



Dave Yost • Auditor of State

VILLAGE OF WHITEHOUSE
LUCAS COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Village of Whitehouse
Lucas County
6925 Providence Street
P.O. Box 2476
Whitehouse, Ohio 43571-2476

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 Whitehouse, Lucas County, Ohio (the Village) as of and for the years ended December 31, 2016 and 2015.

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.

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

As described in Note 1 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, 2016 and 2015, 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 Whitehouse, Lucas County, Ohio as of December 31, 2016 and 2015, 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 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2017, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Dave Yost
Auditor of State

Columbus, Ohio

November 17, 2017

**VILLAGE OF WHITEHOUSE
LUCAS 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**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$310,627	\$27,450			\$338,077
Municipal Income Tax	1,910,676			\$818,861	2,729,537
Intergovernmental	529,153	204,716		637,758	1,371,627
Special Assessments			\$24,895		24,895
Charges for Services	366,062	759,070			1,125,132
Fines, Licenses and Permits	107,472				107,472
Earnings on Investments	30,518	8			30,526
Miscellaneous	101,802	1,830		144,856	248,488
<i>Total Cash Receipts</i>	<u>3,356,310</u>	<u>993,074</u>	<u>24,895</u>	<u>1,601,475</u>	<u>5,975,754</u>
Cash Disbursements					
Current:					
Security of Persons and Property	1,745,699	919,692			2,665,391
Public Health Services	20,528				20,528
Leisure Time Activities	89,415				89,415
Community Environment	156,491				156,491
Basic Utility Services	273,504				273,504
Transportation		128,851			128,851
General Government	447,945				447,945
Capital Outlay				2,490,551	2,490,551
Debt Service:					
Principal Retirement	31	38,329	124,202		162,562
Interest and Fiscal Charges			39,340		39,340
<i>Total Cash Disbursements</i>	<u>2,733,613</u>	<u>1,086,872</u>	<u>163,542</u>	<u>2,490,551</u>	<u>6,474,578</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>622,697</u>	<u>(93,798)</u>	<u>(138,647)</u>	<u>(889,076)</u>	<u>(498,824)</u>
Other Financing Receipts (Disbursements)					
Debt Proceeds				847,185	847,185
Sale of Capital Assets	20,458				20,458
Transfers In		230,238	139,248	860,781	1,230,267
Transfers Out	(230,238)			(915,775)	(1,146,013)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(209,780)</u>	<u>230,238</u>	<u>139,248</u>	<u>792,191</u>	<u>951,897</u>
<i>Net Change in Fund Cash Balances</i>	412,917	136,440	601	(96,885)	453,073
<i>Fund Cash Balances, January 1</i>	<u>394,308</u>	<u>674,005</u>	<u>45,381</u>	<u>1,431,138</u>	<u>2,544,832</u>
Fund Cash Balances, December 31					
Restricted		810,445	45,982		856,427
Committed				1,334,253	1,334,253
Assigned	13,425				13,425
Unassigned	793,800				793,800
<i>Fund Cash Balances, December 31</i>	<u>\$807,225</u>	<u>\$810,445</u>	<u>\$45,982</u>	<u>\$1,334,253</u>	<u>\$2,997,905</u>

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

**VILLAGE OF WHITEHOUSE
LUCAS 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, 2016**

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$2,013,369		\$2,013,369
Miscellaneous	20		20
<i>Total Operating Cash Receipts</i>	<u>2,013,389</u>		<u>2,013,389</u>
Operating Cash Disbursements			
Personal Services	328,548		328,548
Fringe Benefits	113,978		113,978
Contractual Services	909,989	\$18,845	928,834
Supplies and Materials	44,165		44,165
Other	1,308	1,781,034	1,782,342
<i>Total Operating Cash Disbursements</i>	<u>1,397,988</u>	<u>1,799,879</u>	<u>3,197,867</u>
<i>Operating Income (Loss)</i>	<u>615,401</u>	<u>(1,799,879)</u>	<u>(1,184,478)</u>
Non-Operating Receipts (Disbursements)			
Property and Other Local Taxes		2,285,780	2,285,780
Capital Outlay	(133,031)		(133,031)
Principal Retirement	(65,209)		(65,209)
Interest and Other Fiscal Charges	(40,473)		(40,473)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(238,713)</u>	<u>2,285,780</u>	<u>2,047,067</u>
<i>Income Before Transfers</i>	376,688	485,901	862,589
Transfers In	15,746		15,746
Transfers Out	(100,000)		(100,000)
<i>Net Change in Fund Cash Balances</i>	292,434	485,901	778,335
<i>Fund Cash Balances, January 1</i>	<u>2,164,810</u>	<u>109,578</u>	<u>2,274,388</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$2,457,244</u></u>	<u><u>\$595,479</u></u>	<u><u>\$3,052,723</u></u>

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

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Whitehouse, Lucas County, Ohio (the Village), as a body corporate and politic. A publicly elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police, fire and life squad services.

The Village obtained coverage under commercial liability insurance through Brooks Insurance. Note 9 to the financial statements provides additional information for this entity.

The Village participates in joint ventures with Monclova Township, Spencer Township, and Waterville Township. Note 11 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.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. 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 Auditor of State prescribes or permits.

C. Deposits and Investments

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

The Village values U.S. Treasury Notes and Federal Agency Securities at cost. Money market mutual funds are recorded at share values based on the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

D. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

1. General Fund

The General fund accounts for and reports all financial resources not accounted for and reported in another fund.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Fund:

Life Squad Fund - This fund receives revenue from Lucas County for life squad services.

3. Debt Service Funds

These funds account for resources the Village accumulates to pay bond and note debt. The Village had the following significant Debt Service Fund:

General Obligation Bond Fund – This fund receives Income Tax Fund proceeds to repay debt incurred for the construction and equipping of a new municipal building.

