

VILLAGE OF RUSHVILLE

AUDIT REPORT

JANUARY 1, 2018 - DECEMBER 31, 2019

**Wilson, Phillips & Agin, CPA's, Inc.
1100 Brandywine Blvd. Building G
Zanesville, Ohio 43701**

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Village Council
Village of Rushville
3198 Market Street P.O. Box 9
Rushville, Ohio 43150

We have reviewed the *Independent Auditors' Report* of the Village of Rushville, Fairfield County, prepared by Wilson, Phillips & Agin, CPA's, Inc., 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 Rushville is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 19, 2020

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**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY
JANUARY 1, 2018 - DECEMBER 31, 2019**

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**WILSON, PHILLIPS & AGIN, CPA'S, INC.
1100 BRANDYWINE BLVD. BUILDING G
ZANESVILLE, OHIO 43701**

INDEPENDENT AUDITORS' REPORT

Village of Rushville
Fairfield County
P.O. Box 9
Rushville, Ohio 43150

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 the Village of Rushville, Fairfield County, 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 provisions of 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 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.

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, to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory basis of accounting and GAAP are not reasonably determinable, are presumed to be 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 permitted 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 of Rushville as of December 31, 2019 and 2018, or changes in financial position 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 the related notes of Village of Rushville, Fairfield County as of December 31, 2019 and 2018, 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 10 to the 2019 financial statements, during 2020, the 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 a report dated June 3, 2020, on our consideration of the Village of Rushville'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.

Wilson, Phillips & Agin, CPA's, Inc.
Zanesville, Ohio
June 3, 2020

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
Property Tax and Other Local Taxes	\$ 7,926	\$ 723	\$ 8,649
Intergovernmental	11,208	13,713	24,921
Fines, Licenses and Permits	1,124	-	1,124
Earnings on Investments	1,387	-	1,387
Miscellaneous	12,703	-	12,703
Total Cash Receipts	34,348	14,436	48,784
Cash Disbursements:			
Current:			
Security of Persons and Property	-	2,497	2,497
Public Health Services	894	-	894
Community Environment	385	-	385
Transportation	-	11,466	11,466
General Government	23,582	-	23,582
Debt Service:			
Principal Retirement	-	311	311
Total Cash Disbursements	24,861	14,274	39,135
Total Cash Receipts Over/(Under) Cash Disbursements	9,487	162	9,649
Other Financing Receipts (Disbursements)			
Transfer Out	(653)	-	(653)
Total Other Financing Receipts	(653)	-	(653)
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	8,834	162	8,996
Fund Cash Balance, January 1	35,625	30,137	65,762
Fund Cash Balances, December 31			
Restricted	-	30,299	30,299
Assigned	669	-	669
Unassigned (Deficit)	43,790	-	43,790
Fund Cash Balance, December 31	\$ 44,459	\$ 30,299	\$ 74,758

See notes to financial statements.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - ALL PROPRIETARY AND FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Proprietary
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$ 221,807
Total Operating Cash Receipts	221,807
Operating Cash Disbursements:	
Personal Services	48,275
Fringe Benefits	6,822
Contractual Service	83,491
Supplies and Materials	22,654
Total Operating Cash Disbursements	161,242
Operating Income	60,565
Non-Operating Cash Disbursements:	
Principal Retirement	57,935
Interest and Other Fiscal Charges	15,157
Total Non-Operating Cash Disbursements	73,092
Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances	(12,527)
Other Financing Receipts (Disbursements)	
Transfer In	6,903
Transfer Out	(6,250)
Total Other Financing Receipts	653
Net Change in Fund Cash Balance	(11,874)
Fund Cash Balances, January 1	336,090
Fund Cash Balances, December 31	\$ 324,216

See notes to financial statements.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. REPORTING ENTITY

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Rushville, Fairfield County, (the Village) as a body corporate and politic. A publicly-elected seven-member Council directs the Village. The Village provides general government, water and sewer utilities and road maintenance.

The Village participates in 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.

