St. Waterline Replacement	\$ 68,911	0.00%
OPWC (CM22C) - Elevated Water Storage Tank	16,352	0.00%
OPWC (CM25P) - Lawn, Jackson, Grove Waterline Replacement	231,019	0.00%
OPWC (CM26I) - Main St. Waterline Replacement	162,493	0.00%
OPWC (CM27R) - Garmatter Waterline Replacement	75,098	0.00%
OPWC (CM32P) - Cherry and Mound Waterline Replacement	202,199	0.00%
OPWC (CM23W) - Jefferson Street Improvements Phase 1	100,814	0.00%
OPWC (CM23V) - West Elm Street Improvements	298,123	0.00%
OWDA (3207) - Water System Improvements	789,958	5.77%
OWDA (3736) - Wastewater Treatment	409,604	4.64%
OWDA (4777) - Waterline from Ottawa	2,294,628	2.75%
Jackson Elementary Waterline Replacement	211,942	2.72%
West Side Interceptor	2,849,508	3.97%
Sewer Plant	2,266,289	3.90%
	<u>\$ 9,976,938</u>	

The Ohio Public Works Commission (OPWC) loans relate to the construction of new waterlines. These are interest free loans. OPWC Loan CM13N – S Main St. Waterline Replacement has semi-annual payments of \$2,650 to be paid back over a term of 20 years. OPWC Loan CM22C – Elevated Water Storage Tank has semi-annual payments of \$4,088 to be paid back over a term of 20 years. OPWC Loan CM25P – Lawn, Jackson, Grove Waterline Replacement has semi-annual payments of \$4,915 to be paid back over a term of 30 years. OPWC Loan CM26I – Main St. Waterline Replacement has semi-annual payments of \$10,156 to be paid back over a term of 20 years. OPWC Loan CM27R – Garmatter Waterline Replacement has semi-annual payments of \$1,444 to be paid back over a term of 30 years. OPWC Loan CM32P – Cherry and Mound Waterline Replacement has semi-annual payments of \$4,302 to be paid back over a term of 30 years. OPWC Loan CM23W has semiannual payments of \$2,520 to be paid back over a term of 20 years. OPWC Loan CM23V has semi-annual payments of \$7,453 to be paid back over a term of 20 years. With the exception of OPWC Loans CM23W and CM 23V, which will be paid out of the Street Construction, Maintenance and Repair Fund, all OPWC Loans are paid out of the Water and Sewer Improvement Fund.

The Ohio Water Development Authority (OWDA) 3207 – Water System Improvements Loan relates to the construction of two water towers. The loan will be repaid in semi-annual installments of \$69,383, including interest, over 25 years. The loan is secured by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This loan is paid out of the Water and Sewer Improvement Fund.

The Ohio Water Development Authority (OWDA) 3736 – Wastewater Treatment Loan relates to the construction of a new wastewater treatment plant that was mandated by the Ohio Environmental Protection Agency. The loan will be repaid in semi-annual installments of \$20,054, including interest, over 30 years. This loan is paid out of the Water and Sewer Improvement Fund.

The loan is secured by sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 4777 Waterline from Ottawa Loan relates to the construction of a waterline from Ottawa to the Village. The loan will be repaid in semi-annual installments of \$144,775, including interest, over 20 years. The loan is secured by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This loan is paid out of the Water and Sewer Improvement Fund.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 10 – Debt (Continued)**

The First National Bank Loan relates to the construction of waterline replacements. The interest rate for this loan reset to 2.72% in 2013. This loan is paid out of the Water and Sewer Improvement Fund.

The Citizen’s National Bank Loan was obtained for the purpose of refinancing the costs of constructing a new wastewater treatment plant (USDA Rural Development Mortgage Revenue Bonds). The loan will be repaid over 15 years. Payments will be remitted on a monthly basis. This loan is paid out of the Water and Sewer Improvement Fund.

The Citizen’s National Bank – West Side Interceptor Loan was obtained during 2016 with an interest rate of 3.968%. Beginning in 2017, the loan will be repaid in 20 years. This loan is paid out of the Water and Sewer Improvement Fund.