4. Capital Project Funds

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

Income Tax A Fund - This fund receives local income tax revenue for general operations and capital projects.

Finzel/64 Roundabout - This fund received intergovernmental receipts and transfers to be used for the Finzel Road / Route 64 Roundabout project.

Roundabout Easement - This fund received debt proceeds to be used for the Finzel Road / Route 64 Roundabout project.

5. 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 - This fund receives charges for services from residents to cover water service costs.

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

6. 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.

VILLAGE OF WHITEHOUSE
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)

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 funds account for income tax receipts collected by the Village and the related distributions for the Monclova Township-Village of Whitehouse JEDD and the Spencer Township-Village of Whitehouse JEDZ.

E. Budgetary Process

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

1. Appropriations

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

2. 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.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2016 budgetary activity appears in Note 3.

F. 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:

1. Nonspendable

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

2. Restricted

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

VILLAGE OF WHITEHOUSE
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)

3. 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.

4. 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.

5. 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.

G. Property, Plant, and Equipment

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

H. 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.

2. Equity in Pooled Deposits and Investments

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:

Demand deposits	<u>\$2,880,220</u>
U.S. Treasury Notes and Federal Agency Securities	2,399,184
STAR Ohio	660,758
Special Assessment Bonds	<u>110,466</u>
Total investments	<u>3,170,408</u>
Total deposits and investments	<u><u>\$6,050,628</u></u>

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

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

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

3. Budgetary Activity

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

Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$5,915,184	\$3,376,768	(\$2,538,416)
Special Revenue	1,271,012	1,223,312	(47,700)
Debt Service	168,675	164,143	(4,532)
Capital Projects	4,926,567	3,309,411	(1,617,156)
Enterprise	1,777,899	2,029,135	251,236
Agency	1,697,000	2,285,780	588,780
Total	\$15,756,337	\$12,388,549	(\$3,367,788)

Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,498,743	\$2,977,275	\$2,521,468
Special Revenue	1,203,112	1,099,248	103,864
Debt Service	173,248	163,542	9,706
Capital Projects	4,955,551	3,517,337	1,438,214
Enterprise	1,918,808	1,736,701	182,107
Agency	1,811,146	1,799,879	11,267
Total	\$15,560,608	\$11,293,982	\$4,266,626

4. Property Tax

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.

5. Local Income Tax

The Village levies a municipal income tax of 1.5 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.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

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.

6. Debt

Debt outstanding at December 31, 2016 was as follows:

Type of Debt	Principal Outstanding	Interest Rate
2013 General Obligation Bonds	\$1,295,000	1.00%
Ohio Water Development Authority Loan #5533	218,469	2.75%
Ohio Public Works Commission Loan #CL11L	17,372	0.00%
Ohio Public Works Commission Loan #CL07M	9,494	0.00%
Ohio Public Works Commission Loan #CT45N	303,005	0.00%
Ohio Public Works Commission Loan #CT56P	33,044	0.00%
Ohio Public Works Commission Loan #CT23Q	43,353	0.00%
PNC Equipment Financing (Fire Truck Lease Purchase)	776,052	2.935%
State Infrastructure Bank	902,908	3.00%
Special Assessment Bond, Bucher Road Sanitary Sewer	13,709	6.25%
Special Assessment Bond, Eastview Drive Construction	8,890	6.25%
Special Assessment Bond, North & West Maumee Streets	15,564	3.00%
Special Assessment Bond, S. Berkey-Southern Sewer Extension	7,616	3.75%
Special Assessment Bond, S. Berkey-Southern Water Extension	9,370	3.75%
Special Assessment Bond, South, Merritt, Gillett Street	16,970	3.00%
Special Assessment Bond, Swanton Street Reconstruction	4,640	6.00%
Special Assessment Bond, Waterville Street Reconstruction	31,855	3.75%
Special Assessment Bond, Centerville Street Sanitary Sewer	1,853	5.50%
Total	<u>\$3,709,164</u>	

The 2013 General Obligation Bonds relate to the refinancing of bonds originally issued in 2002 for the construction and equipping of a new municipal building. The refinanced bonds were issued for \$1,720,000 at a variable rate not to exceed 3.00 percent interest, payable semiannually over 15 years.

The Ohio Water Development Authority (OWDA) loan #5533 relates to a sewer utility construction project on Dutch Road. OWDA approved a \$273,544 loan to the Village for this project. The loan will be repaid in semiannual installments over 20 years, including interest of 2.75 percent. The loan is collateralized by water and sewer receipts.

The Ohio Public Works Commission (OPWC) loan #CL11L relates to the Village streets and Monclova Road project. OPWC loaned the Village \$57,908 for this project. The Village will repay the loan in semiannual installments of \$2,895 over 10 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CL07M relates to the Finzel and Heller Mill resurfacing project. OPWC loaned the Village \$31,647. The Village will repay the loan in semiannual installments of \$1,582 over 10 years. The loan is collateralized by undivided local government funds.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

The Ohio Public Works Commission (OPWC) loan #CT45N relates to the Downtown Water and Storm Sewer project. OPWC loaned the Village \$390,974. The Village will repay the loan in semiannual installments of \$9,774 over 20 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CT56P relates to the Texas Street Phase I reconstruction project. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$44,059. The Village will repay the loan in semiannual installments of \$2,203 over 10 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CT23Q relates to the resurfacing of parts of Texas Street, Weckerly Drive, and Cable Avenue. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$54,191. The Village will repay the loan in semiannual installments of \$2,710 over 10 years. The loan is collateralized by undivided local government funds.

