



Dave Yost • Auditor of State



VILLAGE OF WOODSFIELD  
MONROE COUNTY

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Village of Woodsfield  
Monroe County  
221 South Main Street  
Woodsfield, Ohio 43793

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 Woodsfield, Monroe County, Ohio, (the Village), as of and for the year ended December 31, 2016.

### ***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 § 117.38 and Ohio Administrative Code § 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 § 117.38 and Ohio Administrative Code § 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 § 117.38 and Ohio Administrative Code § 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, 2016, or changes in financial position or cash flows thereof for the year then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Village of Woodsfield, Monroe County, Ohio, as of December 31, 2016, and its combined cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit, described in Note 2.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2017, 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.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

September 28, 2017

**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCE (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	General	Special Revenue	Capital Projects	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$141,800	\$0	\$0	\$0	\$141,800
Municipal Income Tax	208,308	273,633	17,440	0	499,381
Intergovernmental	24,571	135,610	0	0	160,181
Charges for Services	143,782	104,430	86,700	570	335,482
Fines, Licenses and Permits	21,181	989	0	0	22,170
Earnings on Investments	1,331	101	0	52,693	54,125
Miscellaneous	19,616	11,295	0	0	30,911
<i>Total Cash Receipts</i>	<u>560,589</u>	<u>526,058</u>	<u>104,140</u>	<u>53,263</u>	<u>1,244,050</u>
<b>Cash Disbursements</b>					
Current:					
Security of Persons and Property	411,199	19,876	0	0	431,075
Public Health Services	9,928	44,536	0	91,367	145,831
Leisure Time Activities	0	90,613	0	0	90,613
Transportation	0	276,827	0	0	276,827
General Government	341,498	30,763	0	0	372,261
Capital Outlay	80,755	34,374	30,286	5,300	150,715
Debt Service:					
Principal Retirement	27,620	34,160	0	2,775	64,555
Interest and Fiscal Charges	10,104	10,491	0	162	20,757
<i>Total Cash Disbursements</i>	<u>881,104</u>	<u>541,640</u>	<u>30,286</u>	<u>99,604</u>	<u>1,552,634</u>
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	<u>(320,515)</u>	<u>(15,582)</u>	<u>73,854</u>	<u>(46,341)</u>	<u>(308,584)</u>
<b>Other Financing Receipts (Disbursements)</b>					
Sale of Notes	80,000	0	0	0	80,000
Transfers In	0	19,400	0	0	19,400
Transfers Out	(28,400)	0	0	0	(28,400)
Other Financing Sources	0	9,236	0	0	9,236
Other Financing Uses	(187)	0	0	0	(187)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>51,413</u>	<u>28,636</u>	<u>0</u>	<u>0</u>	<u>80,049</u>
<i>Net Change in Fund Cash Balances</i>	<u>(269,102)</u>	<u>13,054</u>	<u>73,854</u>	<u>(46,341)</u>	<u>(228,535)</u>
<i>Fund Cash Balances, January 1</i>	<u>438,783</u>	<u>116,242</u>	<u>165,330</u>	<u>1,383,520</u>	<u>2,103,875</u>
<b>Fund Cash Balances, December 31</b>					
Nonspendable	0	0	0	1,335,251	1,335,251
Restricted	0	65,123	225,371	1,928	292,422
Committed	0	64,173	13,813	0	77,986
Unassigned (Deficit)	169,681	0	0	0	169,681
<i>Fund Cash Balances, December 31</i>	<u>\$169,681</u>	<u>\$129,296</u>	<u>\$239,184</u>	<u>\$1,337,179</u>	<u>\$1,875,340</u>

