VILLAGE OF PLYMOUTH

AUDIT REPORT

JANUARY 1, 2017 - DECEMBER 31, 2018

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

OHIO AUDITOR OF STATE
KEITH FABER

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Village Council
Village of Plymouth
48 West Broadway
Plymouth, Ohio 44865

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

Keith Faber
Auditor of State
Columbus, Ohio

June 21, 2019

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VILLAGE OF PLYMOUTH
RICHLAND COUNTY
JANUARY 1, 2017 - DECEMBER 31, 2018

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

INDEPENDENT AUDITORS' REPORT

Village of Plymouth
Richland County
48 West Broadway Street
Plymouth, Ohio 44865

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 Plymouth, Richland County, 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 provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Although he effects on the financial statements of the variances between the regulatory basis of accounting and GAAP are not reasonably determinable, are presumed to be material.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village of Plymouth as of December 31, 2018 and 2017, or changes in financial position or cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type and the related notes of Village of Plymouth, Richland 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 a report dated May 16, 2019, on our consideration of the Village of Plymouth's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Wilson, Phillips & Agin, CPA's, Inc.
Zanesville, Ohio
May 16, 2019

VILLAGE OF PLYMOUTH
RICHLAND COUNTY

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

	Governmental Fund Types				
	General	**Special Revenue**	**Capital Projects**	**Permanent**	**Totals (Memorandum Only)**
Cash Receipts					
Property Tax and Other Local Taxes	$ 147,745	$ 147,049	$ -	$ -	$ 294,794
Municipal Income Tax	319,918	-	-	-	319,918
Intergovernmental Receipts	65,270	113,089	-	-	178,359
Charges for Services	-	56,318	-	-	56,318
Fines, Licenses, and Permits	101,867	911	-	-	102,778
Earnings on Investments	3,889	94	-	77	4,060
Miscellaneous	23,279	2,237	-	-	25,516
Total Cash Receipts	661,968	319,698	-	77	981,743
Cash Disbursements					
Current:					
Security of Persons and Property	378,491	43,194	-	-	421,685
Public Health Services	-	33,195	-	-	33,195
Leisure Time Activities	-	26,749	-	-	26,749
Transportation	-	52,793	-	-	52,793
General Government	187,260	24,355	-	-	211,615
Capital Outlay	108,097	25,440	-	-	133,537
Debt Service:					
Principal	12,907	44,651	-	-	57,558
Interest	2,698	6,147	-	-	8,845
Total Cash Disbursements	689,453	256,524	-	-	945,977
Excess of Receipts Over (Under) Disbursements	(27,485)	63,174	-	77	35,766
Other Financing Receipts/(Disbursements)					
Bond Proceeds	115,000	-	-	-	115,000
Sale of Capital Assets	50,266	-	-	-	50,266
Transfers In	-	199	-	-	199
Transfers Out	(199)				
Other Financing Uses	(3,729)	-	-	-	(3,729)
Total Other Financing Receipts/(Disbursements)	161,338	199	-	-	161,736
Net Change in Fund Cash Balance	133,853	63,373	-	77	197,502
Fund Cash Balances, January 1, 2018	214,779	319,140	59	45,844	579,822
Fund Cash Balances, December 31, 2018					
Nonspendable	-	-	-	44,420	44,420
Restricted	27,883	317,398	59	1,501	346,841
Committed	-	60,858	-	-	60,858
Assigned	66,782	4,257	-	-	71,039
Unassigned (Deficit)	253,867	-	-	-	253,867
Fund Cash Balances, December 31, 2018	$ 348,632	$ 382,513	$ 59	$ 45,921	$ 777,324

See notes to financial statements.