The Fire Truck Lease/Purchase agreement was entered into on September 2, 2016, with PNC Equipment Finance. This purchased a fire engine for the Village. The total lease amount was \$776,052, with an interest rate of 2.935 percent payable as an annuity due in semiannual installments of \$32,166 for 15 years.

The State Infrastructure Bank (SIB) loan #150006 relates to the roundabout at Finzel Road and State Route 64 and the land around it. SIB loaned the Village \$1,386,910 for this project. The Village will repay the loan in semiannual installments of \$32,642 over 20 years including interest of 3 percent.

The Bucher Road Sanitary Sewer Special Assessment Bonds were originally issued for \$68,547. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$3,427, including interest of 6.25 percent over 20 years. The Village purchased these bonds as an investment.

The Eastview Drive Reconstruction Special Assessment Bonds were originally issued for \$44,450. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$2,222, including interest of 6.25 percent over 20 years. The Village purchased these bonds as an investment.

The North, West/Maumee Streets Special Assessment Bonds were originally issued for \$51,881. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$2,594, including interest of 3.00 percent over 20 years. The Village purchased these bonds as an investment.

The South Berkey-Southern Sewer Extension Special Assessment Bonds were originally issued for \$15,232. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$762, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The South Berkey-Southern Water Extension Special Assessment Bonds were originally issued for \$18,739. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$937, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

The South, Merritt, Gillett Street Special Assessment Bonds were originally issued for \$56,566. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$2,828, including interest of 3.00 percent over 20 years. The Village purchased these bonds as an investment.

The Swanton Street Reconstruction Special Assessment Bonds were originally issued for \$18,559. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$928, including interest of 6.00 percent over 20 years. The Village purchased these bonds as an investment.

The Waterville Street Reconstruction Special Assessment Bonds were originally issued for \$63,710. The bonds are payable from the proceeds of tax assessments against individual property owners in semi-annual installments of \$3,185, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The Centerville Street Sanitary Sewer Special Assessment Bonds were originally issued for \$18,525. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$1,853, including interest of 5.50 percent over 10 years. The Village purchased these bonds as an investment.

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

Year Ending December 31:	2013 General Obligation Bonds	OWDA Loan 5533	OPWC Loan #CL11L	OPWC Loan #CL07M	OPWC Loan #CT45N
2017	\$142,672	\$17,873	\$5,791	\$3,165	\$19,549
2018	135,473	17,873	5,791	3,165	19,549
2019	133,373	17,873	5,790	3,164	19,549
2020	136,273	17,873			19,549
2021	134,073	17,873			19,549
2022-2026	694,603	89,365			97,743
2027-2031	139,050	89,365			97,743
2032-2036					9,774
Total	<u>\$1,515,517</u>	<u>\$268,095</u>	<u>\$17,372</u>	<u>\$9,494</u>	<u>\$303,005</u>

Year Ending December 31:	OPWC Loan #CT56P	OPWC Loan #CT23Q	PNC Equipment Financing	State Infrastructure Bank Loan
2017	\$4,406	\$5,419	\$64,331	\$65,285
2018	4,406	5,419	64,331	65,284
2019	4,406	5,419	64,331	65,285
2020	4,406	5,419	64,331	65,284
2021	4,406	5,419	64,331	65,285
2022-2026	11,014	16,258	321,655	326,423
2027-2031			321,655	326,423
2032-2036				195,854
Total	<u>\$33,044</u>	<u>\$43,353</u>	<u>\$964,965</u>	<u>\$1,175,123</u>

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

Year Ending December 31:	Bucher Road Sanitary Sewer	Eastview Drive Reconstruction	North, West/ Maumee Streets	S. Berkey- Southern Sewer Extension	S. Berkey- Southern Water Extension
2017	\$4,177	\$2,709	\$3,022	\$1,033	\$1,271
2018	3,963	2,570	2,944	1,004	1,236
2019	3,749	2,431	2,866	976	1,200
2020	3,535	2,292	2,789	947	1,165
2021			2,711	919	1,130
2022-2026			2,633	4,165	5,124
Total	<u>\$15,424</u>	<u>\$10,002</u>	<u>\$16,965</u>	<u>\$9,044</u>	<u>\$11,126</u>

Year Ending December 31:	South, Merritt, Gillett Street	Swanton Street Reconstruction	Waterville Street Reconstruction	Centerville Street Sanitary Sewer
2017	\$3,295	\$1,179	\$4,320	\$1,955
2018	3,210	1,123	4,201	
2019	3,125	1,067	4,081	
2020	3,040	1,967	3,962	
2021	2,956		3,842	
2022-2026	2,870		17,421	
Total	<u>\$18,496</u>	<u>\$5,336</u>	<u>\$37,827</u>	<u>\$1,955</u>

7. Contractual Commitments

Maumee Wastewater Treatment Plant

In 1994, the Maumee Wastewater Treatment Plant (the Plant) was expanded. The Village is required to pay a portion of the Plant's construction costs based on its quarterly consumption rate. The loan balance as of December 31, 2016 was \$13,724 (OPWC Loan #CL703). Based on an average quarterly consumption rates for 2016, the Village paid Lucas County approximately \$1,744. Since the amount owed by the Village is variable and is based on consumption, there is no amortization schedule available.

In 2003, the Plant expanded again. The Village is required to pay 8 percent of the improvement costs of the Plant to Lucas County over a period of 25 years. As of December 31, 2016, the Village owed Lucas County \$771,908 (OWDA Loan #3956). In addition, a 20 year loan was taken out with Ohio Public Works Commission. As of December 31, 2016, the Village owed \$48,610 (OPWC Loan #CL02F).

In 2010, the Plant expanded again. The Village is required to pay a portion of the Plant's construction costs based on its quarterly consumption rates. The loan balance as of December 31, 2016 was \$60,922. Based on an average quarterly consumption rate for 2016, the Village paid Lucas County approximately \$1,987 (OWDA Loan #5113). Since the amount owed by the Village is variable and is based on consumption, there is no amortization schedule available.