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

**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL PROPRIETARY AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
<b>Operating Cash Receipts</b>			
Charges for Services	\$3,811,429	\$0	\$3,811,429
Fines, Licenses, and Permits	5,853	0	5,853
<i>Total Operating Cash Receipts</i>	<u>3,817,282</u>	<u>0</u>	<u>3,817,282</u>
<b>Operating Cash Disbursements</b>			
Personal Services	760,563	0	760,563
Employee Fringe Benefits	388,246	0	388,246
Contractual Services	1,912,463	0	1,912,463
Supplies and Materials	338,008	0	338,008
Other	3,103	0	3,103
<i>Total Operating Cash Disbursements</i>	<u>3,402,383</u>	<u>0</u>	<u>3,402,383</u>
<i>Operating Income (Loss)</i>	<u>414,899</u>	<u>0</u>	<u>414,899</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Property and Other Local Taxes	5,541	0	5,541
Sale of Notes	878,723	0	878,723
Other Non-Operating Cash Receipts	11,532	27,289	38,821
Capital Outlay	(225,157)	0	(225,157)
Principal Retirement	(587,972)	0	(587,972)
Interest and Other Fiscal Charges	(49,923)	0	(49,923)
Other Financing Sources	273	0	273
Other Non-Operating Cash Disbursements	0	(27,289)	(27,289)
Transfers In	9,000	0	9,000
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>42,017</u>	<u>0</u>	<u>42,017</u>
<i>Net Change in Fund Cash Balances</i>	456,916	0	456,916
<i>Fund Cash Balances, January 1</i>	<u>673,065</u>	<u>0</u>	<u>673,065</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$1,129,981</u></u>	<u><u>\$0</u></u>	<u><u>\$1,129,981</u></u>

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



**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 1 - Reporting Entity**

The Village of Woodsfield, Monroe County, Ohio (the Village) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water, sewer, electric, and television cable utilities, park operations, cemetery services, and police services. The Village contracts with the Woodsfield Volunteer Fire Department to provide fire protection services and also controls their grants and levy funds.

**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 and fiduciary 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 Funds:

***Street Construction Maintenance and Repair*** This fund receives gasoline tax, motor vehicle tax and municipal income tax money for constructing, maintaining, and repairing Village streets.

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

***Building Fund*** This fund receives money from the municipal income tax and charges for services which is used to pay for maintenance, repair, and / or improvement of the municipal building.

***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:

***Brague Endowment Fund*** This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Oaklawn Cemetery.

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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

***Fund Accounting (Continued)***

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

***Electric Operating Fund*** This fund receives charges for services from residents to cover electric services costs.

***Fiduciary Funds*** Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency fund accounts for activity of the Mayor's Court. This fund receives fines and forfeitures from police department citations. These monies are divided between the Village and the State, as prescribed by law.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund (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. 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.

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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

***Budgetary Process (Continued)***

***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.

A summary of 2016 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.

The Village values certificates of deposit, mortgage-backed securities, and common stock at cost.

***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 four classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

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

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

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

***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.

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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

***Fund Balance (Continued)***

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 all funds during 2016.

**Note 4 - Budgetary Activity**

Budgetary activity for the year ending 2016 follows:

2016 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$640,589	\$640,589
Special Revenue	0	554,694	554,694
Capital Projects	0	104,140	104,140
Enterprise	0	4,722,351	4,722,351
Permanent	0	53,263	53,263
Total	\$0	\$6,075,037	\$6,075,037

2016 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,609,595	\$921,429	\$688,166
Special Revenue	728,495	547,975	180,520
Capital Projects	275,746	30,286	245,460
Enterprise	5,574,216	4,308,955	1,265,261
Permanent	140,858	100,830	40,028
Total	\$8,328,910	\$5,909,475	\$2,419,435

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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**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:

	<u>2016</u>
Demand deposits	\$1,670,726
Certificates of deposit	129,000
Other time deposits (savings accounts)	<u>1,000</u>
Total deposits	<u>1,800,726</u>
Mortgage-backed securites	<u>1,204,595</u>
Total investments	<u>1,204,595</u>
Total deposits and investments	<u><u>\$3,005,321</u></u>

At December 31, 2016, the Village's investment broker held \$524,547 in common stocks as part of the Brague Endowment Fund. This was the fair value of the common stock at December 31, 2016. Common stock is not an eligible investment for the village under Ohio law.

***Deposits***

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

***Investments***

The Federal Reserve holds the Village's mortgage-backed securities in book-entry form in the name of the Village's financial institution. The financial institution maintains records identifying the Village as owner of these securities.

**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 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 pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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**Note 6 - Taxes (Continued)**

***Income Taxes***

The Village levies a municipal income tax of one percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file declarations 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.

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Village's employees, other than full-time Police Officers, 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, 2016.

***Ohio Police and Fire Retirement System***

Village's 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, 2016.

