



Certified Public Accountants, A.C.

**VILLAGE OF HOLGATE
HENRY COUNTY
Regular Audit
For the Years Ended December 31, 2017 and 2016**

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Dave Yost • Auditor of State

Village Council
Village of Holgate
PO Box 217
Holgate, Ohio 43527

We have reviewed the *Independent Auditor's Report* of the Village of Holgate, Henry County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2016 through December 31, 2017. 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 Holgate is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

July 27, 2018

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VILLAGE OF HOLGATE
HENRY COUNTY

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INDEPENDENT AUDITOR'S REPORT

June 19, 2018

Village of Holgate
Henry County
P.O. Box 217
Holgate, Ohio 43527

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 Holgate**, Henry County (the Village) as of and for the years ended December 31, 2017 and 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 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.

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2017 and 2016, or changes in financial position or cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Village of Holgate, Henry County as of December 31, 2017 and 2016, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2018, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



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

**VILLAGE OF HOLGATE
HENRY COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts				
Property and Other Local Taxes	\$ 21,862	\$ 34,624	\$ -	\$ 56,486
Municipal Income Tax	196,827	-	49,207	246,034
Intergovernmental	28,460	65,709	-	94,169
Fines, Licenses and Permits	9,366	-	-	9,366
Earnings on Investments	2,940	225	-	3,165
Miscellaneous	-	2,225	-	2,225
<i>Total Cash Receipts</i>	<u>259,455</u>	<u>102,783</u>	<u>49,207</u>	<u>411,445</u>
Cash Disbursements				
Current:				
Security of Persons and Property	37,260	24,506	-	61,766
Leisure Time Activities	-	21,164	-	21,164
Community Environment	4,148	-	-	4,148
Transportation	-	34,950	-	34,950
General Government	129,527	587	-	130,114
Capital Outlay	10,926	-	49,327	60,253
<i>Total Cash Disbursements</i>	<u>181,861</u>	<u>81,207</u>	<u>49,327</u>	<u>312,395</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>77,594</u>	<u>21,576</u>	<u>(120)</u>	<u>99,050</u>
Other Financing Receipts (Disbursements)				
Transfers In	2,010	-	-	2,010
Transfers Out	-	(2,010)	-	(2,010)
Other Financing Sources	1,442	-	-	1,442
Other Financing Uses	(7,340)	-	-	(7,340)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(3,888)</u>	<u>(2,010)</u>	<u>-</u>	<u>(5,898)</u>
<i>Net Change in Fund Cash Balances</i>	73,706	19,566	(120)	93,152
<i>Fund Cash Balances, January 1</i>	<u>88,894</u>	<u>195,032</u>	<u>673,857</u>	<u>957,783</u>
Fund Cash Balances, December 31				
Restricted	-	214,598	-	214,598
Committed	-	-	673,737	673,737
Assigned	162,600	-	-	162,600
<i>Fund Cash Balances, December 31</i>	<u>\$ 162,600</u>	<u>\$ 214,598</u>	<u>\$ 673,737</u>	<u>\$ 1,050,935</u>

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

VILLAGE OF HOLGATE
HENRY COUNTY

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS,
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Enterprise
Operating Cash Receipts	
Charges for Services	\$ 489,220
Miscellaneous	3,421
	<u>492,641</u>
<i>Total Operating Cash Receipts</i>	<u>492,641</u>
Operating Cash Disbursements	
Personal Services	188,703
Transportation	657
Contractual Services	25,105
Supplies and Materials	76,187
	<u>290,652</u>
<i>Total Operating Cash Disbursements</i>	<u>290,652</u>
<i>Operating Income</i>	<u>201,989</u>
Non-Operating Receipts (Disbursements)	
Miscellaneous Receipts	7,250
Capital Outlay	(18,200)
Principal Retirement	(18,598)
Interest and Other Fiscal Charges	(1,141)
Other Financing Uses	(6,634)
	<u>(37,323)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(37,323)</u>
<i>Net Change in Fund Cash Balances</i>	164,666
<i>Fund Cash Balances, January 1</i>	<u>787,068</u>
<i>Fund Cash Balances, December 31</i>	\$ 951,734

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

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 1 – Reporting Entity

The Village of Holgate (the Village), Henry County, 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 general governmental services including road maintenance and repair, water and sewer utilities and park operations. The Village contracts with the Henry County Sheriff's department to provide security of persons and property. The Village contracts with Pleasant Township to receive fire protection services.