In 2010-2011, further upgrades were made to the Plant. Various debt issues began amortizing in 2012. The Village is required to pay a portion of the Plant's construction costs based on its quarterly consumption rates. The loan balance as of December 31, 2016 was \$88,850. Based on an average quarterly consumption rate for 2016, the Village paid Lucas County approximately

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

\$4,933 (OPWC Loan #CL27M). Since the amount owed by the Village is variable and is based on consumption, there is no amortization schedule available.

The annual requirements to amortize the fixed commitments are as follows:

Year ending December 31:	OWDA Loan #3956	OPWC Loan #CL02F
2017	\$76,029	\$4,861
2018	76,029	4,861
2019	76,029	4,861
2020	76,029	4,861
2021	76,029	4,861
2022-2026	380,145	24,305
2027-2031	288,027	
Total	<u>\$1,048,317</u>	<u>\$48,610</u>

8. Retirement Systems

The Village's full-time Fire Fighters and full-time Law Enforcement Officer belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2016, OP&F members contributed 12.25% of their gross salaries, and the Village contributed an amount equaling 19.25% of full-time police members' gross salaries and 24% of full-time fire fighters' gross salaries. For 2016, 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.

9. Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Commercial property coverage;
- Commercial general liability coverage;
- Public officials' liability coverage;
- Law enforcement liability coverage;
- Commercial inland marine coverage;
- Commercial crime coverage;
- Commercial auto coverage;
- Boiler and machinery coverage; and
- Commercial umbrella coverage.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

10. Contingent Liabilities

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

11. Joint Ventures

The Village of Whitehouse entered into two separate joint economic development district (JEDD) agreements and one Joint Economic Development Zone (JEDZ) agreement. One of the JEDD agreements is with Monclova Township and another JEDD agreement is with Waterville Township. The JEDZ agreement is with Spencer Township. Each of the JEDDs and the JEDZ is wholly situated within their respective township. The purpose of these agreements is to facilitate economic development by creating and preserving employment opportunities within the respective JEDD/JEDZ territories.

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**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016
(Continued)**

12. Interfund Transfers

During 2016, the Village had the following interfund transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		\$230,238
Special Revenue Fund:		
Life Squad	\$230,238	
Debt Service Funds:		
Bond Retirement	139,248	
Capital Project Funds:		
Income Tax A		915,775
Finzel/64 Roundabout	98,923	
Gateways and Streetscap	73,192	
Park Pavilion	85,000	
Toledo Street Parking	45,854	
Economic Development	50,000	
Large Quarry Boardwalk	4,605	
Downtown Parking Plan	3,844	
Street Resurfacing Program	135,242	
School Zone Pedestrian	21,120	
Crack Seal	7,263	
S.R. 64 Multiuse Trail	130,000	
Nona France Entrance	1,360	
Restoration of Soldier	21,082	
Nona France Walking Trail	59,000	
Force Main Relocation	5,000	
Rupp Road Culvert	9,759	
Whitehouse Square Street	5,750	
Roundabout Easement	3,787	
Regional Pump Station	100,000	
Enterprise Funds:		
Sewer		100,000
OWDA Fund - Sewer	15,746	
Totals	<u>\$1,246,013</u>	<u>\$1,246,013</u>

Transfers were made to move unrestricted balances from the General Fund and Income Tax A Funds to support programs and capital projects accounted for in other funds. Monies moved from the Sewer Operating fund were to pay off applicable sewer debt.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$298,260	\$27,158			\$325,418
Municipal Income Tax	1,632,305			\$699,560	2,331,865
Intergovernmental	486,716	200,409		244,676	931,801
Special Assessments			\$25,830		25,830
Charges for Services	384,841	737,260			1,122,101
Fines, Licenses and Permits	89,216				89,216
Earnings on Investments	22,418	6			22,424
Miscellaneous	81,959	4,233			86,192
<i>Total Cash Receipts</i>	<u>2,995,715</u>	<u>969,066</u>	<u>25,830</u>	<u>944,236</u>	<u>4,934,847</u>
Cash Disbursements					
Current:					
Security of Persons and Property	1,653,421	920,036			2,573,457
Public Health Services	20,528				20,528
Leisure Time Activities	50,386				50,386
Community Environment	110,089				110,089
Basic Utility Services	241,061				241,061
Transportation		170,331			170,331
General Government	462,124			143,222	605,346
Capital Outlay				782,848	782,848
Debt Service					
Principal Retirement	944	48,196	194,210		243,350
Interest and Fiscal Charges			44,104		44,104
<i>Total Cash Disbursements</i>	<u>2,538,553</u>	<u>1,138,563</u>	<u>238,314</u>	<u>926,070</u>	<u>4,841,500</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>457,162</u>	<u>(169,497)</u>	<u>(212,484)</u>	<u>18,166</u>	<u>93,347</u>
Other Financing Receipts (Disbursements)					
Debt Proceeds				593,916	593,916
Sale of Capital Assets	6,466				6,466
Transfers In	39,676	175,688	211,368	1,462,087	1,888,819
Transfers Out	(227,228)			(1,681,591)	(1,908,819)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(181,086)</u>	<u>175,688</u>	<u>211,368</u>	<u>374,412</u>	<u>580,382</u>
<i>Net Change in Fund Cash Balances</i>	276,076	6,191	(1,116)	392,578	673,729
<i>Fund Cash Balances, January 1</i>	<u>118,232</u>	<u>667,814</u>	<u>46,497</u>	<u>1,038,560</u>	<u>1,871,103</u>
Fund Cash Balances, December 31					
Restricted		674,005	45,381		719,386
Committed				1,431,138	1,431,138
Unassigned	394,308				394,308
<i>Fund Cash Balances, December 31</i>	<u>\$394,308</u>	<u>\$674,005</u>	<u>\$45,381</u>	<u>\$1,431,138</u>	<u>\$2,544,832</u>