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 balance (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balance (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:

Governmental Funds

General Fund

The General fund is the operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds.

Street Construction, maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Enterprise Funds

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village had the following significant Enterprise Funds:

Water Fund – This fund receives charges for services from residents to cover water service costs.

Sewer Fund - This fund receives charges for services from residents to cover sewer service costs.

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 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Village 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 117-2-03(D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund (except certain Agency Funds) 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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated in the subsequent year.

A summary of 2019 budgetary activity appears in Note 3.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and Investments

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

Property, Plant, and Equipment

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

Accumulated Leave

In certain circumstances, such as 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.

Committed – Council can *commit* via formal action (resolution). The Village must adhere to these commitments unless 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 general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned*

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes amounts not contained 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 (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 classification could be used.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

3. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2019 is as follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 32,714	\$ 34,348	\$ 1,634
Special Revenue	10,591	14,436	3,845
Enterprise	213,430	228,710	15,280
Total	\$ 256,735	\$ 277,494	\$ 20,759

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 41,878	\$ 26,183	\$ 15,695
Special Revenue	31,422	14,338	17,084
Enterprise	281,515	242,531	38,984
Total	\$ 354,815	\$ 283,052	\$ 71,763

Contrary to ORC 5705.41(D), the Village made expenditures prior to certification.

4. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2019
Demand Deposits	\$ 323,474
Certificates of Deposit	75,500
Total Deposits	\$ 398,974

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institutions public entity deposit pool.

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due by 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.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

6. RISK MANAGEMENT

The Village belongs to the Ohio Municipal Joint Self-Insurance Pool (the "Pool"), an unincorporated non-profit association available to municipal corporations and their instrumentalities. The Pool is a separate legal entity per Section 2744 of the Ohio Revised Code. The Pool provides property and casualty insurance for its members. The Pool pays judgments, settlements and other expenses resulting for covered claims that exceed the members' deductibles.

The Pool cedes portions of its gross contribution written to a reinsurer under excess reinsurance agreements in order to limit its losses. Treaty basis excess-of-loss contracts in force protect the Pool against losses over the retention level; at March 31, 2019, retention levels are \$50,000 and \$100,000 for property and casualty coverages, respectively.

The Pool remains liable to the extent the reinsuring companies are unable to meet their contractual obligations under reinsurance agreements.

The Pool's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained surplus at March 31, 2019.

	2019
Assets	\$ 1,582,183
Liabilities	(1,087,219)
Accumulated Surplus	\$ 494,964

7. DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

The Village's full-time employees belong to the Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple employer plan. The Ohio Revised Code prescribes the plan benefits, which include postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2019, OPERS members contributed 10.0% of their gross wages and the Village contributed an amount equal to 14.0% of participant's gross salaries. The Village has paid all contributions required through December 31, 2019.

Social Security

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

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

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. POSTEMPLOYMENT BENEFITS

OPERS offers 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. OPERS contributes 2 percent of the employer contribution to fund these benefits.

9. DEBT

Debt outstanding at December 31, 2019 was as follows:

	2019 Principal	%
Ohio Water Development Authority Loan #3670	\$ 677,479	1.50
Ohio Water Development Authority Loan #4933	218,270	1.50
Ohio Public Works Commission Loan CQ33H	3,416	0.00
Ohio Public Works Commission Loan CT45J	6,667	0.00
Vinton County National Bank	24,185	4.10
Total	\$ 930,017	

The Ohio Public Works Commission (OPWC) loan CQ33H relates to the Main Street resurfacing project. The loan will be repaid in semiannual installments of \$311, over 20 years. The loan is collateralized by permissive motor vehicle receipts. This will be paid through the Permissive Motor Vehicle Fund.

The Ohio Public Works Commission (OPWC) loan CT45J relates to the wastewater treatment plant improvements. The loan will be repaid in semiannual installments of \$267 over 20 years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements. This will be paid through the Other Enterprise Service Fund.

