

**VILLAGE OF RIPLEY
BROWN COUNTY, OHIO
BASIC FINANCIAL STATEMENTS
(AUDITED)
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**



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Village Council
Village of Ripley
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We have reviewed the *Independent Auditor's Report* of the Village of Ripley, Brown County, prepared by Lindholm + Company, for the audit period January 1, 2017 through December 31, 2018. 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 Ripley is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

September 9, 2019

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**VILLAGE OF RIPLEY
BROWN COUNTY
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INDEPENDENT AUDITOR'S REPORT

Village of Ripley
Brown County
120 Waterworks Road
Ripley, Ohio 45167

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 Ripley, Brown County, Ohio (the Village) as of and for the years ended December 31, 2018 and 2017.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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, 2018 and 2017, and the respective 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 Ripley, Brown County as of December 31, 2018 and 2017, 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 14, 2019, 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.

LINDHOLM + COMPANY

Worthington, Ohio

June 14, 2019

**VILLAGE OF RIPLEY
BROWN COUNTY**

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

	General	Special Revenue	Permanent	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 21,421	\$ 190,536	\$ -	\$ 211,957
Municipal Income Taxes	238,603	-	-	238,603
Intergovernmental	17,547	108,840	-	126,387
Special Assessments	62	-	-	62
Charges for Services	8,947	64,250	-	73,197
Fines, Licenses, and Permits	93,567	3,648	-	97,215
Earnings on Investments	13,341	-	82	13,423
Miscellaneous	71,509	68,244	-	139,753
<i>Total Cash Receipts</i>	<u>464,997</u>	<u>435,518</u>	<u>82</u>	<u>900,597</u>
Cash Disbursements				
Current:				
Security of Persons and Property	386,319	382,466	-	768,785
Public Health Services	5,000	19,580	600	25,180
Transportation	1,000	149,421	-	150,421
General Government	103,648	-	-	103,648
Capital Outlay	280,154	-	-	280,154
Debt Service:				
Principal Retirement	7,535	30,000	-	37,535
Interest and Fiscal Charges	449	5,000	-	5,449
<i>Total Cash Disbursements</i>	<u>784,105</u>	<u>586,467</u>	<u>600</u>	<u>1,371,172</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(319,108)</u>	<u>(150,949)</u>	<u>(518)</u>	<u>(470,575)</u>
Other Financing Receipts (Disbursements)				
Loans Issued	313,225	-	-	313,225
Sale of Capital Assets	7,299	18,656	-	25,955
Other Financing Sources	511	-	-	511
<i>Total Other Financing Receipts (Disbursements)</i>	<u>321,035</u>	<u>18,656</u>	<u>-</u>	<u>339,691</u>
<i>Net Change in Fund Cash Balances</i>	1,927	(132,293)	(518)	(130,884)
<i>Fund Cash Balances, January 1</i>	<u>116,027</u>	<u>518,464</u>	<u>170,894</u>	<u>805,385</u>
Fund Cash Balances, December 31				
Nonspendable	11,369	-	-	11,369
Restricted	-	386,171	170,376	556,547
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (Deficit)	106,585	-	-	106,585
<i>Fund Cash Balances, December 31</i>	<u>\$ 117,954</u>	<u>\$ 386,171</u>	<u>\$ 170,376</u>	<u>\$ 674,501</u>

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

**VILLAGE OF RIPLEY
BROWN COUNTY**

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

	Proprietary Fund Types	Fiduciary Fund Types	Totals
	Enterprise	Agency	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$ 2,553,015	\$ -	\$ 2,553,015
Miscellaneous	1,350	-	1,350
<i>Total Operating Cash Receipts</i>	<u>2,554,365</u>	<u>-</u>	<u>2,554,365</u>
Operating Cash Disbursements			
Personal Services	470,207	-	470,207
Fringe Benefits	180,154	-	180,154
Contractual Services	1,495,290	-	1,495,290
Supplies and Materials	256,485	-	256,485
Other	35,348	-	35,348
<i>Total Operating Cash Disbursements</i>	<u>2,437,484</u>	<u>-</u>	<u>2,437,484</u>
<i>Operating Income (Loss)</i>	<u>116,881</u>	<u>-</u>	<u>116,881</u>
Non-Operating Receipts (Disbursements)			
Loans Issued	171,635	-	171,635
Miscellaneous Receipts	5,701	-	5,701
Capital Outlay	(513,100)	-	(513,100)
Principal Retirement	(276,422)	-	(276,422)
Interest and Other Fiscal Charges	(59,902)	-	(59,902)
Other Financing Sources	753	82,101	82,854
Other Financing Uses	-	(82,101)	(82,101)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(671,335)</u>	<u>-</u>	<u>(671,335)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(554,454)</u>	<u>-</u>	<u>(554,454)</u>
<i>Fund Cash Balances, January 1</i>	<u>1,815,649</u>	<u>4,004</u>	<u>1,819,653</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,261,195</u>	<u>\$ 4,004</u>	<u>\$ 1,265,199</u>

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

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 - Reporting Entity

The Village of Ripley, Brown 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 water, electric and sewer utilities, refuse pickup, and fire and police services.