The following is a summary of the Village’s future annual debt service requirements, including Principal and Interest:

Year Ending December 31:	OPWC Loans	OWDA Loans	General Obligation Loans
2020	\$ 55,112	\$ 452,269	\$ 510,959
2021	75,059	454,104	510,959
2022	66,883	456,045	510,959
2023	66,883	458,099	510,959
2024	66,883	460,271	510,959
2025 - 2029	293,789	1,623,153	2,542,450
2030 - 2034	222,253	158,292	1,304,445
2035 - 2039	206,350	-	564,320
2040 - 2044	98,911	-	-
2045 - 2049	2,886	-	-
	<u>\$ 1,155,009</u>	<u>\$ 4,062,233</u>	<u>\$ 6,966,010</u>

**Note 11 – Contingent Liabilities**

The Village may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Village’s financial condition.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 12 – 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 ensuing emergency measures will impact subsequent periods of the Village. The impact on the Village’s future operating costs, revenues, any recovery from emergency funding, either federal or state, cannot be estimated.

**VILLAGE OF BLUFFTON  
ALLEN AND HANCOCK COUNTIES**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>						
Property and Other Local Taxes	\$ 203,215	\$ -	\$ -	\$ -	\$ -	\$ 203,215
Municipal Income Tax	2,242,484	-	-	-	-	2,242,484
Intergovernmental	145,190	212,523	-	145,712	-	503,425
Special Assessments	-	12,660	-	-	-	12,660
Charges for Services	354,585	19,193	-	-	-	373,778
Fines, Licenses and Permits	11,688	-	-	-	-	11,688
Earnings on Investments	104,108	1,163	-	-	-	105,271
Miscellaneous	182,123	15,336	-	-	-	197,459
<i>Total Cash Receipts</i>	<u>3,243,393</u>	<u>260,875</u>	<u>-</u>	<u>145,712</u>	<u>-</u>	<u>3,649,980</u>
<b>Cash Disbursements</b>						
Current:						
Security of Persons and Property	1,083,004	22,367	-	-	-	1,105,371
Public Health Services	82,321	23,854	-	-	-	106,175
Leisure Time Activities	102,486	3,792	-	-	-	106,278
Community Environment	10,986	-	-	-	-	10,986
Basic Utility Services	10,211	-	-	-	-	10,211
Transportation	72,367	-	-	-	-	72,367
General Government	518,170	-	-	-	-	518,170
Capital Outlay	223,877	566,414	-	575,373	-	1,365,664
<i>Total Cash Disbursements</i>	<u>2,103,422</u>	<u>616,427</u>	<u>-</u>	<u>575,373</u>	<u>-</u>	<u>3,295,222</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,139,971</u>	<u>(355,552)</u>	<u>-</u>	<u>(429,661)</u>	<u>-</u>	<u>354,758</u>
<b>Other Financing Receipts (Disbursements)</b>						
Transfers In	-	1,030,000	-	436,000	-	1,466,000
Transfers Out	(1,966,000)	-	-	-	-	(1,966,000)
Advances In	17,426	-	-	-	-	17,426
Advances Out	-	-	-	(17,426)	-	(17,426)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(1,948,574)</u>	<u>1,030,000</u>	<u>-</u>	<u>418,574</u>	<u>-</u>	<u>(500,000)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(808,603)</u>	<u>674,448</u>	<u>-</u>	<u>(11,087)</u>	<u>-</u>	<u>(145,242)</u>
<i>Fund Cash Balances, January 1</i>	<u>3,318,110</u>	<u>188,714</u>	<u>2,730</u>	<u>693,348</u>	<u>1,851</u>	<u>4,204,753</u>
<b>Fund Cash Balances, December 31</b>						
Nonspendable	225	-	-	-	1,500	1,725
Restricted	-	863,162	2,730	501,749	351	1,367,992
Committed	-	-	-	180,512	-	180,512
Assigned	637,436	-	-	-	-	637,436
Unassigned	1,871,846	-	-	-	-	1,871,846
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,509,507</u>	<u>\$ 863,162</u>	<u>\$ 2,730</u>	<u>\$ 682,261</u>	<u>\$ 1,851</u>	<u>\$ 4,059,511</u>