The Ohio Water Development Authority (OWDA) loan 3670 relates to water distribution system. The loan will be repaid in semiannual installments of \$26,915 over 30 years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This will be paid through the Enterprise Debt Service Reserve Fund.

The Ohio Water Development Authority (OWDA) loan 4933 relates to the sewer extension project. The loan will be repaid in semiannual installments of \$6,204 over 30 years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This will be paid through the Other Enterprise Service Fund.

The Vinton National Bank loan relates to the purchase of a tractor and implements for installation, repairs, and maintenance of the water and sewer systems. The loan will be repaid in quarterly installments of \$1,647 over five years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover Vinton National Bank debt service requirements. This will be paid through by the Water and Sewer Funds.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019**

9. DEBT (Continued)

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

Year Ending December 31	OPWC CQ33H	OPWC CT45J	OWDA 3670	OWDA 4933	VCN Bank
2020	\$ 621	\$ 533	\$ 53,831	\$ 12,408	\$ 6,587
2021	621	533	53,831	12,408	6,587
2022	621	533	53,831	12,408	6,587
2023	621	533	53,831	12,408	6,587
2024	621	533	53,831	12,408	-
2025-2029	311	2,667	269,155	62,040	-
2030-2034	-	1,335	215,324	62,040	-
2035-2039	-	-	-	62,040	-
2040-2044	-	-	-	6,204	-
	<u>\$ 3,416</u>	<u>\$ 6,667</u>	<u>\$ 753,634</u>	<u>\$ 254,364</u>	<u>\$ 26,428</u>

10. SUBSEQUENT EVENTS

The United State 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, and any recovery from emergency funding, either federal or state, cannot be estimated.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

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

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
Property Tax and Other Local Taxes	\$ 8,541	\$ 673	\$ 9,214
Intergovernmental	12,060	10,949	23,009
Fines, Licenses and Permits	3,308	-	3,308
Earnings on Investments	1,168	-	1,168
Miscellaneous	13,371	-	13,371
Total Cash Receipts	38,448	11,622	50,070
Cash Disbursements:			
Current:			
Security of Persons and Property	-	2,686	2,686
Public Health Services	871	-	871
Leisure Time Activities	500	-	500
Community Environment	1,829	-	1,829
Transportation	-	4,964	4,964
General Government	27,104	-	27,104
Debt Service:			
Principal Retirement	-	931	931
Total Cash Disbursements	30,304	8,581	38,885
Total Cash Receipts Over/(Under) Cash Disbursements	8,144	3,041	11,185
Other Financing Receipts (Disbursements)			
Transfer Out	(3,438)	-	(3,438)
Total Other Financing Receipts	(3,438)	-	(3,438)
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	4,706	3,041	7,747
Fund Cash Balance, January 1	30,919	27,096	58,015
Fund Cash Balances, December 31			
Restricted	-	30,137	30,137
Assigned	596	-	596
Unassigned (Deficit)	35,029	-	35,029
Fund Cash Balance, December 31	\$ 35,625	\$ 30,137	\$ 65,762

See notes to financial statements.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - ALL PROPRIETARY AND FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Proprietary
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$ 217,646
Total Operating Cash Receipts	217,646
Operating Cash Disbursements:	
Personal Services	43,535
Fringe Benefits	5,843
Contractual Service	101,503
Supplies and Materials	33,907
Other	28
Total Operating Cash Disbursements	184,816
Operating Income	32,830
Non-Operating Cash Receipts (Disbursements):	
Sale of Notes	29,640
Capital Outlay	(29,640)
Principal Retirement	(52,240)
Interest and Other Fiscal Charges	(14,799)
Total Non-Operating Cash Receipts (Disbursements)	(67,039)
Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances	(34,209)
Other Financing Receipts (Disbursements)	
Transfer In	9,688
Transfer Out	(6,250)
Total Other Financing Receipts	3,438
Net Change in Fund Cash Balance	(30,771)
Fund Cash Balances, January 1	366,861
Fund Cash Balances, December 31	\$ 336,090

See notes to financial statements.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

1. REPORTING ENTITY

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Rushville, Fairfield County, (the Village) as a body corporate and politic. A publicly-elected seven-member Council directs the Village. The Village provides general government, water and sewer utilities and road maintenance.