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

Fire Fund The fire fund reports and accounts for the receipt of property tax monies from a levy to provide fire services to the Village.

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:

Perpetual Care Fund This fund receives a portion of the monies from collections for the sale of lots. Interest monies earned are to be used for maintenance and care of the Cemetery premises and are credited directly to the Cemetery fund for this purpose.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 - Summary of Significant Accounting Policies (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 Funds:

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

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

Electric Fund The electric fund receives charges for electrical services provided to residents to cover the cost of providing the utility.

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 Mayor's Court, which receives monies collected on fines imposed from tickets issued by the Village's police protection force.

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 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 Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 - Summary of Significant Accounting Policies (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 re-appropriated.

A summary of 2018 budgetary activity appears in Note 3.

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.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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

Note 3 - Budgetary Activity

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

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$786,475	\$786,032	(\$443)
Special Revenue	455,024	454,174	(850)
Permanent	2,000	82	(1,918)
Enterprise	2,807,545	2,732,454	(75,091)
Total	\$4,051,044	\$3,972,741	(\$78,302)

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$822,080	\$784,105	\$37,975
Special Revenue	682,252	586,467	95,785
Permanent	600	600	0
Enterprise	4,146,447	3,286,908	859,539
Total	\$5,651,379	\$4,658,080	\$993,299

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 4 – Deposits and Investments

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

	2018
Demand deposits	\$682,757
Certificates of deposit	1,256,069
Total deposits	1,938,826
Common stock	874
Total investments	874
Total deposits and investments	\$1,939,700

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

Investments

For December 31, 2018, the Village held investments of stock. Shares of Proctor and Gamble Stock were donated to the Village in 1967. The Village carries this stock on their records at \$874, which is fair market value on the date of donation.

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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 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 of 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 a declaration annually.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 6 - Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Inland Marine
- Vehicles and Equipment;
- Errors and omissions;
- Umbrella for Volunteer Fireman's Insurance.

Settlements have not exceeded coverage in any of the last three years and coverage limits have not changed significantly since the prior period.

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

Ohio Police and Fire Retirement System

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

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

Note 8 - Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2016. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2017. OP&F contributes 0.5 percent to fund these benefits.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 9 – Debt

Debt outstanding at December 31, 2018 was as follows:

	Principal	Interest Rate
Fire Truck Loan	\$ 281,682	3.75%
First State Bank Loan	282,425	3.24%
Police Cruiser Bond	23,465	3.75%
Ohio Public Works Commission Loans	278,801	0%
Ohio Water Development Authority Loans	4,168,793	0 -3.9%
Total	\$5,035,166	

The Ohio Public Works Commission (OPWC) Loan CT43I relates to a Wastewater Treatment Plant Replacement Project. The loan will be repaid in semi-annual installments at 0.00% interest over 20 years. The loan matures in 2029 with semi-annual installments of \$10,253.

The OPWC Loan CT45L relates to the Eagle Creek Sewer Extension Project. The loan will be repaid in semi-annual installments at 0.00% interest over 30 years. The loan matures in 2042 with semi-annual installments of \$1,133.

The Ohio Water Development Authority (OWDA) Loan #4753 relates to a water system improvement project. The loan will be repaid in semi-annual installments at 1.50% interest over 21 years. The loan matures in 2038 with semi-annual installments of \$11,712.

The OWDA Loan #4752 relates to a Water Treatment Plant Replacement. The loan will be repaid in semi-annual installments at 3.97% interest over 29 years. The loan matures in 2038 with semi-annual installments of \$5,487.

The OWDA Loan #5634 relates to a Sewer Extension. The loan will be repaid in semi-annual installments at 1.50% interest over 28 years. The loan matures in 2040 with semi-annual installments of \$3,337.

The OWDA Loan #4438 relates to a Water Treatment Plant Replacement. The loan will be repaid in semi-annual installments at 1.50% interest over 30 years. The loan matures in 2037 with semi-annual installments of \$62,809.

The OWDA Loan #4539 relates to a Waste Water Treatment Plant Improvement. The loan will be repaid in semi-annual installments at 0.00% interest over 12 years. The loan matures in 2027 with semi-annual installments of \$69,162.