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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

**Social Security**

Village Council members 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, 2016.

**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. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

**Note 10 - Debt**

Debt outstanding at December 31, 2016 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Public Works Commission Loans	\$453,615	.00 - 0.02%
Ohio Water Development Authority Loans	885,823	0.00 - 4.50%
General Obligation Notes	363,976	3.50 - 5.00%
General Obligation Bonds	966,790	4.00 - 4.375%
Bond Anticipation Note	393,500	1.25%
Loan Agreement (line of credit)	485,223	N/A
Total	<u>\$3,548,927</u>	

The Ohio Public Works Commission (OPWC) loans relate to water line, sewer line, and water and sewer plant improvement projects the Ohio Environmental Protection Agency mandated. The OPWC approved \$956,319 in loans to the Village for these projects. The Village will repay the loans in semiannual installments over 20 years. Water and sewer receipts collateralize the loans. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements.

The Ohio Water Development Authority (OWDA) loans related to various waterline extension projects and the purchase of a lake. The OWDA approved \$1,259,645 in loans to the Village for these projects. The Village will repay the loan in semiannual installments of \$36,885, including interest, over a total of 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Village issued general obligation notes to finance the purchase of a garage, the purchase of new equipment and trucks for the street and utility departments, and the purchase of the Weckenbacher property. The Village's taxing authority collateralized the notes.

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

**Note 10 - Debt (Continued)**

The Village issued general obligation bonds to finance the purchase of a television cable system and a new fire truck. The Village's taxing authority collateralized the bonds issued for the fire truck and the bond issued for the cable system is collateralized by cable receipts.

The Village issued bond anticipation notes for the construction of the electric system substation. The notes have been issued for 1 year and will be paid from electric receipts.

In 2016, the Village authorized a loan agreement with American Municipal Power, Inc. (AMP) to lend the Village \$1,000,000 for the purpose of financing the cost of making improvements to the Village's municipal electric system, including transformer and substation repair and improvements. This loan is initially made as an advance from AMP's bank line of credit (Line). The Village agrees to repay, but only from the net revenues of its electric system, the loan to AMP, together with interest thereon equal to the rate of interest on the Line while the loan is funded by the Line, or on the AMP Notes or AMP Bonds, while the loan is funded by the AMP Notes or AMP Bonds. In January 2017, the Village will start making a fixed payment of \$8,416 on the loan, which includes both principal and interest. In 2016, of the \$1,000,000 loan, only \$485,223 was let to the Village.

**Amortization**

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

Year ending December 31:	OPWC Loans	OWDA Loans	General Obligation Notes	General Obligation Bonds	Bond Anticipation Note
2017	\$46,520	\$73,770	\$71,259	\$102,053	\$393,500
2018	43,468	73,770	65,938	98,923	
2019	43,468	73,770	65,384	98,892	
2020	43,468	73,770	36,701	95,656	
2021	40,234	73,770	20,843	95,656	
2022-2026	154,735	353,782	104,214	478,282	
2027-2031	97,746	180,163	88,044	286,969	
2032-2036		116,566			
2037-2041		34,970			
Total	<u>\$469,639</u>	<u>\$1,054,331</u>	<u>\$452,383</u>	<u>\$1,256,431</u>	<u>\$393,500</u>

The Village is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project was intended to develop a pulverized coal power plant in Meigs County, Ohio. The Village's project share was 3,000 kilowatts (kW) of a total 771,281 kW, giving the Village a 0.39 percent project share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. All project costs incurred prior to the cancellation and related to the cancellation were therefore deemed *impaired* and participants were obligated to pay those incurred costs. In prior years, payment of these costs was not required due to AMP's pursuit of legal action to collect them from Bechtel. As a result of a March 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The Village's estimated share of the impaired costs at March 31, 2014 was \$518,407.



**Village of Woodfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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**Note 10 - Debt (Continued)**

The Village received a credit of \$201,491 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$135,675 related to the AMPGS costs deemed to have future benefit for the project participants, classified as Plant Held for Future Use (PHFU). In addition the Village made payments totaling \$52,574 leaving an estimated net impaired cost balance of \$128,667. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact, either positively or negatively, the Village's net impaired cost balance. These amounts will be recorded as they become estimable.