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

**VILLAGE OF BLUFFTON  
ALLEN AND HANCOCK COUNTIES**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 2,086,054
<i>Total Operating Cash Receipts</i>	<u>2,086,054</u>
<b>Operating Cash Disbursements</b>	
Personal Services	244,771
Employee Fringe Benefits	83,806
Contractual Services	1,203,221
Supplies and Materials	143,341
<i>Total Operating Cash Disbursements</i>	<u>1,675,139</u>
<i>Operating Income (Loss)</i>	<u>410,915</u>
<b>Non-Operating (Disbursements)</b>	
Property and Other Local Taxes	557,346
Special Assessments	20,272
Capital Outlay	(305,689)
Principal Retirement	(660,852)
Interest and Other Fiscal Charges	(354,344)
<i>Total Non-Operating (Disbursements)</i>	<u>(743,267)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>(332,352)</u>
Transfers In	1,037,232
Transfers Out	(537,232)
<i>Net Change in Fund Cash Balances</i>	<u>167,648</u>
<i>Fund Cash Balances, January 1</i>	<u>1,071,116</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,238,764</u>

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

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 1 - Reporting Entity**

The Village of Bluffton (the Village), Allen & Hancock Counties, 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 six-member Council elected at large for four year terms. The Mayor is elected to a four-year term and votes only to break a tie. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Village. The Village provides general government services, water and sewer utilities, maintenance of Village roads and bridges, park operations, and police services. The Village appropriates general fund money to support a volunteer fire department and emergency medical squad.

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 all proprietary fund types which are 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 Fund:

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

**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 Fund:

**Swimming Pool Debt Service Fund** – The Swimming Pool Debt Service Fund accounts for the balance of funds restricted to disbursement for principal and interest payments.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Fund Accounting (Continued)**

**Capital Projects 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 Projects Funds:

**Fire and Rescue Improvement Fund** – The Fire and Rescue Improvement Fund is used to account for resources whose use is restricted to funding the purchase of capital improvement items for the EMS and fire departments.

**Airport Improvement Fund** – The Airport Improvement Fund is used to account for resources whose use is restricted to funding the purchase of capital improvements for the airport.

**Permanent Funds** – These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Village had the following significant Permanent Fund:

**Cemetery Trust Cahill/Wilcox Fund** – The Cemetery Trust Cahill/Wilcox Fund is used to account for interest earned on a certain amount of principal and spent for the upkeep of graves and lots.

**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 Funds:

**Water Fund** - The water fund accounts for the provision of water to the residents and commercial users located within the Village.

**Sewer Fund** - The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

**Water/Sewer Improvement Fund**- The water/sewer improvement fund accounts for monies derived from the income tax to pay for improvements to the water and sewer infrastructure and its' related debt.

**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.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**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 and department level and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**Estimated Resources** Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered 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 carried over, and need not be reappropriated. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2018 budgetary activity appears in Note 4.

**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.

**Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**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.



**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Fund Balance (Continued)**

**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*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

**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 – Compliance**

Contrary to Ohio law, appropriations exceeded estimated resources in the Parks and Recreation, Street, Police Continuing Professional, Police K9, Fire and Rescue Improvement, Police Equipment Improvement, Sewer Debt Service and Water Debt Service Funds. Contrary to Ohio law, expenditures exceeded appropriation authority in the Parks and Recreation, Water and Sewer funds.

**Note 4 - Budgetary Activity**

Budgetary activity for the year ending 2018 follows:

2018 Budgeted vs. Actual Budgetary Basis Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 3,142,386	\$ 3,243,393	\$ 101,007
Special Revenue	1,201,401	1,290,875	89,474
Capital Projects	585,176	581,712	(3,464)
Enterprise	3,680,377	3,700,904	20,527
Total	\$ 8,609,340	\$ 8,816,884	\$ 207,544

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 4 - Budgetary Activity (Continued)**

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 4,338,256	\$ 4,110,292	\$ 227,964
Special Revenue	1,311,055	633,859	677,196
Capital Projects	784,920	630,861	154,059
Enterprise	4,035,033	3,718,825	316,208
Total	\$ 10,469,264	\$ 9,093,837	\$ 1,375,427

**Note 5 – Deposits and Investments**

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

	2018
Demand Deposits	\$3,268,457
Certificates of Deposit	2,011,037
Total Deposits	5,279,494
STAR Ohio	15,331
Total Investments	15,331
Total Deposits and Investments	\$5,294,825

The Village also held a balance of \$3,450 in petty cash on hand at December 31, 2018.