The OWDA Loan #7585 relates to a Wells and Raw Water Main Project. The loan will be repaid at a 0.56% interest rate over 5 years. The loan matures in 2024. The loans amortization schedule has not yet been released by OWDA.

The OWDA Loan #7875 relates to the Water Main and Tank Replacement Planning. The loan will be repaid at a 3.06% interest rate over 5 years. The loan matures in 2023. The loans amortization schedule has not yet been released by OWDA.

The First State Bank Fire Truck Acquisition Bond # 16195 relates to the acquisition of a new fire truck. The loan will be repaid in semi-annual installments at 3.750 % interest over 10 years. The bond matures in 2027 with semi-annual installments totaling \$457,359.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 9 – Debt (continued)

The First State Bank Police Cruiser Acquisition Bond # 16200 relates to the acquisition of two police cruisers. The bond will be repaid in 4 semi-annual installments at 3.750% interest over 2 years. The bond will be paid off in its full plus interest in the amount of \$33,933 on January 16, 2020.

The First State Bank Loan # 16201 was used for roof replacement. The bond will be paid off in its full plus interest in the amount of \$9,144 (3.24%) on February 6, 2019.

Amortization

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

Year Ending December 31:	OPWC	OWDA Loan	Fire Truck Acquisition	Police Cruiser Acquisition	First State Bank Loan
2019	\$22,771	\$305,014	\$49,304	\$16,969	\$291,569
2020	22,771	305,014	48,217	8,266	-
2021	22,771	305,014	47,090	-	-
2022	22,771	305,014	45,918	-	-
2023	22,771	305,014	44,704	-	-
2024-2028	113,856	1,386,746	146,217	-	-
2029-2033	31,833	833,454	-	-	-
2034-2038	11,327	707,835	-	-	-
2039-2043	9,061	13,348	-	-	-
Total	\$279,932	\$4,466,453	\$381,450	\$25,235	\$291,569

Note 10 – Contingent Liabilities

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

**VILLAGE OF RIPLEY
BROWN 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**

	General	Special Revenue	Permanent	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 28,626	\$ 187,468	\$ -	\$ 216,094
Municipal Income Tax	240,749	-	-	240,749
Intergovernmental	15,288	106,115	-	121,403
Special Assessments	964	-	-	964
Charges for Services	26,341	61,900	800	89,041
Fines, Licenses and Permits	110,301	3,730	-	114,031
Earnings on Investments	13,058	212	150	13,420
Miscellaneous	18,745	6,763	-	25,508
<i>Total Cash Receipts</i>	<u>454,072</u>	<u>366,188</u>	<u>950</u>	<u>821,210</u>
Cash Disbursements				
Current:				
Security of Persons and Property	338,210	162,381	-	500,591
Public Health Services	5,000	15,000	-	20,000
Community Environment	250	-	-	250
Transportation	7,000	183,098	-	190,098
General Government	82,148	-	-	82,148
Capital Outlay	1,049	212,156	-	213,205
Debt Service:				
Principal Retirement	-	13,451	-	13,451
Interest and Fiscal Charges	-	2,387	-	2,387
<i>Total Cash Disbursements</i>	<u>433,657</u>	<u>588,473</u>	<u>-</u>	<u>1,022,130</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>20,415</u>	<u>(222,285)</u>	<u>950</u>	<u>(200,920)</u>
Other Financing Receipts (Disbursements)				
Loans Issued	-	322,798	-	322,798
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>322,798</u>	<u>-</u>	<u>322,798</u>
<i>Net Change in Fund Cash Balances</i>	20,415	100,513	950	121,878
<i>Fund Cash Balances, January 1</i>	<u>95,612</u>	<u>417,951</u>	<u>169,944</u>	<u>683,507</u>
Fund Cash Balances, December 31				
Nonspendable	11,369	-	170,894	182,263
Restricted	-	518,464	-	518,464
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (Deficit)	<u>104,658</u>	<u>-</u>	<u>-</u>	<u>104,658</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 116,027</u>	<u>\$ 518,464</u>	<u>\$ 170,894</u>	<u>\$ 805,385</u>