Joint Ventures and Public Entity Risk Pools

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary 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 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 Fund – The Street Construction, Maintenance and Repair Fund accounts for and reports that portion of the State gasoline tax and motor vehicle license tax registration fees restricted for construction, maintenance and repair of streets within the Village.

Park Fund – The Park Fund accounts for and reports real estate and personal property tax monies to cover the cost of maintaining the Village's park.

Street Light Fund – The Street Light Fund accounts for and reports money from the State for repairing Village street lights.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

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

Capital Improvement Fund – The capital improvement fund accounts for and reports income tax monies and grant proceeds for the construction and repairs of major capital projects.

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

Water Operating Fund – The Water Operating Fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Sewer Operating Fund – The Sewer Operating Fund accounts for the provision of sanitary sewer services to the residents and commercial users located within the Village.

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 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 Section 117-2-03(D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations – Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

Estimated Resources – Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

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

A summary of 2017 budgetary activity appears in Note 3.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 2 – Summary of Significant Accounting Policies (Continued)

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

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

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

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

Assigned – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

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

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

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 218,000	\$ 262,907	\$ 44,907
Special Revenue	106,400	102,783	(3,617)
Capital Projects	98,000	49,207	(48,793)
Enterprise	437,000	499,891	62,891
Total	\$ 859,400	\$ 914,788	55,388

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 306,005	\$ 189,201	\$ 116,804
Special Revenue	294,385	83,217	211,168
Capital Projects	771,857	49,327	722,530
Enterprise	1,194,013	335,225	858,788
Total	\$ 2,566,260	\$ 656,970	\$ 1,909,290

Note 4 - Deposits

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

	2017
Demand deposits	\$ 1,474,267
Certificates of deposit	528,302
Cash on hand	100
Total Deposits	\$ 2,002,669

Deposits

Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Note 5 – Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable 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.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 5 – Taxes (Continued)

Public utilities are also taxed on personal and real property located within the Village. The County is responsible for assessing property, and for billing, collecting and distributing all property taxes on behalf of the Village.

Income Taxes

The Village levies a municipal income tax of 1% on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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

Note 6 – Risk Management

The Village is exposed to various risks of property and casualty losses, and injuries to employees.

The Village insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Village belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Insurance Services Group, Inc. (York) functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2017, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2017.

	<u>2017</u>
Assets	\$44,452,326
Liabilities	(13,004,011)
Net Position	\$31,448,315

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 6 – Risk Management (Continued)

At December 31, 2017 the liabilities above include approximately \$11.8 million of estimated incurred claims payable. The assets above also include approximately \$11.2 million of unpaid claims to be billed. The Pool's membership increased to 527 members in 2017. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2017, the Village's share of these unpaid claims collectible in future years is approximately \$4,000.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<u>2017 Contributions to PEP</u>
<u>\$7,017</u>

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plans. 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, 2017.

Note 8 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 9 – Debt

Debt outstanding at December 31, 2017 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loan	\$ 49,274	2.00%
Ohio Public Works Commission Loan	106,949	0.00%
Total	<u>\$ 156,223</u>	

The Ohio Water Development Authority (OWDA) loan relates to a water tower. The Village has received \$188,878 in loans from OWDA and has a loan balance of \$49,274 at December 31, 2017. The loans will be repaid in semiannual installments of \$5,753 including interest, over 20 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) loan relates to a water treatment iron filtration project. The OPWC has approved \$177,205 in interest free loans to the Village for this project. The loans will be repaid in semiannual installments of \$4,430 over 28 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements.