**Deposits**

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village or collateralized through the Ohio Pooled Collateral System (OPCS).

**Investments**

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**Note 6 – 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.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 6 – Taxes (Continued)**

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

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

**Income Taxes**

The Village levies a one and a quarter percent income tax whose proceeds are placed into the General Fund (one percent) and Water/Sewer Improvement Fund (quarter percent). The Village levies and collects the tax on all income earned within the Village as well as on incomes of residents earned outside the Village. In the latter case, the Village allows a credit of the lesser of actual taxes paid to another city of one hundred percent of the one and a quarter percent tax rate on taxable income. Employers within the Village are required to withhold income tax on employee earnings and remit the tax to the Village at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

**Note 7 - Risk Management**

**Commercial Insurance**

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

**Workers' Compensation**

Workers' Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Note 8 - Defined Benefit Pension Plans**

**Ohio Public Employees Retirement System**

Some 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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

**Ohio Police and Fire Retirement System**

Some Village's certified full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 8 - Defined Benefit Pension Plans (Continued)**

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2018.

**Social Security**

Several Village's employees contributed to social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2% of their gross salaries. The Village contributed an amount equal to 6.2% of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

**Note 9 - Postemployment Benefits**

Both OPERS and OP&F offer 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 2018. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

**Note 10 – Debt**

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OPWC (CM13N) - S Main St. Waterline Replacement	\$ 74,212	0.00%
OPWC (CM22C) - Elevated Water Storage Tank	24,529	0.00%
OPWC (CM25P) - Lawn, Jackson, Grove Waterline Replacement	240,850	0.00%
OPWC (CM26I) - Main St. Waterline Replacement	182,805	0.00%
OPWC (CM27R) - Garmatter Waterline Replacement	77,988	0.00%
OPWC (CM32P) - Cherry and Mound Waterline Replacement	210,803	0.00%
OWDA (3207) - Water System Improvements	879,262	5.77%
OWDA (3736) - Wastewater Treatment	429,995	4.64%
OWDA (4777) - Waterline from Ottawa	2,516,489	2.75%
Jackson Elementary Waterline Replacement	229,776	2.72%
West Side Interceptor	2,960,265	3.97%
Sewer Plant	2,434,463	3.90%
	<u>\$ 10,261,437</u>	

The debt outstanding at December 31, 2017 was overstated by \$19,198. It should have been \$10,922,289.

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 10 – Debt (Continued)**

The Ohio Public Works Commission (OPWC) loans relate to the construction of new waterlines. These are interest free loans. OPWC Loan CM13N – S Main St. Waterline Replacement has semi-annual payments of \$2,650 to be paid back over a term of 20 years. OPWC Loan CM22C – Elevated Water Storage Tank has semi-annual payments of \$4,088 to be paid back over a term of 20 years. OPWC Loan CM25P – Lawn, Jackson, Grove Waterline Replacement has semi-annual payments of \$4,915 to be paid back over a term of 30 years. OPWC Loan CM26I – Main St. Waterline Replacement has semi-annual payments of \$10,156 to be paid back over a term of 20 years. OPWC Loan CM27R – Garmatter Waterline Replacement has semi-annual payments of \$1,444 to be paid back over a term of 30 years. OPWC Loan CM32P – Cherry and Mound Waterline Replacement has semi-annual payments of \$4,302 to be paid back over a term of 30 years. All OPWC loans are paid half and half out the Water Debt Service Fund and the Water and Sewer Improvement Fund.

The Ohio Water Development Authority (OWDA) 3207 – Water System Improvements Loan relates to the construction of two water towers. The loan will be repaid in semi-annual installments of \$69,383, including interest, over 25 years. The loan is secured by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This loan is partially paid out of both the Water Debt Service Fund and the Water and Sewer Improvement Fund.

The Ohio Water Development Authority (OWDA) 3736 – Wastewater Treatment Loan relates to the construction of a new wastewater treatment plant that was mandated by the Ohio Environmental Protection Agency. The loan will be repaid in semi-annual installments of \$20,054, including interest, over 30 years. The loan is secured by sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This loan is partially paid out of the Sewer Debt Service Fund and the Water and Sewer Improvement Fund.