The Village participates in 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.

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 balance (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balance (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:

Governmental Funds

General Fund

The General fund is the operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds.

Street Construction, maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Enterprise Funds

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village had the following significant Enterprise Funds:

Water Fund – This fund receives charges for services from residents to cover water service costs.

Sewer Fund - This fund receives charges for services from residents to cover sewer service costs.

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 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Village 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 117-2-03(D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund (except certain Agency Funds) 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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated in the subsequent year.

A summary of 2018 budgetary activity appears in Note 3.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and Investments

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

Property, Plant, and Equipment

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

Accumulated Leave

In certain circumstances, such as 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.

Committed – Council can *commit* via formal action (resolution). The Village must adhere to these commitments unless 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 general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned*

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes amounts not contained 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 (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 classification could be used.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

3. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2018 is as follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 32,714	\$ 38,448	\$ 5,734
Special Revenue	10,591	11,622	1,031
Enterprise	213,430	256,974	43,544
Total	\$ 256,735	\$ 307,044	\$ 50,309

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 37,632	\$ 34,338	\$ 3,294
Special Revenue	15,767	8,617	7,150
Enterprise	376,902	289,281	87,621
Total	\$ 430,301	\$ 332,236	\$ 98,065

Contrary to ORC 5705.41(D), the Village made expenditures prior to certification.

Contrary to ORC 5705.39, the Village had appropriations greater than estimated resources in the Water Fund.

4. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2018
Demand Deposits	\$ 326,352
Certificates of Deposit	75,500
Total Deposits	\$ 401,852

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institutions public entity deposit pool.

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due by 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.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

6. RISK MANAGEMENT

The Village belongs to the Ohio Municipal Joint Self-Insurance Pool (the "Pool"), an unincorporated non-profit association available to municipal corporations and their instrumentalities. The Pool is a separate legal entity per Section 2744 of the Ohio Revised Code. The Pool provides property and casualty insurance for its members. The Pool pays judgments, settlements and other expenses resulting for covered claims that exceed the members' deductibles.

The Pool cedes portions of its gross contribution written to a reinsurer under excess reinsurance agreements in order to limit its losses. Treaty basis excess-of-loss contracts in force protect the Pool against losses over the retention level; at March 31, 2018, retention levels are \$50,000 and \$100,000 for property and casualty coverages, respectively.

The Pool remains liable to the extent the reinsuring companies are unable to meet their contractual obligations under reinsurance agreements.

The Pool's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained surplus at March 31, 2018.

	2018
Assets	\$ 1,341,128
Liabilities	(884,941)
Accumulated Surplus	\$ 456,187

7. DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

The Village's full-time employees belong to the Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple employer plan. The Ohio Revised Code prescribes the plan benefits, which include postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2018, OPERS members contributed 10.0% of their gross wages and the Village contributed an amount equal to 14.0% of participant's gross salaries. The Village has paid all contributions required through December 31, 2018.

Social Security

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

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

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

8. POSTEMPLOYMENT BENEFITS

OPERS offers 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. OPERS contributes 2 percent of the employer contribution to fund these benefits.

9. DEBT

Debt outstanding at December 31, 2018 was as follows:

	2018 Principal	%
Ohio Water Development Authority Loan #3670	\$ 720,661	1.50
Ohio Water Development Authority Loan #4933	227,302	1.50
Ohio Public Works Commission Loan CQ33H	3,726	0.00
Ohio Public Works Commission Loan CT45J	6,934	0.00
Vinton County National Bank	29,640	4.10
Total	\$ 988,263	

The Ohio Public Works Commission (OPWC) loan CQ33H relates to the Main Street resurfacing project. The loan will be repaid in semiannual installments of \$311, over 20 years. The loan is collateralized by permissive motor vehicle receipts. This will be paid through the Permissive Motor Vehicle Fund.