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

**VILLAGE OF WHITEHOUSE
LUCAS 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, 2015**

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$1,800,628		\$1,800,628
Miscellaneous	2,142		2,142
<i>Total Operating Cash Receipts</i>	<u>1,802,770</u>		<u>1,802,770</u>
Operating Cash Disbursements			
Personal Services	288,867		288,867
Fringe Benefits	90,749		90,749
Contractual Services	1,051,361		1,051,361
Supplies and Materials	47,480		47,480
Other	3,157	\$1,573,811	1,576,968
<i>Total Operating Cash Disbursements</i>	<u>1,481,614</u>	<u>1,573,811</u>	<u>3,055,425</u>
<i>Operating Income (Loss)</i>	<u>321,156</u>	<u>(1,573,811)</u>	<u>(1,252,655)</u>
Non-Operating Receipts (Disbursements)			
Property and Other Local Taxes		1,649,327	1,649,327
Capital Outlay	(42,080)		(42,080)
Debt Service	(17,997)		(17,997)
Other Nonoperating Disbursements	(6,561)		(6,561)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(66,638)</u>	<u>1,649,327</u>	<u>1,582,689</u>
<i>Income before Transfers</i>	254,518	75,516	330,034
Transfers In	20,000		20,000
<i>Net Change in Fund Cash Balances</i>	274,518	75,516	350,034
<i>Fund Cash Balances, January 1</i>	<u>1,890,292</u>	<u>34,062</u>	<u>1,924,354</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$2,164,810</u></u>	<u><u>\$109,578</u></u>	<u><u>\$2,274,388</u></u>

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

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Whitehouse, Lucas County, Ohio (the Village), as a body corporate and politic. A publicly elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police, fire and life squad services.

The Village obtained coverage under commercial liability insurance through Brooks Insurance. Note 9 to the financial statements provides additional information for this entity.

The Village participates in joint ventures with Monclova Township, Spencer Township, and Waterville Township. Note 11 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.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. 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 Auditor of State prescribes or permits.

C. Deposits and Investments

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

The Village values U.S. Treasury Notes and Federal Agency Securities at cost. Money market mutual funds are recorded at share values based on the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

D. Fund Accounting

The Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

1. General Fund

The General fund accounts for and reports all financial resources not accounted for and reported in another fund.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Fund:

Life Squad Fund - This fund receives revenue from Lucas County for life squad services.

3. Debt Service Funds

These funds account for resources the Village accumulates to pay bond and note debt. The Village had the following significant Debt Service Funds:

General Obligation Bond Fund – This fund receives Income Tax Fund proceeds to repay debt incurred for the construction and equipping of a new municipal building.

Fire Debt Retirement Fund – This fund receives transfers to make payments on a fire truck capital lease.

4. Capital Project Funds

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

Income Tax A Fund - This fund receives local income tax revenue for general operations and capital projects.

Roundabout Easement - This fund received debt proceeds to be used for the Finzel Road / Route 64 Roundabout project.

5. 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 - This fund receives charges for services from residents to cover water service costs.

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

6. 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.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

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 funds account for income tax receipts collected by the Village and the related distributions for the Monclova Township-Village of Whitehouse JEDD and the Spencer Township-Village of Whitehouse JEDZ.

E. Budgetary Process

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

1. Appropriations

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

2. 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.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2015 budgetary activity appears in Note 3.

F. 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:

1. Nonspendable

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

2. Restricted

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

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

3. 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.

4. 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.

5. 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.

G. Property, Plant, and Equipment

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

H. 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.

2. Equity in Pooled Deposits and Investments

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:

Demand deposits	\$1,650,937
U.S. Treasury Notes and Federal Agency Securities	2,381,374
STAR Ohio	657,240
Special Assessment Bonds	129,669
Total investments	3,168,283
Total deposits and investments	\$4,819,220

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

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

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

3. Budgetary Activity

Budgetary activity for the year ending December 31, 2015 follows:

Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$5,286,000	\$3,041,857	(\$2,244,143)
Special Revenue	1,255,918	1,144,754	(111,164)
Debt Service	243,385	237,198	(6,187)
Capital Projects	3,813,000	3,000,239	(812,761)
Enterprise	1,681,980	1,822,770	140,790
Agency	1,280,000	1,649,327	369,327
Total	\$13,560,283	\$10,896,145	(\$2,664,138)

Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,024,546	\$2,779,024	\$2,245,522
Special Revenue	1,174,396	1,153,389	21,007
Debt Service	264,534	238,314	26,220
Capital Projects	3,182,943	2,681,399	501,544
Enterprise	1,950,874	1,562,875	387,999
Agency	1,724,400	1,573,811	150,589
Total	\$13,321,693	\$9,988,812	\$3,332,881

4. Property Tax

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.

5. Local Income Tax

The Village levies a municipal income tax of 1.5 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.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

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.