The Ohio Water Development Authority (OWDA) 4777 Waterline from Ottawa Loan relates to the construction of a waterline from Ottawa to the Village. The loan will be repaid in semi-annual installments of \$144,775, including interest, over 20 years. The loan is secured by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This loan is partially paid out of the Water Debt Service Fund and the Water and Sewer Improvement Fund.

The First National Bank Loan relates to the construction of waterline replacements. The interest rate for this loan reset to 2.72% in 2013. This loan is paid out of the Water Debt Service Fund.

The Citizen's National Bank Loan was obtained for the purpose of refinancing the costs of constructing a new wastewater treatment plant (USDA Rural Development Mortgage Revenue Bonds). The loan will be repaid over 15 years. Payments will be remitted on a monthly basis. This loan is partially paid out of the Sewer Debt Service Fund and the Water and Sewer Improvement Fund.

The Citizen's National Bank – West Side Interceptor Loan was obtained during 2016 with an interest rate of 3.968%. Beginning in 2017, the loan will be repaid in 20 years. This loan is paid out of the Water and Sewer Improvement Fund.

The following is a summary of the Village's future annual debt service requirements, including Principal and Interest:

**Village of Bluffton, Ohio**  
*Allen & Hancock County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 10 – Debt (Continued)**

Year Ending December 31:	OPWC Loans	OWDA Loans	General Obligation Loans
2019	\$ 55,112	\$ 450,533	\$ 510,959
2020	55,112	452,269	510,959
2021	55,112	454,104	510,959
2022	46,936	456,045	510,959
2023	46,936	458,099	510,959
2024 - 2028	214,367	2,044,397	2,553,090
2029 - 2033	127,819	197,318	1,576,845
2034 - 2038	106,616	-	790,535
2039 - 2043	97,399	-	-
2044 - 2048	5,778	-	-
	<u>\$ 811,187</u>	<u>\$ 4,512,765</u>	<u>\$ 7,475,265</u>

**Note 11 – Contingent Liabilities**

The Village may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Village's financial condition.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 12 – 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 ensuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, any recovery from emergency funding, either federal or state, cannot be estimated.



313 Second St.  
Marietta, OH 45750  
740.373.0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304.422.2203

150 West Main St.  
St. Clairsville, OH 43950  
740.695.1569

1310 Market Street, Suite 300  
Wheeling, WV 26003  
304.232.1358

749 Wheeling Ave., Suite 300  
Cambridge, OH 43725  
740.435.3417

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

November 30, 2020

Village of Bluffton  
Allen and Hancock Counties  
154 North Main Street  
Bluffton, OH 45817

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 by fund type of the **Village of Bluffton**, Allen and Hancock Counties, (the Village) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated November 30, 2020, 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 and we noted the financial impact of COVID-19 and the ensuing emergency measures will 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of audit findings we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses and a significant deficiency.

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 a 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. We consider findings 2019-001 through 2019-002 as described in the accompanying schedule of audit findings to be material weaknesses.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
Members: American Institute of Certified Public Accountants  
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.



A significant deficiency is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2019-003 described in the accompanying schedule of audit findings to be a significant deficiency.

***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 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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2019-003.

***Village's Response to Findings***

The Village's responses to the findings identified in our audit are described in the accompanying schedule of audit findings. We did not subject the Village's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

***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 communication is not suitable for any other purpose.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio



**VILLAGE OF BLUFFTON**  
ALLEN AND HANCOCK COUNTIES  
*SCHEDULE OF AUDIT FINDINGS*  
FOR THE YEAR ENDED DECEMBER 31, 2019 and 2018

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

**FINDING NUMBER 2019-001**

**Material Weakness**

**Bank to Book Reconciliation**

Cash is the asset most susceptible to theft and misappropriation therefore appropriate controls over cash should exist at the Village. Monthly reconciliations between the book balances and the bank and investment accounts is a key control that provides a reasonable assurance that all receipts and disbursements have been accurately and completely recorded in the accounting records and processed by the financial institutions. Additionally, an accurate and complete reconciliation provides the Village with a picture of the financial position at month-end.