VILLAGE OF PLYMOUTH
RICHLAND COUNTY

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

	Proprietary Fund Type Enterprise	Fiduciary Fund Type Agency	Totals (Memorandum Only)
Operating Cash Receipts:			
Charges for Services	$ 2,809,121	$ -	$ 2,809,121
Fines, Licenses and Permits	-	18,371	18,371
Miscellaneous	1,539	-	1,539
Total Operating Cash Receipts	2,810,660	18,371	2,829,031
Operating Cash Disbursements:			
Personal Services	349,474	-	349,474
Fringe Benefits	159,914	-	159,914
Contractual Services	1,712,118	-	1,712,118
Supplies and Materials	67,002	-	67,002
Other	14,900	24,260	39,160
Total Operating Cash Disbursements	2,303,408	24,260	2,327,668
Operating Income/(Loss)	507,252	(5,889)	501,363
Non-Operating Cash Receipts (Disbursements):			
Intergovernmental	128,452	-	128,452
Other Debt Proceeds	193,243	-	193,243
Sale of Fixed Assets	-	-	-
Miscellaneous	10,191	5,909	16,100
Capital Outlay	(387,646)	-	(387,646)
Excise Tax Payment	(1,072)	-	(1,072)
Principal Retirement	(265,117)	-	(265,117)
Interest and Other Charges	(33,937)	-	(33,937)
Total Non-Operating Cash Receipts (Disbursements)	(355,886)	5,909	(349,977)
Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances	151,366	20	151,386
Extraordinary Item	1,202	-	1,202
Transfers In	354,808	-	354,808
Transfers Out	(354,808)	-	(354,808)
Net Receipts Over/(Under) Disbursements	152,568	20	(203,422)
Fund Cash Balances, January 1, restated	1,291,003	2,588	1,293,591
Fund Cash Balances, December 31	$ 1,443,571	$ 2,608	$ 1,090,169

See notes to financial statements.

1. REPORTING ENTITY

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Plymouth, Richland County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government services, garbage, water, sewer and electric utilities; park and pool operations; maintenance of Village roads and bridges; cemetery operations; fire and ambulance services; and police services.

The Village participates in four joint ventures. Note 12 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

Governmental Funds

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

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

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

Cemetery Fund - This fund receives grave opening and closing fees, sale of lots revenue, and property tax revenue used for the care of the Village's cemetery.

Fire/Ambulance Equipment Levy Fund - This fund receives property tax revenue for the maintenance and purchase of fire and ambulance equipment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Improvement Fund – This fund receives a portion of income tax revenue to account for the payment of capital improvements to the Village.

Permanent Funds
These funds account for and report financial 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:

Cemetery Trust Non-Expendable Trust Fund – This fund receives interest earned on the principal amount to be used for the perpetual care of the Village cemetery.

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

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

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

Electric Fund – This fund receives charges for services from residents to cover electric service costs.

Fiduciary Funds
Fiduciary Funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs. The Village had no Private Purpose Trust Funds.

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 activity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires that each fund (except certain Agency Funds) be budgeted annually.

Appropriations

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

Estimated Resources

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

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2018 budgetary activity appears in Note 4.

Deposits and Investments

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

Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

Property, Plant, and Equipment

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accumulated Leave

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

Fund Balance

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

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

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

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

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

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

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

3. COMPLIANCE

Contrary to Ohio Revised Code Section 5705.41 (D), the Village had expenditures made prior to certification in 22% of disbursements tested.

Contrary to Ohio Revised Code Section 5705.39, the Village had appropriations greater than estimated resources.

4. BUDGETARY ACTIVITY

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

2018 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	$ 693,900	$ 827,234	$ 133,334
Special Revenue	264,088	319,897	55,809
Capital Projects	-	-	-
Permanent	39	77	38
Enterprise	3,597,570	3,497,354	(100,216)
Total	$ 4,555,597	$ 4,644,562	$ 88,965

2018 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	$ 912,441	$ 760,163	$ 152,278
Special Revenue	557,537	260,781	296,756
Capital Projects	30	-	30
Permanent	1,461	-	1,461
Enterprise	4,865,982	3,345,988	1,519,994
Total	$ 6,337,451	$ 4,366,932	$ 1,970,519

5. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2018
Demand Deposits	$ 1,778,910
STAR Ohio	88,583
Total Deposits and Investments	$ 1,867,493

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

6. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due by December 31. The second half payment is due the following June 20.