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

<u>Year Ending December 31:</u>	<u>OPWC Loan</u>	<u>OWDA Loan</u>
2018	\$ 8,860	\$ 11,505
2019	8,860	11,505
2020	8,860	11,505
2021	8,860	11,505
2022	8,860	11,505
2023-2027	44,301	-
2028-2032	18,348	-
Total	<u>\$ 106,949</u>	<u>\$ 57,525</u>

Note 10 – Transfers

During the year ended at December 31, 2017, a transfer of \$2,010 was made from the Pool fund to the General fund. The remaining fund balance was transferred to the General fund due to the Village closing the community pool.

Note 11 – Related Party Transactions

Frank Felter, the husband of Carol Felter, a Board Member, cleans the Village offices. The Village remitted \$2,100 in 2017. These payments were approved at arm's length, with full knowledge by Village officials, of Ms. Felter's interest, and Ms. Felter took no part in the deliberation or decision by Village officials with respect to these payments.

**VILLAGE OF HOLGATE
HENRY COUNTY**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts				
Property and Other Local Taxes	\$ 21,553	\$ 27,545	\$ -	\$ 49,098
Municipal Income Tax	147,695	-	98,463	246,158
Intergovernmental	31,592	67,147	-	98,739
Fines, Licenses and Permits	8,846	-	-	8,846
Earnings on Investments	2,738	119	-	2,857
Miscellaneous	5,044	4,130	-	9,174
<i>Total Cash Receipts</i>	<u>217,468</u>	<u>98,941</u>	<u>98,463</u>	<u>414,872</u>
Cash Disbursements				
Current:				
Security of Persons and Property	40,527	14,458	-	54,985
Leisure Time Activities	-	30,366	-	30,366
Community Environment	4,167	-	-	4,167
Transportation	-	58,279	-	58,279
General Government	167,515	465	-	167,980
Capital Outlay	11,705	-	70,180	81,885
<i>Total Cash Disbursements</i>	<u>223,914</u>	<u>103,568</u>	<u>70,180</u>	<u>397,662</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(6,446)</u>	<u>(4,627)</u>	<u>28,283</u>	<u>17,210</u>
Other Financing Receipts (Disbursements)				
Other Financing Sources	983	-	-	983
Other Financing Uses	(17,170)	-	-	(17,170)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(16,187)</u>	<u>-</u>	<u>-</u>	<u>(16,187)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(22,633)</u>	<u>(4,627)</u>	<u>28,283</u>	<u>1,023</u>
<i>Fund Cash Balances, January 1</i>	<u>111,527</u>	<u>199,659</u>	<u>645,574</u>	<u>956,760</u>
Fund Cash Balances, December 31				
Restricted	-	195,032	-	195,032
Committed	-	-	673,857	673,857
Assigned	88,894	-	-	88,894
<i>Fund Cash Balances, December 31</i>	<u>\$ 88,894</u>	<u>\$ 195,032</u>	<u>\$ 673,857</u>	<u>\$ 957,783</u>

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

VILLAGE OF HOLGATE
HENRY COUNTY

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

	Enterprise
Operating Cash Receipts	
Charges for Services	\$ 449,068
Miscellaneous	9,191
	458,259
<i>Total Operating Cash Receipts</i>	
Operating Cash Disbursements	
Personal Services	187,796
Transportation	1,040
Contractual Services	19,132
Supplies and Materials	114,008
Capital Outlay	28,703
	350,679
<i>Total Operating Cash Disbursements</i>	
<i>Operating Income (Loss)</i>	107,580
Non-Operating Receipts (Disbursements)	
Miscellaneous Receipts	8,650
Principal Retirement	(24,024)
Interest and Other Fiscal Charges	(2,108)
Other Financing Uses	(7,884)
	(7,884)
<i>Total Non-Operating Receipts (Disbursements)</i>	
<i>Net Change in Fund Cash Balances</i>	82,214
<i>Fund Cash Balances, January 1</i>	704,854
<i>Fund Cash Balances, December 31</i>	\$ 787,068

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

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1 – Reporting Entity

The Village of Holgate (the Village), Henry County, 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 general governmental services including road maintenance and repair, water and sewer utilities and park operations. The Village contracts with the Henry County Sheriff's department to provide security of persons and property. The Village contracts with Pleasant Township to receive fire protection services.