6. Debt

Debt outstanding at December 31, 2015 was as follows:

Type of Debt	Principal Outstanding	Interest Rate
2013 General Obligation Bonds	\$1,400,000	1.00%
Ohio Water Development Authority Loan #5533	230,093	2.75%
Ohio Public Works Commission Loan #CL11L	23,163	0.00%
Ohio Public Works Commission Loan #CL07M	12,659	0.00%
Ohio Public Works Commission Loan #CT45N	322,553	0.00%
Ohio Public Works Commission Loan #CT56P	37,450	0.00%
Ohio Public Works Commission Loan #CT23Q	48,772	0.00%
State Infrastructure Bank	543,725	3.00%
Special Assessment Bond, Lucas Street Improvement	310	5.25%
Special Assessment Bond, Gilead Street Improvement	155	5.50%
Special Assessment Bond, Bucher Road Sanitary Sewer	17,137	6.25%
Special Assessment Bond, Eastview Drive Construction	11,113	6.25%
Special Assessment Bond, North & West Maumee Streets	18,159	3.00%
Special Assessment Bond, S. Berkey-Southern Sewer Extension	8,377	3.75%
Special Assessment Bond, S. Berkey-Southern Water Extension	10,306	3.75%
Special Assessment Bond, South, Merritt, Gillett Street	19,797	3.00%
Special Assessment Bond, Swanton Street Reconstruction	5,567	6.00%
Special Assessment Bond, Waterville Street Reconstruction	35,041	3.75%
Special Assessment Bond, Centerville Street Sanitary Sewer	3,706	5.50%
Total	<u>\$2,748,083</u>	

The 2013 General Obligation Bonds relate to the refinancing of bonds originally issued in 2002 for the construction and equipping of a new municipal building. The refinanced bonds were issued for \$1,720,000 at a variable rate not to exceed 3.00 percent interest, payable semiannually over 15 years.

The Ohio Water Development Authority (OWDA) loan #5533 relates to a sewer utility construction project on Dutch Road. OWDA approved a \$273,544 loan to the Village for this project. The loan will be repaid in semiannual installments over 20 years, including interest of 2.75 percent. The loan is collateralized by water and sewer receipts.

The Ohio Public Works Commission (OPWC) loan #CL11L relates to the Village streets and Monclova Road project. OPWC loaned the Village \$57,908 for this project. The Village will repay the loan in semiannual installments of \$2,895 over 10 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CL07M relates to the Finzel and Heller Mill resurfacing project. OPWC loaned the Village \$31,647. The Village will repay the loan in semiannual installments of \$1,582 over 10 years. The loan is collateralized by undivided local government funds.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

The Ohio Public Works Commission (OPWC) loan #CT45N relates to the Downtown Water and Storm Sewer project. OPWC loaned the Village \$390,974. The Village will repay the loan in semiannual installments of \$9,774 over 20 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CT56P relates to the Texas Street Phase I reconstruction project. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$44,059. The Village will repay the loan in semiannual installments of \$2,203 over 10 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CT23Q relates to the resurfacing of parts of Texas Street, Weckerly Drive, and Cable Avenue. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$54,191. The Village will repay the loan in semiannual installments of \$2,710 over 10 years. The loan is collateralized by undivided local government funds.

The State Infrastructure Bank (SIB) loan #150006 relates to the roundabout at Finzel Road and State Route 64 and the land around it. SIB loaned the Village \$539,725 for this project, including assessing a \$4,000 origination fee on the loan. As of December 31, 2015, the project had not been finalized and no amortization schedule was available.

The Lucas Street Improvement Special Assessment Bonds were originally issued for \$6,204. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$310, including interest of 5.50 percent over 20 years. The Village purchased these bonds as an investment.

The Gilead Street Improvement Special Assessment Bonds were originally issued for \$3,102. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$155, including interest of 5.50 percent over 20 years. The Village purchased these bonds as an investment.

The Bucher Road Sanitary Sewer Special Assessment Bonds were originally issued for \$68,547. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$3,427, including interest of 6.25 percent over 20 years. The Village purchased these bonds as an investment.

The Eastview Drive Reconstruction Special Assessment Bonds were originally issued for \$44,450. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$2,222, including interest of 6.25 percent over 20 years. The Village purchased these bonds as an investment.

The North, West/Maumee Streets Special Assessment Bonds were originally issued for \$51,881. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$2,594, including interest of 3.00 percent over 20 years. The Village purchased these bonds as an investment.

The South Berkey-Southern Sewer Extension Special Assessment Bonds were originally issued for \$15,232. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$762, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

The South Berkey-Southern Water Extension Special Assessment Bonds were originally issued for \$18,739. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$937, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The South, Merritt, Gillett Street Special Assessment Bonds were originally issued for \$56,566. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$2,828, including interest of 3.00 percent over 20 years. The Village purchased these bonds as an investment.

The Swanton Street Reconstruction Special Assessment Bonds were originally issued for \$18,559. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$928, including interest of 6.00 percent over 20 years. The Village purchased these bonds as an investment.

The Waterville Street Reconstruction Special Assessment Bonds were originally issued for \$63,710. The bonds are payable from the proceeds of tax assessments against individual property owners in semi-annual installments of \$3,185, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The Centerville Street Sanitary Sewer Special Assessment Bonds were originally issued for \$18,525. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$1,853, including interest of 5.50 percent over 10 years. The Village purchased these bonds as an investment.

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

Year Ending December 31:	2013 General Obligation Bonds	OWDA Loan 5533	OPWC Loan #CL11L	OPWC Loan #CL07M	OPWC Loan #CT45N
2016	\$139,247	\$17,873	\$5,791	\$3,165	\$19,549
2017	142,672	17,873	5,791	3,165	19,549
2018	135,473	17,873	5,791	3,165	19,549
2019	133,373	17,873	5,790	3,164	19,549
2020	136,273	17,873			19,549
2021-2025	690,725	89,365			97,743
2026-2030	277,000	89,365			97,743
2031-2035		17,873			29,322
Total	<u>\$1,654,763</u>	<u>\$285,968</u>	<u>\$23,163</u>	<u>\$12,659</u>	<u>\$322,553</u>