The Ohio Public Works Commission (OPWC) loan CT45J relates to the wastewater treatment plant improvements. The loan will be repaid in semiannual installments of \$267 over 20 years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements. This will be paid through the Other Enterprise Service Fund.

The Ohio Water Development Authority (OWDA) loan 3670 relates to water distribution system. The loan will be repaid in semiannual installments of \$26,915 over 30 years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This will be paid through the Enterprise Debt Service Reserve Fund.

The Ohio Water Development Authority (OWDA) loan 4933 relates to the sewer extension project. The loan will be repaid in semiannual installments of \$6,204 over 30 years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This will be paid through the Other Enterprise Service Fund.

The Vinton National Bank loan relates to the purchase of a tractor and implements for installation, repairs, and maintenance of the water and sewer systems. The loan will be repaid in quarterly installments of \$1,647 over five years. The loan is collateralized by water/sewer receipts. The Village has agreed to set utility rates sufficient to cover Vinton National Bank debt service requirements. This will be paid through the Water and Sewer Funds.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

9. DEBT (Continued)

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

Year Ending December 31	OPWC CQ33H	OPWC CT45J	OWDA 3670	OWDA 4933	VCN Bank
2019	\$ 621	\$ 533	\$ 53,831	\$ 12,408	\$ 6,587
2020	621	533	53,831	12,408	6,587
2021	621	533	53,831	12,408	6,587
2022	621	533	53,831	12,408	6,587
2023	621	533	53,831	12,408	6,587
2024-2028	621	2,667	269,155	62,040	-
2029-2033	-	1,602	269,155	62,040	-
2034-2038	-	-	-	62,040	-
2039-2043	-	-	-	18,612	-
	<u>\$ 3,726</u>	<u>\$ 6,934</u>	<u>\$ 807,465</u>	<u>\$ 266,772</u>	<u>\$ 32,935</u>

**WILSON, PHILLIPS & AGIN, CPA'S, INC.
1100 BRANDYWINE BLVD. BUILDING G
ZANESVILLE, OHIO 43701**

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

Village of Rushville
Fairfield County
P.O. Box 9
Rushville, Ohio 43150

To the Village Council:

We have audited, in accordance with auditing standards general accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Village of Rushville, Fairfield County 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 June 3, 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.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered Village of Rushville's internal control over financial reporting (internal control) to determine the 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 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. 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 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider material weaknesses. We consider findings 2019-001 and 2019-003 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Rushville'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 determination of financial statement amounts. However, opining on compliance was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed one instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as items 2019-002.

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.

Wilson, Phillips & Agin, CPA's, Inc.
Zanesville, Ohio
June 3, 2020

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2019-001

Material Weakness – Financial Reporting

All local offices should maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

The Village Officer's Handbook provides suggested accounts classifications. These accounts classify receipts by fund and source (Taxes or charges for services, for example) and classify disbursements by fund, program (general government, for example) or object (personal services, for example). Using these classifications and the aforementioned accounting records will provide the Village with information required to monitor compliance with the budget, and prepare annual reports in the format required by the Auditor of State.

The Village did not properly post and classify all receipts and expenditures. Errors were made in recording various transactions. Amounts were not always posted to the correct fund and/or line item. The following adjustments and reclassifications were made.

Adjustments:

- An adjustment was made in 2019 and 2018, in the amounts of \$1,663 and \$1,305 to increase the Street Fund balance and decrease the State Highway Fund balance for incorrect posting of gas tax monies.
- An adjustment was made in 2019, in the amount of \$6,230 to increase the Sewer Fund balance and decrease the Water Fund balance for incorrect posting of utility monies.
- An adjustment was made in 2018, in the amount of \$1,177 to increase the Water Fund balance and decrease the Sewer Fund balance for incorrect posting of utility monies.
- An adjustment was made in 2018, to record Sale of Notes and Capital Outlay expenditures in the amounts of \$14,820 and \$14,820 for the Water Fund and Sewer Fund, respectively.