Joint Ventures and Public Entity Risk Pools

The Village participates in a public entity risk pool. Note 7 to the financial statements provides additional information for these entities. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary 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 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 Fund – The Street Construction, Maintenance and Repair Fund accounts for and reports that portion of the State gasoline tax and motor vehicle license tax registration fees restricted for construction, maintenance and repair of streets within the Village.

Park Fund – The Park Fund accounts for and reports real estate and personal property tax monies to cover the cost of maintaining the Village's park.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

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

Capital Improvement Fund – The capital improvement fund accounts for and reports income tax monies and grant proceeds for the construction and repairs of major capital projects.

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

Water Operating Fund – The Water Operating Fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Sewer Operating Fund – The Sewer Operating Fund accounts for the provision of sanitary sewer services to the residents and commercial users located within the Village.

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 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 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, and object level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

Estimated Resources – Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

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

A summary of 2016 budgetary activity appears in Note 4.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 2 – Summary of Significant Accounting Policies (Continued)

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

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

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

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

Assigned – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

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

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

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 3 – Compliance

Contrary to Ohio law, appropriations exceeded estimated resources in the Park fund by \$22,000 for the year ended December 31, 2016.

Note 4 – Budgetary Activity

Budgetary activity for the year ending December 31, 2016 follows:

2016 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 210,000	\$ 218,451	\$ 8,451
Special Revenue	81,687	98,941	17,254
Capital Projects	90,000	98,463	8,463
Enterprise	424,000	466,909	42,909
Total	\$ 805,687	\$ 882,764	77,077

2016 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 321,527	\$ 241,084	\$ 80,443
Special Revenue	296,299	103,568	192,731
Capital Projects	735,574	70,181	665,393
Enterprise	1,128,854	384,695	744,159
Total	\$ 2,482,254	\$ 799,528	\$ 1,682,726

Note 5 - Deposits

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

	2016
Demand deposits	\$ 1,217,480
Certificates of deposit	527,271
Cash on hand	100
Total Deposits	\$ 1,744,851

Deposits

Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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.

Income Taxes

The Village levies a municipal income tax of 1% on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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

Note 7 – Risk Management

The Village is exposed to various risks of property and casualty losses, and injuries to employees.

The Village insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Village belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Insurance Services Group, Inc. (York) functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2016, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2016.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 7 – Risk Management (Continued)

	<u>2016</u>
Assets	\$42,182,281
Liabilities	(13,396,700)
Net Position	\$28,785,581

At December 31, 2016 the liabilities above include approximately \$12.0 million of estimated incurred claims payable. The assets above also include approximately \$11.5 million of unpaid claims to be billed. The Pool's membership increased to 520 members in 2016. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the Government's share of these unpaid claims collectible in future years is approximately \$4,000.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<u>2016 Contributions to PEP</u>
<u>\$6,976</u>

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plans. 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.

VILLAGE OF HOLGATE
HENRY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016.

Note 10 – Debt

Debt outstanding at December 31, 2016 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loan	\$ 59,638	2.00%
Ohio Public Works Commission Loan	115,183	0.00%
Total	<u>\$ 174,821</u>	

The Ohio Water Development Authority (OWDA) loan relates to a water tower. The Village has received \$188,878 in loans from OWDA and has a loan balance of \$59,638 at December 31, 2016. The loans will be repaid in semiannual installments of \$5,753 including interest, over 20 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) loan relates to a water treatment iron filtration project. The OPWC has approved \$177,205 in interest free loans to the Village for this project. The loans will be repaid in semiannual installments of \$4,430 over 28 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements.