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

Year Ending December 31:	OPWC Loan #CT56P	OPWC Loan #CT23Q	Lucas Street Improvement	Gilead Street Improvement	Bucher Road Sanitary Sewer
2016	\$4,406	\$5,419	\$319	\$160	\$4,391
2017	4,406	5,419			4,177
2018	4,406	5,419			3,963
2019	4,406	5,419			3,749
2020	4,406	5,419			3,535
2021-2025	15,420	21,677			
2026-2030					
2031-2035					
Total	<u>\$37,450</u>	<u>\$48,772</u>	<u>\$319</u>	<u>\$160</u>	<u>\$19,815</u>

Year Ending December 31:	Eastview Drive Reconstruction	North, West/ Maumee Streets	S. Berkey- Southern Sewer Extension	S. Berkey- Southern Water Extension	South, Merritt, Gillett Street
2016	\$2,847	\$3,100	\$1,061	\$1,306	\$3,380
2017	2,709	3,022	1,033	1,271	3,295
2018	2,570	2,944	1,004	1,236	3,210
2019	2,431	2,866	976	1,200	3,125
2020	2,292	2,789	947	1,165	3,040
2021-2025		5,344	4,308	5,300	5,826
2026-2030			776	955	
Total	<u>\$12,849</u>	<u>\$20,065</u>	<u>\$10,105</u>	<u>\$12,433</u>	<u>\$21,876</u>

Year Ending December 31:	Swanton Street Reconstruction	Waterville Street Reconstruction	Centerville Street Sanitary Sewer
2016	\$1,234	\$4,440	\$2,056
2017	1,179	4,320	1,955
2018	1,123	4,201	
2019	1,067	4,081	
2020	1,011	3,962	
2021-2025	956	18,018	
2026-2030		3,245	
Total	<u>\$6,570</u>	<u>\$42,267</u>	<u>\$4,011</u>

7. Contractual Commitments

Maumee Wastewater Treatment Plant

In 1994, the Maumee Wastewater Treatment Plant (the Plant) was expanded. The Village is required to pay a portion of the Plant's construction costs based on its quarterly consumption rate. The loan balances as of December 31, 2015 was \$17,569 (OPWC Loan #CL703 & OWDA Loan #2004). Based on an average quarterly consumption rates for 2015, the Village paid Lucas County approximately \$1,744. Since the amount owed by the Village is variable and is based on consumption, there is no amortization schedule available.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

In 2003, the Plant expanded again. The Village is required to pay 8 percent of the improvement costs of the Plant to Lucas County over a period of 25 years. As of December 31, 2015, the Village owed Lucas County \$816,916 (OWDA Loan #3956). In addition, a 20 year loan was taken out with Ohio Public Works Commission. As of December 31, 2015, the Village owed \$53,471 (OPWC Loan #CL02F).

In 2010, the Plant expanded again. The Village is required to pay a portion of the Plant's construction costs based on its quarterly consumption rates. Based on an average quarterly consumption rate for 2015, the Village paid Lucas County approximately \$29,385 (OWDA Loan #5113). Since the amount owed by the Village is variable and is based on consumption, there is no amortization schedule available.

In 2010-2011, further upgrades were made to the Plant. Various debt issues began amortizing in 2012. The Village is required to pay a portion of the Plant's construction costs based on its quarterly consumption rates. Based on an average quarterly consumption rate for 2015, the Village owed Lucas County approximately \$88,437 (OPWC Loan #CL27M). Since the amount owed by the Village is variable and is based on consumption, there is no amortization schedule available.

The annual requirements to amortize the fixed commitments are as follows:

Year ending December 31:	OWDA Loan #3956	OPWC Loan #CL02F
2016	\$76,029	\$4,861
2017	76,029	4,861
2018	76,029	4,861
2019	76,029	4,861
2020	76,029	4,861
2021-2025	380,145	24,305
2026-2030	304,116	4,861
Total	<u>\$1,064,406</u>	<u>\$53,471</u>

8. Retirement Systems

The Village's full-time Fire Fighters and full-time Law Enforcement Officer belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2015, OP&F members contributed 11.5% of their gross salaries, and the Village contributed an amount equaling 19.5% of full-time police members' gross salaries and 24% of full-time fire fighters' gross salaries. For 2015, 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, 2015.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

9. Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Commercial property coverage;
- Commercial general liability coverage;
- Public officials' liability coverage;
- Law enforcement liability coverage;
- Commercial inland marine coverage;
- Commercial crime coverage;
- Commercial auto coverage;
- Boiler and machinery coverage; and
- Commercial umbrella coverage.

10. Contingent Liabilities

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

11. Joint Ventures

The Village of Whitehouse entered into two separate joint economic development district (JEDD) agreements and one Joint Economic Development Zone (JEDZ) agreement. One of the JEDD agreements is with Monclova Township and another JEDD agreement is with Waterville Township. The JEDZ agreement is with Spencer Township. Each of the JEDDs and the JEDZ is wholly situated within their respective township. The purpose of these agreements is to facilitate economic development by creating and preserving employment opportunities within the respective JEDD/JEDZ territories.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(Continued)**

12. Interfund Transfers

During 2015, the Village had the following interfund transfers:

Fund	Transfers In	Transfers Out
General Fund	\$39,676	\$227,228
Special Revenue Fund:		
Life Squad	175,688	
Debt Service Funds:		
Bond Retirement	140,823	
Fire Debt Retirement	70,545	
Capital Project Funds:		
Income Tax A	746,158	947,297
Downtown Revitalization		584,310
Texas Street Reconstruction		149,984
Finzel/64 Roundabout	300,000	
Maintenance Garage Improvement	24,099	
Park Pavillion	200,000	
Master Plan Update	25,000	
Police Department Renovation	13,022	
Toledo Street Parking	137,000	
Large Quarry Boardwalk	5,000	
Regional Pump Station	5,000	
Crack Seal	6,244	
S.R. 64 Sewer Repair	208	
Waterville Street Sidewalk	356	
Enterprise Funds:		
OWDA Fund - Sewer	20,000	
Totals	\$1,908,819	\$1,908,819

Transfers were made to move unrestricted balances from the General Fund and Income Tax A Funds to support programs and capital projects accounted for in other funds. Transfers were made from the Downtown Revitalization and Texas Street Reconstruction fund into the Income Tax A fund to close out the funds.