Reclassifications:

- In 2019 and 2018, a reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$1,121 and \$1,081, respectively, for the General Fund for rollback monies received.
- In 2019, a reclassification from Principal Retirement to Interest and Other Fiscal Charges in the amount of \$653 in the Enterprise Funds to properly show debt payments.
- In 2019 and 2018, a reclassification from Unassigned Fund Balance to Assigned Balance in the amount of \$669 and \$596, respectively for the General Fund for outstanding encumbrances at year end.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2019-001 (Continued)

The adjustments and reclassifications with which the Village Official's agree are reflected in the accompanying financial statements and posted to the accounting records.

We recommend the Village utilize available authoritative resources to appropriately classify and record all receipt and expenditure transactions.

Client Response: We received no response from the client.

FINDING NUMBER 2019-002

Noncompliance – Certification of Funds

Ohio Revised Code Section 5705.41(D) prohibits a subdivision or taxing authority from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates and super blanket certificates, which are provided for in Sections 5705.41(D) (1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

- If the fiscal officer can certify that both at the time that the contract or order was made ("then") and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has 30 days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of the expenditures by the Village.
- Blanket Certificates. Fiscal officers may prepare "blanket" certificates if the Village has approved their use and established maximum amounts.
- Super Blanket Certificates. The Village may also make expenditures and contracts for any amount from a specific line item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonable predictable operation expense. This certification is not to extend beyond the current year. More than one so-called "super blanket" certificate may be outstanding at a particular time for any line item appropriation.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2019-002 (Continued)

The Village did not certify the availability of funds prior to the purchase commitment for 28% of expenditures tested. For these item the Village also did not prepare blanket certificates, super blankets certificates or then and now certificates in accordance with the Ohio Revised Code. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

We recommend the Village certify purchases to which Section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The Fiscal Officer should sign the certification at the time the Village incurs a commitment and only when the requirements of 5705.41(D) are satisfied. The Fiscal Officer should post approved purchase commitments to the proper code, to reduce available appropriations.

Client Response: We received no response from the client.

FINDING NUMBER 2019-003

Material Weakness – Posting of Budget

The Village should have internal controls in place to reasonably assure that budgetary accounts are integrated into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and appropriations.

In 2019 and 2018, the Fiscal Officer did not accurately post budgeted receipts and any amendments made to them. Variances existed between the certificate of estimated resources and the amount posted to the accounting system.

Fund	Amount Per Last Amended Certificate	Amount Posted To Accounting System	Variance
General (2019)	\$ 32,714	\$ 33,454	\$ (740)
Street (2019)	7,707	9,083	(1,376)
State Highway (2019)	2,293	2,283	10
Permissive MVL Tax (2019)	591	635	(44)
Water (2019)	69,430	86,364	(16,934)
Sewer (2019)	65,000	80,200	(15,200)
Repair & Replacement (2019)	6,250	6,322	(72)
Water (2018)	69,430	84,250	(14,820)
Sewer (2018)	65,000	79,820	(14,820)

Because the information entered into the accounting system was inaccurate, Village management was unable to effectively monitor budgetary activity throughout the year. Adjustments were made to the budgetary activity reported in Note 3 to the financial statements in order to accurately present budgeted receipts as certified by the County Budget Commission.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2019-003 (Continued)

We recommend the Fiscal Officer record only estimated receipts from the Certificate of Estimated Resources and any amendments to the accounting system.

Client Response: We received no response from the client.

**VILLAGE OF RUSHVILLE
FAIRFIELD COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
YEARS ENDED DECEMBER 31, 2019 AND 2018**

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2017-001	Significant Deficiency Financial Reporting	No	Not Corrected; Reported as Finding 2019-001
2017-002	Noncompliance ORC 5705.41(D) expenditures not properly certified	No	Not Corrected; Reported as Finding 2019-002

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF RUSHVILLE

FAIRFIELD 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 9/1/2020

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