In late 2016, AMP reached a Settlement in the Bechtel Corporation litigation. On December 8, 2016, at the AMPGS Participants meeting, options for the allocation of the Settlement funds were approved. The AMPGS Participants and the AMP Board of Trustees voted to allocate the Settlement among the participants and the AMP General Fund based on each participant's original project share in kW including the AMP General Fund's project share.

Since March 31, 2014 the Village has made payments of \$66,729 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the Village's allocation of additional costs incurred by the project is \$5,226 and interest expense incurred on AMP's line-of-credit of \$2,728, resulting in a net impaired cost estimate at December 31, 2016 of \$69,892. The Village does have a potential PHFU Liability of \$139,551 resulting in a net total potential liability of \$209,443, assuming the assets making up the PHFU (principally the land comprising the Meigs County site) have no value and also assuming the Village's credit balance would earn zero interest. Stranded costs as well as PHFU costs are subject to change, including future borrowing costs on the AMP line of credit. Activities include items such negative items as property taxes as well as positive items revenue from leases or sale of all or a portion of the Meigs County site property.

The Village intends to recover these costs and repay AMP through a power cost adjustment of \$2,022 per month until the liability is paid in full.

**Note 11 - Subsequent Events**

- In January 2017, Woodfield borrowed \$297,500 which was added to the \$1 million borrowing on the American Municipal Power (AMP) line of credit. The Village added this additional borrowing plus 2016 and 2017 payments of \$100,987 to total \$398,487 which paid off the BAN in January 2017. All outstanding funds due for the Village are now on the Line of Credit. Estimated BAN borrowing balance as of August 3, 2017 was \$817,469 (latest estimate confirmed from AMP)
- On September 29, 2016, OWDA approved a loan in the amount of \$201,508, at a percentage rate of 2.51%. The loan starts on January 1, 2018, for 5 years. The loan is for the design for combined sewer separation to satisfy the long-term control plan.
- On April 26, 2017, the Village issued a commercial promissory note to finance the purchase of a 2017 Pumper Fire Truck, in the amount of \$221,962, at a percentage rate of 3.75%. The note has a maturity date of April 26, 2022.
- On January 26, 2017, the Village issued a commercial promissory note to finance the purchase of a 2016 Case Backhoe, in the amount of \$41,457, at a percentage rate of 3.75%. The note has a maturity date of January 25, 2022.

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

**Note 12 - AMP Revenue Coverage**

To provide electric service to the citizens, the Village is a member of Ohio Municipal Electric Generation Agency (OMEGA) Joint Ventures. The Village is liable for debt related to the financing of the OMEGA joint ventures. The activity is accounted for in the Village's Electric Fund, which is reported as part of the combined Enterprise Fund Type in the financial statements. Summary financial information for the Electric Fund is presented below:

	<u>2016</u>
Total Fund Cash Balance	\$703,192
Total Long-Term Debt (including Line of Credit)	878,723
 <b>Condensed Operating Information:</b>	
Operating Receipts	
Charges for Services	<u>2,089,826</u>
Total Operating Receipts	2,089,826
 Operating Expenses	
Personal Services	253,210
Employee Fringe Benefits	139,394
Contractual Services	1,468,383
Supplies and Materials	85,638
Other	<u>3,103</u>
Total Operating Expenses	1,949,728
 Operating Income	 140,098
 Nonoperating Receipts (Disbursements)	
Property and Other Local Taxes	5,541
Sale of Notes	878,723
Other Non-Operating Cash Receipts	3,502
Capital Outlay	(196,060)
Principal Retirement	(489,500)
Interest and Other Fiscal Charges	<u>(5,164)</u>
Total Nonoperating Receipts (Disbursements)	<u>197,042</u>
Change in Fund Cash Balance	337,140
Beginning Fund Cash Balance	<u>366,052</u>
Ending Fund Cash Balance	<u><u>\$703,192</u></u>

**Village of Woodsfield**  
*Monroe County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*  
*(Continued)*

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**Note 12 - AMP Revenue Coverage (Continued)**