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

**VILLAGE OF RIPLEY
BROWN COUNTY**

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

	Proprietary Fund Types	Fiduciary Fund Types	Totals
	Enterprise	Agency	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$ 2,406,729	\$ -	\$ 2,406,729
Miscellaneous	1,230	-	1,230
<i>Total Operating Cash Receipts</i>	<u>2,407,959</u>	<u>-</u>	<u>2,407,959</u>
Operating Cash Disbursements			
Personal Services	438,113	-	438,113
Fringe Benefits	151,525	-	151,525
Contractual Services	1,348,987	-	1,348,987
Supplies and Materials	251,950	-	251,950
Other	44,155	-	44,155
<i>Total Operating Cash Disbursements</i>	<u>2,234,730</u>	<u>-</u>	<u>2,234,730</u>
<i>Operating Income (Loss)</i>	<u>173,229</u>	<u>-</u>	<u>173,229</u>
Non-Operating Receipts (Disbursements)			
Loans Issued	350,681	-	350,681
Capital Outlay	(428,469)	-	(428,469)
Principal Retirement	(289,124)	-	(289,124)
Interest and Other Fiscal Charges	(48,455)	-	(48,455)
Other Financing Sources	-	106,141	106,141
Other Financing Uses	-	(106,141)	(106,141)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(415,367)</u>	<u>-</u>	<u>(415,367)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(242,138)</u>	<u>-</u>	<u>(242,138)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,057,787</u>	<u>4,004</u>	<u>2,061,791</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,815,649</u>	<u>\$ 4,004</u>	<u>\$ 1,819,653</u>

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

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 - Reporting Entity

The Village of Ripley, Brown 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 water, electric and sewer utilities, refuse pickup, and fire and police services.

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

Fire Fund The fire fund reports and accounts for the receipt of property tax monies from a levy to provide fire services to the Village.

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:

Perpetual Care Fund This fund receives a portion of the monies from collections for the sale of lots. Interest monies earned are to be used for maintenance and care of the Cemetery premises and are credited directly to the Cemetery fund for this purpose.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 - Summary of Significant Accounting Policies (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 Funds:

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

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

Electric Fund The electric fund receives charges for electrical services provided to residents to cover the cost of providing the utility.

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 Mayor's Court, which receives monies collected on fines imposed from tickets issued by the Village's police protection force.

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 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 Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 - Summary of Significant Accounting Policies (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 re-appropriated.

A summary of 2017 budgetary activity appears in Note 3.

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.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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

Note 3 - Budgetary Activity

Budgetary activity for the year ending 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$444,072	\$454,071	\$9,999
Special Revenue	373,700	688,986	315,286
Enterprise	3,221,336	2,758,640	(462,696)
Permanent	2,000	950	(1,050)
Total	\$4,041,108	\$3,902,647	(\$138,461)

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$511,312	\$433,657	\$77,655
Special Revenue	607,871	588,473	19,398
Enterprise	4,352,320	3,000,778	1,351,542
Permanent	600	-	600
Total	\$5,472,103	\$4,022,908	\$1,449,195

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 4 – 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:

	2017
Demand deposits	\$1,368,095
Certificates of deposit	1,256,069
Total deposits	<u>2,624,164</u>
Common stock	874
Total investments	<u>874</u>
Total deposits and investments	<u><u>\$2,625,038</u></u>

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

Investments

For December 31, 2017, the Village held investments of stock. Shares of Proctor and Gamble Stock were donated to the Village in 1967. The Village carries this stock on their records at \$874, which is fair market value on the date of donation.

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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 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 of 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 a declaration annually.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 6 - Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Inland Marine
- Vehicles and Equipment;
- Errors and omissions;
- Umbrella for Volunteer Fireman's Insurance.

Settlements have not exceeded coverage in any of the last three years and coverage limits have not changed significantly since the prior period.

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2017.

Ohio Police and Fire Retirement System

Approximately 7 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, 2017.

Note 8 - Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2016. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2017. OP&F contributes 0.5 percent to fund these benefits.

Village of Ripley, Ohio
Brown 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:

	Principal	Interest Rate
Fire Truck Loan	309,347	3.75%
Ohio Public Works Commission Loans	302,706	0%
Ohio Water Development Authority Loans	4,267,303	0 -3.9%
Total	\$4,879,356	

May 25, 2006, the Village obtained a loan from OWDA in the amount of \$2,783,574 for a wastewater treatment plant project (Loan Number 4539). The loan is for 20 years due in semi-annual installments on January 1 and July 1, with no interest. As of December 31, 2017, \$2,766,463 of the loan has been utilized.

January 26, 2006, the Village obtained a loan from OWDA in the amount of \$3,025,745 for a water treatment plant replacement project (Loan Number 4438). The loan is for 30 years due in semi-annual installments on January 1 and July 1, bearing interest at 1.5%. As of December 31, 2017, the total amount of the loan has been utilized.