Dave Yost • Auditor of State

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

Village of Whitehouse
Lucas County
6925 Providence Street
P.O. Box 2476
Whitehouse, Ohio 43571-2476

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Village of Whitehouse, Lucas County, Ohio (the Village) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, and have issued our report thereon dated November 17, 2017, 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 Village's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2016-001 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 communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

Columbus, Ohio

November 17, 2017

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2016 AND 2015**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2016-001

Material Weakness

Financial Reporting

The Village's management is responsible for the fair presentation of the financial statements. Errors were noted in the financial statements, resulting in the following audit adjustments:

- The Income Tax A Capital Projects fund was incorrectly reported as a Permanent fund under GASB 54 in the Village's annual reports. This fund had receipts of \$949,195, disbursements of \$1,060,629 and an ending fund balance of \$836,509 in 2016. In 2015, the fund consisted of receipts of \$1,576,439, disbursements of \$1,090,519, and an ending balance of \$947,943;
- State Infrastructure Bank loan amounts paid directly to vendors on behalf of the Village were not recorded as capital outlay disbursements and debt proceeds within the Finzel/64 Roundabout fund (2016 - \$167,041) (2015 - \$539,725);
- JEDD and JEDZ distributions within the General fund were recorded as transfers in rather than intergovernmental revenue (2016 - \$304,111) (2015 - \$282,117);
- JEDD and JEDZ distributions within the Income Tax A fund were recorded as transfers in rather than intergovernmental revenue (2016 - \$130,334) (2015 - \$103,959);
- JEDZ distributions into the General fund and Income Tax A fund were recorded as transfers out rather than operating disbursements within the JEDZ Agency fund (2016 - \$409,581) (2015 - \$377,177);
- JEDD distributions into the General fund and Income Tax A fund were recorded as transfers out rather than operating disbursements within the JEDD Agency fund (2016 - \$24,864) (2015 - \$8,899);
- An OPWC grant of \$97,755 and OPWC loan proceeds of \$54,191 were recorded as income tax revenue within the Texas Street Reconstruction fund in 2015;
- County levied permissive tax receipts were recorded as municipal income taxes rather than intergovernmental receipts within the Permissive Motor Vehicle License fund (2016 - \$11,598) (2015 - \$11,506);
- Local levied permissive tax receipts were recorded as municipal income taxes rather than other local taxes within the Permissive Motor Vehicle License fund (2016 - \$9,602) (2015 - \$11,619);
- A state grant of \$16,200 was recorded as a reduction of expenditure rather than as a receipt within the Finzel/64 Roundabout fund in 2015.

Additional audit adjustments were made in smaller relative amounts. These errors were a result of inadequate policies and procedures in reviewing the financial statements and accounting records

throughout the audit period. The accompanying financial statements have been adjusted to correct these errors. To help ensure the Village's financial statements are complete and accurate, the Village should adopt policies and procedures, including a final review of the annual report by Council to identify and correct errors, omissions, and misclassifications.

Officials' Response:

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



VILLAGE OF WHITEHOUSE
LUCAS COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2016 AND 2015

Finding Number	Finding Summary	Status	Additional Information
2014-001	Finding was first issued in the 2009-2010 audit. Material weakness over monitoring of financial statements due to material audit adjustments.	Not corrected and repeated as Finding 2016-001 in this report.	This finding reoccurred due to inadequate policies and procedures in reviewing the financial statements and accounting records throughout the audit period. The Village is implementing procedures to correct these errors for the future.
2014-002	Material noncompliance over Ohio Rev. Code §5705.10 due to significant negative fund balances.	Fully corrected.	
2014-003	Material noncompliance over Ohio Rev. Code §5705.39 due to appropriations exceeding estimated resources.	Fully corrected.	
2014-004	Material noncompliance over Ohio Rev. Code §5705.41(B) due to disbursements exceeding appropriations.	Fully corrected.	
2014-005	Material weakness and noncompliance over Ohio Rev. Code §5705.40 due to approved appropriations not recorded properly in the accounting system.	Partially corrected and repeated in Management Letter.	Approved appropriations did not agree to posting in the accounting system for one fund in 2015; variance was not material. This error was a result of inadequate policies and procedures in reviewing budgetary information. The Village implemented procedures to correct these errors for 2016 and future years.

WHITEHOUSE · OHIO

OFFICE OF ADMINISTRATION

Jordan D. Daugherty
Administrator

MAYOR

DONALD L. ATKINSON

COUNCIL

LOUANN ARTIAGA
FRANK BILLINGS
REBECCA CONKLIN KLEIBOEMER
MINDY CURRY
ROBERT KEOGH
WILLIAM MAY

Village of Whitehouse
 Lucas County
 Schedule of Prior Audit Findings
 Page 2

Finding Number	Finding Summary	Status	Additional Information
2014-006	Material weakness over bank accounts due to untimely reconciliations.	Fully corrected.	
2014-007	Material weakness over fund balance classification due to significant adjustments to the financial statements in accordance with GASB 54.	Fully corrected.	
2014-008	Material noncompliance and material weakness over Ohio Rev. Code §5705.14 due to an improper transfer.	Fully corrected.	
2014-009	Material weakness over budgetary due to estimated revenues not recorded properly in the accounting system.	Fully corrected.	



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VILLAGE OF WHITEHOUSE

LUCAS 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
DECEMBER 5, 2017