<b>Condensed Cash Flows Information:</b>	<u>2016</u>
Net Cash Provided by:	
Operating Activities	\$140,098
Noncapital Financing Activities	
Other Noncapital Financing Activities	<u>9,043</u>
Net Cash Provided (Used) by Noncapital Financing Activities	9,043
Capital and Related Financing Activities	
Proceeds of Capital and Related Debt	878,723
Principal Payments on Capital and Related Debt	(489,500)
Interest Payments on Capital and Related Debt	(5,164)
Other Capital and Related Financing Activities	<u>(196,060)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	187,999
Net Increase	337,140
Beginning Fund Cash Balance	<u>366,052</u>
Ending Fund Cash Balance	<u><u>\$703,192</u></u>

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# Dave Yost • Auditor of State

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

Village of Woodsfield  
Monroe County  
221 South Main Street  
Woodsfield, Ohio 43793

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 Woodsfield, Monroe County, Ohio (the Village), as of and for the year ended December 31, 2016, and the related notes to the financial statements, and have issued our report thereon dated September 28, 2017, wherein we noted the Village followed financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Village'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 combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings that we consider material weaknesses. We consider findings 2016-002, 2016-004, 2016-006, and 2016-007 to be material weaknesses.

### ***Compliance and Other Matters***

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts.

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 instances of noncompliance or other matters we must report under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2016-001 through 2016-005.

***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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

September 28, 2017

**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016**

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

**FINDING NUMBER 2016-001**

**Noncompliance**

Ohio Rev. Code Chapter 133 allows various methods for subdivisions to incur debt. Ohio Rev. Code § 133.22 allows a subdivision to issue anticipatory-securities; Ohio Rev. Code § 133.10 allows anticipation securities in anticipation of current property tax revenues or in anticipation of current revenues in and for any fiscal year from any source or combination of sources, including distributions of any federal or state monies, other than the proceeds of property taxes levied by the subdivision. Ohio Rev. Code § 133.14 allows the issuance of securities for the purpose of paying all or any portion of the costs of any permanent improvement that the subdivision is authorized, alone or in cooperation with other persons, to acquire, improve, or construct and Ohio Rev. Code § 133.18 allows the taxing authority of a subdivision by legislation to submit to the electors of the subdivision the question of issuing any general obligation bonds, for one purpose, that the subdivision has power or authority to issue.

The Village has issued commercial promissory notes with a local banking institution for various purposes. This type of debt does not meet the criteria for any of the debt allowed in Ohio Rev. Code Chapter 133.

The Ohio Revised Code contains various methods of incurring debt for Villages. Installment loans and promissory notes with banking institutions are not legal methods of incurring debt by Villages.

The Village should consult with legal counsel when Council anticipates incurring debt to help ensure it is an allowable type of debt.

**FINDING NUMBER 2016-002**

**Noncompliance and Material Weakness**

Ohio Rev. Code § 117.38 provides that cash-basis entities must file annual reports with the Auditor of State within 60 days after the close of the fiscal year. The Auditor of State (AOS) may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office.

The report shall contain the following: (A) amount of collections and receipts, and accounts due from each source; (B) amount of expenditures for each purpose; (C) income of any public service industry that the entity owns or operates, as well as the costs of ownership or operation; and (D) amount of public debt of each taxing district, the purpose of the debt, and how the debt will be repaid.

The notes to the financial statements required significant revisions, which were agreed to by Village management and are reflected in the accompanying notes to the financial statements. We noted the following:

- Budgetary Note only included General Fund amounts;
- Cash Note did not include amounts for demand deposits, savings, or investments;
- Debt note was not scheduled out properly nor were amounts correct;
- No subsequent event note and there were several new debt issues to be reported; and
- No AMP Revenue Coverage Note.

The Village should file complete and accurate annual financial reports with the Auditor of State.

**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2016-003**

**Noncompliance**

Ohio Rev. Code § 5705.39 states that the total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure therefrom, as certified by the budget commission. No appropriation measure shall become effective until the County Auditor files with the appropriating authority a certificate that the total appropriations from each fund, taken together with all other outstanding appropriations, do not exceed such official estimate or amended official estimate. When the appropriation does not exceed such official estimate, the County Auditor shall give such certificate forthwith upon receiving from the appropriating authority a certified copy of the appropriation measure. Appropriations shall be made from each fund only for the purposes for which such fund is established.

The Village did not certify their ending December 31, 2015 cash balances with the County Auditor which resulted in the Village not receiving an amended official certificate of estimated resources for 2016 in which the annual appropriation would be based on. This resulted in appropriations exceeding estimated resources in all funds for 2016.