The book balance did reconcile with the bank during 2019; however, adjustments were posted in the system after year end which caused the reconciliation error. The December 2019 book balance was \$10,246 less than the reconciled bank balance. Unexplained bank to book reconciliation errors reduce accountability and increase the risk that irregularities will not be detected timely. Additionally, when the bank balance is greater than the book balance there is the impression that money collected has not been properly accounted for by the Village.

Bank reconciliations should be prepared timely and reviewed for accuracy. The reconciling items should be identified and adjusted at the time the reconciling item or error is discovered. All un-reconciled balances should be researched to determine the source of the error. All reconciling items and errors should be corrected on the Village's accounting system following the completion of the reconciliation. Support should be maintained for adjustments necessary to eliminate variances between the book balances and bank and investment accounts. The Village's accounting system should be closed after the year end reconciliation has been completed so no adjustments affecting the year end fund balances can be made.

**Management's Response** – Bank reconciliations are now performed on a monthly basis and are approved by a Council member.

**FINDING NUMBER 2019-002**

**Material Weakness**

**Posting Receipts, Disbursements and Classification of Fund Balances**

The Village is responsible for establishing procedures and controls to help prevent and detect errors in financial reporting. Fund balances should be classified based on Governmental Accounting Standards Board Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*.

During 2019 and 2018, receipts, disbursements and fund balances were not always posted or classified correctly. The following posting errors were noted:

- In 2019 and 2018, subsequent appropriations in the General Fund were classified as Unassigned instead of as Assigned;
- In 2019, Capital Projects Funds' balances funded by transfers were classified as Restricted instead of as Committed;
- In 2019 and 2018, the earnings of the Permanent Fund trusts were classified as Nonspendable instead of as Restricted;
- In 2019 and 2018, Park and Recreation, Community Events, Communications, Utility Recovery, and Unclaimed Monies funds activity and fund balances were classified as Special Revenue Fund activity instead of General Fund activity;

**VILLAGE OF BLUFFTON**  
ALLEN AND HANCOCK COUNTIES  
*SCHEDULE OF AUDIT FINDINGS*  
*FOR THE YEAR ENDED DECEMBER 31, 2019 and 2018*

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
--

**FINDING NUMBER 2019-002 (Continued)**

**Posting Receipts, Disbursements and Classification of Fund Balances (Continued)**

- In 2019, the expense related to an Ohio Public Works Commission on behalf payment was posted to the Street Maintenance, Construction and Repair Fund and the revenue was posted to Water/Sewer Improvement Fund;
- In 2019, loan proceeds and loan forgiveness from the Ohio Public Works Commission was partially posted to the Water/Sewer Improvement Fund and it should have all been posted to the Street Maintenance, Construction and Repair Fund;
- In 2019 and 2018, debt payments were incorrectly posted between principal and interest in the Water/Sewer Improvement Fund;
- In 2018, donations for the bike path were reported as charges for services in the Park Fund;
- In 2018, a new bike path in the park was recorded as Leisure Time Activities instead of Capital Outlay;
- In 2018, Employee Fringe Benefits were posted to Personal Services in the Enterprise Fund;
- In 2018, a repayment of an advance from the General Fund was posted to Capital Outlay in the Airport Improvement Fund rather than Advances Out; and
- In 2018, on the Hinkle Filing in the Storm Sewer Improvement the beginning balance did not match the audited ending balance from the 2017 audit report or the accounting system. In order to get the 2018 ending fund balance in Hinkle to match the accounting system, expenditures were added to the Storm Sewer Improvement Fund on the Hinkle filing.

Not posting receipts and disbursements or classifying fund balances accurately resulted in the financial statements requiring reclassification entries. The financial statements reflect all adjustments and reclassifications. The Village has made the adjustments to their accounting system.

Also during 2019 and 2018 aspects of the notes to the financial statements were corrected from the Hinkle filing to agree to the financial statements in the audit report and to include all necessary note disclosures. We made corrections to the:

- Budgetary tables
- Deposit Disclosure
- Debt Disclosure
- Risk Management
- Fund Accounting

To help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements and notes. Such review should include procedures to ensure that all receipts, disbursements and fund balances are properly identified and classified on the financial statements. We recommend the fiscal officer consult the accounting software provider about changing fund numbers so the numbers can clearly identify which fund classification the fund should be reported under on the annual financial report. In addition, the review should ensure all required note disclosures are included in the notes to the financial statements.