May 31, 2007, the Village obtained a loan from OWDA in the amount of \$564,225 for water system improvements project (Loan Number 4753). The loan is for 30 years due in semi-annual installments on January 1 and July 1, bearing interest of 1.50%. As of December 31, 2016, \$213,519 of the loan has been utilized. OWDA began retiring loan 4753 in 2009 before any substantial disbursements had been made on the Village's behalf. At December 31, 2017, this loan had a balance of \$86,879.13.

July 26, 2007, the Village obtained a loan from OWDA in the amount of \$191,413 for a water treatment plant replacement project (Loan Number 4752). This loan is for 30 years due in semi-annual installments on January 1 and July 1, bearing interest at 3.97%. As of December 31, 2017, the total amount of the loan has been utilized.

March 25, 2010, the Village obtained a loan from OWDA in the amount of \$160,750 for a sewer extension project (Loan Number 5634). The loan is for 30 years due in semi-annual installments on January 1 and July 1, bearing interest at 1.50%. As of December 31, 2017, the total amount of the loan has been utilized.

The Village had two OPWC loans outstanding at December 31, 2016. Loan CT43I, obtained in 2009 in the amount of \$410,119, was used for the replacement of the wastewater treatment plant. Loan CT45L, obtained in 2012 in the amount of \$67,960, was used for the Eagle Creek sewer extension project.

June 13, 2017 the Village obtained a loan from First State Bank in the amount of \$322,798 for the purpose of acquiring a new fire truck. The loan is for is for 10 years due in semi-annual installments on March 1 and September 1, bearing interest at 3.75%. As of December 31, 2017, the loan has a balance of \$309,347.

Village of Ripley, Ohio
Brown County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 9 – Debt (Continued)

Amortization

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

Year Ending December 31:	OPWC Loans	OWDA Loan	Fire Truck Bond
2018	\$22,771	\$221,669	\$27,665
2019	22,771	221,669	28,711
2020	22,771	221,669	29,798
2021	22,771	221,669	30,927
2022	22,771	221,669	32,096
2023-2027	113,855	-	160,150
2028-2032	52,342	-	-
2033-2037	11,327	-	-
2038-2042	11,327	-	-
Total	<u>\$302,706</u>	<u>\$1,108,345</u>	<u>\$309,347</u>



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Village of Ripley
Brown County
120 Waterworks Road
Ripley, Ohio 45176

To the Village Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements by fund type of the Village of Ripley, Brown County, Ohio, (the Village as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements and have issued our report thereon dated June 12, 2019 wherein we noted the Village followed financial reporting provisions Ohio Revised Code 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 opinion 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, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control 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 findings that we consider a material weakness. We consider finding 2018-001 to be a material weakness.

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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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 report is not suitable for any other purpose.

LINDHOLM + COMPANY

Worthington, Ohio
June 14, 2019

VILLAGE OF RIPLEY
BROWN COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2018 AND 2017

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

FINDING NUMBER 2018-001

Material Weakness

Governments are required to maintain an accounting system and accounting records sufficient to identify, assemble, analyze, classify and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

We noted the following conditions related to the Village's accounting system:

- The Fund balances of the General fund at December 31, 2017 were not accurately classified; the unassigned fund balance was overstated by \$11,369 and the nonspendable fund balance was understated by \$11,369.
- The Fund balances of the General fund at December 31, 2018 were not accurately classified; the unassigned fund balance was overstated by \$11,369 and the nonspendable fund balance was understated by \$11,369.
- The Mayors court activity was not included within the financial statements. This resulted in the other financing sources and other financing uses being understated by \$106,141 in the Mayor's Court fund in 2017. In 2018, this resulted in the other financing sources and other financing uses being understated by \$82,101.
- Capital outlay in the special revenue funds of \$212,156 was recorded as a negative receipt in 2017.
- Receipts for loans in the enterprise fund were recorded as capital contributions for \$350,681 and \$163,335 in 2017 and 2018, respectively.
- Receipts for the loan for the police cruiser of \$31,000 was recorded as other financing sources.

The Village corrected the financial statements and accounting records, where appropriate.

Failure to accurately post and report transactions could result in material errors in the Village's financial statements and reduces the Village's ability to monitor financial activity and to make sound decisions which effect the overall available cash positions of the Village.

We recommend that the Village accurately record financial transactions.

Officials' Response:

We did not receive a response from Officials to this finding.

**VILLAGE OF RIPLEY
BROWN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2018 AND 2017**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2016-001	Several adjustments and reclassifications made to the financial statements.	No	Repeated as Finding 2018-001

OHIO AUDITOR OF STATE
KEITH FABER



VILLAGE OF RIPLEY

BROWN 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
SEPTEMBER 19, 2019**