The Clerk should ensure the year-end cash balances are certified with the County Auditor to ensure the Village receives a certificate of estimated resources from the County Auditor in which appropriations should be based upon.

**FINDING NUMBER 2016-004**

**Noncompliance and Material Weakness**

Woodsfield Ordinance 947-98 (10/5/98) required, in part, that the monies or assets received from the bequest shall be preserved intact, without withdrawal or diminution, to earn interest for the operation and maintenance of Oaklawn Cemetery. Only the investment income or interest shall be used from this fund. In addition, the Last Will and Testament of the donor requires that income only be used for the care and maintenance of Oaklawn Cemetery.

The Village maintains an investment account for the Bague Endowment Fund. During 2016, the Village withdrew money from the investment account as needed and posted the withdrawn amounts as receipts. The amounts withdrawn were based on the Village's cash flow needs at the time of request and were not based on actual income of the investment account. This resulted in receipts being overstated by \$37,717 in the Bague Endowment Fund.

This adjustment, to which management agrees, is reflected in the accompanying financial statements and has been posted to the Village's accounting records.

The Village should only post the actual investment income received for the Bague Endowment Fund investment account as revenue and limit the disbursements to investment income or interest.



**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2016-005**

**Noncompliance**

Article VIII, §§ 4 and 6 of the Ohio Constitution prohibit a public body from becoming a “stockholder in any joint stock company, corporation or association.”

The Village Council adopted an investment policy on January 20, 2009, which did not list common stock as an allowable investment.

The Village’s investment broker, who handles the investment of the monies held in the Village’s Brague Endowment Fund (a permanent trust fund), invested part of these monies in various common stocks during 2016. The fair market value of the Village’s investments in common stocks at December 31, 2016 was \$524,547, or 50%, of the Village’s investment account for the Brague endowment.

Village Council should contact their investment broker and consider liquidating their common stock holdings and reinvesting the proceeds in eligible investments in compliance with their investment policy and Article VIII, §§ 4 and 6 of the Ohio Constitution.

**FINDING NUMBER 2016-006**

**Material Weakness**

All local public offices shall 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 (revised March 2017) and the UAN Accounting and General Manual (revised November 2015) provides suggested account 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.

We noted the following:

- The Clerk did not record bond anticipation note proceeds and principal payments of \$393,500 within the Electric Operating, Enterprise Fund for the issuance of bond anticipation notes through AMP Ohio to their accounting records.
- The Clerk did not record note proceeds for the Weckenbacher Property in the amount of \$80,000 within the General Fund for the issuance of a promissory note through Citizens National Bank to their accounting records.
- Cable Television Bond payments in the amount of \$37,724 were posted to Capital Outlay instead of principal and interest payments in the General Fund and Cable System, Enterprise Fund.
- Center Township levies funds in the amount of \$81,900 were posted to Property and Other Local Taxes instead of Charges for Services in the Capital Projects - Firehouse Building Fund.

The adjustments above were agreed to by Village management and are reflected in the accompanying financial statements.

**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2016-006 (Continued)**

**Material Weakness (Continued)**

In addition to the adjustments listed above, we also identified additional misstatements ranging from \$342 to \$7,152 that we have brought to the Village's attention.

The Ohio Village Officer's Handbook also provides five suggested fund balance classifications and clarifies the existing governmental fund type definitions. The fund balance classifications relate to constraints placed upon the use of resources reported in governmental funds. The five classifications are nonspendable, restricted, committed, assigned and unassigned.

We noted the following:

- The Village classified the fund balance of the Cemetery, Parks and Recreation, Income Tax, and Sidewalk Maintenance, Special Revenue Funds', in the amounts of \$20,448, \$9,974, \$30,751, and \$3,000, respectively, as restricted rather than committed fund balance as appropriate.
- The Village classified the fund balance of the Building Fund, Capital Projects Fund-Type in the amount of \$13,813 as restricted rather than committed fund balance as appropriate. A percentage of income taxes go to the Building Fund. The Village Council imposed an internal constraint on the resources in this fund and compliance with constraints imposed by the local government is not considered to be legally enforceable. Restricted fund balance constraints are externally imposed or are enacted through enabling legislation and are legally enforceable.
- The Village classified the fund balance of the Cemetery Endowment and Brague Endowment Funds, Permanent Fund-Type, in the amount of \$130,000 and \$1,205,251, respectively, as restricted rather than nonspendable fund balance as appropriate. Under Governmental Accounting Standards Board Statement (GASB) 54, the principal of a permanent fund is reported as nonspendable.