We also recommend the Village refer to the Ohio Village Handbook for guidance to determine the proper posting of receipts and refer to the Auditor of State Technical Bulletin 2011-004 for assistance in classifying fund balances.

**Management's Response** – The Fiscal Officer will consult the Ohio Village Handbook for proper posting of receipts and disbursements. Will also have Council preform a detailed review of the draft financial statements and notes before filing them on the Hinkle System.

**VILLAGE OF BLUFFTON**  
ALLEN AND HANCOCK COUNTIES  
*SCHEDULE OF AUDIT FINDINGS*  
*FOR THE YEAR ENDED DECEMBER 31, 2019 and 2018*

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
--

**FINDING 2019-003**

**Significant Deficiency/Noncompliance**

**Budgetary Controls**

The budget is an instrument of public policy: A governing board expresses its desires for using a government's limited resources through its appropriations. Ohio Rev. Code Section 5705 deals with a variety of budgetary requirements that all subdivisions must comply with in order to ensure fiscal responsibility.

In performing the audit we noted several violations of budgetary law which, although they do not in and of themselves, result in errors in financial reporting, may lead to the Village making financial decisions based on incorrect or incomplete information. We noted the following:

- Violations of 5705.39 stating that total appropriations from each fund shall not exceed the total estimated resources in the Parks and Recreation, Storm Sewer Improvement and Water/Sewer Improvement Funds in 2019 and in the Parks and Recreation, Street, Police Continuing Professional, Police K9, Fire and Rescue Improvement, Police Equipment Improvement, Sewer Debt Service and Water Debt Service Funds in 2018.
- Violations of 5705.41(B) stating no subdivision is to expend money unless it has been appropriated (expenditures exceeded appropriations) in the Refuse and Water Funds in 2019 and in the Parks and Recreation, Water and Sewer funds in 2018.
- Violations of Ohio Revised Code Section 5705.41(D) requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The Village did not properly certify the availability of funds prior to purchase commitment for 10% and 12% of the expenditures tested for 2019 and 2018, respectively.

In addition, The Village did not have a control procedure in place to ensure that appropriations, as authorized by the Village Council, were reconciled to the appropriations posted to the accounting system.

This resulted in incorrect amounts posted to the accounting system and information available to Village officials to monitor year-to-date total comparison of budgeted amounts versus actual amounts was not accurate. The budgetary footnote reflects all adjustments. We recommend the Village implement procedures to ensure appropriations are accurately posted to the accounting system and reconciled to the amounts approved by the Council after each amendment.

Council does not monitor for budgetary compliance. Although Council approves budgets for revenue and expenses and receives monthly reports of budget and actual information, it does not ensure budgetary forms that transfers are done in compliance with laws and regulations.

Council should review the requirements of ORC Section 5705 to be familiar with these laws and to make sure the Village is complying with applicable sections. We recommend the Village establish a procedure that ensures budgetary forms are submitted to the County accurately. This could include a checklist of forms and due dates. Steps should be taken to make sure amounts are encumbered (purchase orders are used and assigned to each purchase prior to ordering), certifications of available funds are done by the Fiscal Officer prior to purchasing and unencumbered balances are tracked for each line item.

**Management's Response** – The Fiscal Officer will reconcile the appropriations approved by Council to the appropriations posted to the accounting system and will review Ohio Revised Code Section 5705 to ensure compliance with applicable sections.

**VILLAGE OF BLUFFTON**  
**ALLEN AND HANCOCK COUNTIES**  
**SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

Finding Number	Finding Summary	Status	Additional Information
2017-001	Bank to Book Reconciliation	Not Corrected	Repeated as Finding 2019-001
2017-002	Posting Receipts, Disbursements and Classification of Fund Balances	Not Corrected	Repeated as Finding 2019-002
2017-003	Outstanding Advances	Corrected	Corrected During the Current Audit.
2017-004	Budgetary Controls	Not Corrected	Repeated as Finding 2019-003

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF BLUFFTON**

**ALLEN 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 1/19/2021**

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)