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

<u>Year Ending December 31:</u>	<u>OPWC Loan</u>	<u>OWDA Loan</u>
2017	\$ 8,860	\$ 5,753
2018	8,860	11,505
2019	8,860	11,505
2020	8,860	11,505
2021	8,860	11,505
2022-2028	44,301	11,505
2029-2034	26,582	-
Total	<u>\$ 115,183</u>	<u>\$ 63,278</u>

Note 11 – Related Party Transactions

Frank Felter, the husband of Carol Felter, a Board Member, cleans the Village offices. The Village remitted \$2,100 in 2016. These payments were approved at arm's length, with full knowledge by Village officials, of Ms. Felter's interest, and Ms. Felter took no part in the deliberation or decision by Village officials with respect to these payments.



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

June 19, 2018

Village of Holgate
Henry County
P.O. Box 217
Holgate, Ohio 43527

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 of the **Village of Holgate**, Henry County (the Village) as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements and have issued our report thereon dated June 19, 2018, 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 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 Entity's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of audit findings that we consider a material weakness. We consider finding 2017-001 to be a material weakness.

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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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2017-002.

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.

A handwritten signature in black ink that reads "Perry & Associates CPAs A.C." in a cursive script.

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

VILLAGE OF HOLGATE
HENRY COUNTY

SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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

FINDING NUMBER 2017-001

Material Weakness

Posting Receipts, Disbursements and Fund Balances

Receipts and disbursements should be posted to the fund and line item accounts as established by Ohio Administrative Code. Funds and fund balances should be properly classified based on Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

During 2017 and 2016, receipts, disbursements and fund balances were not always posted correctly. The following errors were noted:

- Fund balance adjustments were made to 2016 beginning fund balances in error;
- Budget carryover should have been classified as Assigned instead of Unassigned in 2017 and 2016;
- Principal payment was incorrectly posted to Capital Outlay instead of Principal Retirement in 2016;
- Interest payments were posted to Principal Retirement instead of Interest and Other Fiscal Charges in 2017 and 2016;
- Expenditure of water treatment chemicals was incorrectly posted to Principal Retirement instead of Capital Outlay in 2017;
- Grants received from Ohio Department of Natural Resources were recorded to Miscellaneous instead of Intergovernmental in 2017.

Not posting receipts and disbursements or classifying fund balances accurately resulted in the financial statements requiring reclassifications and adjustments. The financial statements reflect all reclassifications and adjustments. The client agrees to all reclassifications and adjustments.

We recommend the Fiscal Officer refer to the Ohio Administrative Code and/or the Ohio Village Handbook for guidance to determine proper establishment of receipt and disbursement accounts. The Fiscal Officer should also refer to Auditor of State Technical Bulletin 2011-004 for information on fund and fund balance classifications.

Official's Response: We did not receive a response from officials for this finding.

FINDING NUMBER 2017-002

Noncompliance

Ohio Rev. Code Section 5705.39 requires that total appropriations from each fund not exceed total estimated fund resources from each fund. This section also requires the Village to obtain a County Auditor's certificate that total appropriations from each fund do not exceed the total official estimate or amended official estimate when amending estimated resources.

VILLAGE OF HOLGATE
HENRY COUNTY

SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

<p>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</p>
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FINDING NUMBER 2017-002 (Continued)

During 2016, total appropriations exceeded total estimated resources during the year for the Park Fund by \$22,000 due to the timing of the supplemental appropriation measure and the date of the increased amended certificate of estimated resources.

The Fiscal Officer and Council should monitor appropriations versus estimated resources to help avoid overspending.

Official's Response – We did not receive a response from officials to this finding.

VILLAGE OF HOLGATE
HENRY COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

Finding Number	Finding Summary	Status	Additional Information
2015-001	Financial Reporting	Not Corrected; Repeated as Finding 2017-001	N/A
2015-002	Supporting Documentation	Corrected	N/A
2015-003	Ohio Rev. Cod 5705.10(D)	Corrected	N/A
2015-004	Ohio Rev. Cod 5705.41(D)	Corrected	N/A

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Dave Yost • Auditor of State

VILLAGE OF HOLGATE

HENRY 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
AUGUST 9, 2018