The above adjustments, to which management agrees, are reflected in the accompanying financial statements.

Additionally, the following error was noted that was not deemed significant and was not reflected in the accompanying financial statements:

- The Village classified the entire fund balance of the General Fund as unassigned when there were encumbrances outstanding at December 31, 2016 in the amount of \$11,738 that should be posted as Assigned.

When Village Council rolls over a note debt issue, the activity should be posted to the Village's accounting records as a memo receipt and expenditure. The Village Clerk should also appropriately classify and record all receipt and fund balance transactions based on the source of the receipt and upon the constraints placed upon the use of the resources.

**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016  
(Continued)**

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

**FINDING NUMBER 2016-007**

**Material Weakness**

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 remaining uncommitted appropriation balances.

During 2016, the Village did not receive an Official Certificate of Estimated Resources, therefore all funds' estimated receipts were posted incorrectly to the system. The estimated receipts should have been \$0 for all funds.

The Clerk did not always accurately post legislatively approved appropriations, and any amendments made to the appropriations, to the accounting system for the funds noted below. A variance existed between the legislatively approved appropriation resolution/amendments and the amount posted to the accounting system. The following table details this variance:

<u>Fund</u>	<u>Amount per Appropriation Resolution</u>	<u>Amount Posted to Accounting System</u>	<u>Variance</u>
Permissive Sales Tax	\$0	\$27,912	(\$27,912)
Other Debt Service	0	15,000	(15,000)
Brague Endowment	137,904	196,404	(58,500)
Electric Operating	3,246,318	3,462,701	(216,383)

Because the information entered into the accounting system was not always accurate, the amount reported in Note 4 to the financial statements, in order to accurately present budget versus actual information, includes \$0 for estimated receipts as no amended certificate of estimated resources was received and only includes appropriations approved by the Village Council.

The Clerk should obtain an Official Amended Certificate of Estimated Resources and record estimated receipts based on the Certificate. In addition, the Clerk should record appropriations per the Appropriation Resolution, as well as all amendments to the Village's system.

**Officials' Response:** We did not receive a response from Officials to the findings reported above.

**VILLAGE OF WOODSFIELD  
MONROE COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2016**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2015-001	Noncompliance – Ohio Rev. Code § 133 for unallowable debt.	Not corrected.	Infraction cannot be corrected until debt is paid off. Implementing a cash reserve policy to avoid this in the future is one of the Fiscal Officer's goals.
2015-002	Noncompliance – Ohio Rev. Code § 5705.39 for appropriations exceeding estimated resources in several funds.	Not corrected.	Funds will be monitored in the future to ensure appropriations do not exceed estimated resources.
2015-003	Noncompliance and Material Weakness – Ohio Rev. Code § 5727.81 (A) for not allocating inside kilowatt tax to the General Fund.	Corrected.	
2015-004	Noncompliance and Material Weakness – Woodsfield, Ordinance 947-98 for receipts not being recorded correctly and non-spendable portion of investments being spent.	Not corrected.	Close examination of procedures with the auditors has provided the Fiscal Officer with proper direction for future transactions.
2015-005	Noncompliance – Article VIII, §§ 4 and 6 of the Ohio Constitution for having investments in common stock.	Not corrected.	Investments that included stocks were bequeathed to the village, in order that the income be used for cemetery operations. The village considers this fiscally responsible, by avoiding further debt on the cemetery's behalf and this finding is unavoidable.
2015-006	Material Weakness – for not recording receipts, disbursements, and fund balance into accurate classifications or not recording all such transactions.	Not corrected.	Guidance was provided to the new Fiscal Officer, in order that funds be tracked properly.
2015-007	Material Weakness – for not properly updating accounting system for approved appropriations.	Not corrected.	Appropriations will be entered accurately in the system.



# Dave Yost • Auditor of State

VILLAGE OF WOODSFIELD

MONROE COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
OCTOBER 12, 2017