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

7. LOCAL INCOME TAX

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

8. RISK MANAGEMENT

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

The Village pays the State Workers' Compensation System a premium based on a rate of per $100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the Plan), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2016 the OPRM retained 50% of the premium and losses on the first $250,000 casualty treaty and 30% of the first $1,000,000 property treaty. Effective November 2, 2017, the OPRM retained 47% of the premium and losses of the first $250,000 casualty treaty and 30% of the first $1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 764 members as of December 31, 2017.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

8. RISK MANAGEMENT (Continued)

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2017 (latest information available).

	2017
Assets	$14,853,620
Liabilities	(9,561,108)
Retained Earnings	$ 5,292,512

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org .

9. DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

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

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

Ohio Police and Fire Retirement

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25%. The Village contributed to OP&F an amount equal to 19.50% of full-time police officers wages. The Village has paid all contributions required through December 31, 2018.

Social Security

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

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

10. POSTEMPLOYMENT BENEFITS

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits and OP&F contributes 0.5 percent to fund these benefits.

11. DEBT

Debt outstanding at December 31, 2018 was as follows:

	2018 Principal	%
OWDA – Water Tower Painting 4900	$ 143,079	1.00
OWDA – WTTP Improvements 5472	1,698,934	0.00
OWDA – Water Tower Replacement 5954	275,345	1.50
OWDA – Willow Drive Separation 6211	80,385	3.87
OWDA – SR 61 Waterline Replacement 6771	577,203	2.00
OWDA – Sewer Interceptor 7789	245,189	0.75
OPWC – Sewer Erosion Line CU35G	20,096	0.00
OPWC – Water Tower Replacement CP11N	92,163	0.00
Electric Bond	124,000	4.85
Boiler Bond	115,000	4.15
USDA Fire Tanker	68,209	3.20
Bancorp Vehicle Lease	63,916	4.50
Total	$ 3,503,519	

The Electric Bonds relates to the upgrade of electric equipment. The original loan was for $575,000. The Village makes semi-annual payments with a July 1, 2021 maturity date. The loan is collateralized by electric receipts. Paid from the Electric Debt Service Fund.

The Ohio Public Works Commission (OPWC) Sewer Erosion loan relates to the replacement of sewer lines caused by the Huron river eroding the previous lines. The original loan was for $66,984. The Village makes semi-annual payments with a January 1, 2025 maturity date. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

The Ohio Public Works Commission (OPWC) Water Tower Replacement loan relates to the replacement of Plymouth Street Water Tower. The original loan was for $122,525. The Village makes semi-annual payments with a July 1, 2032 maturity date. The loan is collateralized by water receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) Riggs Street Water Tower Painting relates toe maintenance of the water tower. The original loan was for $286,816. The Village makes semi-annual payments with a maturity date of July 1, 2028. The loan is collateralized by utility receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) WWTP Improvements loan relates to the construction of a new wastewater treatment plant mandated by the EPA. The maximum amount of the loan is $2,886,939. The Village makes semi-annual payments with a maturity date of July 1, 2031. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

11. DEBT (Continued)

The Ohio Water Development Authority (OWDA) Water Tower Replacement loan relates to the construction of a water tower. The maximum amount of the loan is $435,330. The Village makes semi-annual payments with a maturity date of July 1, 2031. The loan is collateralized by utility receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) Willow Drive Sewer Separation loan relates to the maintenance of the wastewater treatment plant. The maximum amount of the loan is $122,742. The Village makes semi-annual payments with a maturity date of January 1, 2034. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

The Ohio Water Development Authority (OWDA) SR 61 Waterline Replacement loan relates to the maintenance of the waterlines on SR 61. The maximum amount of the loan is $624,224. The amortization schedule is not available as of December 31, 2016. The loan is collateralized by water receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) Sewer Interceptor Rehabilitation loan relates to the rehabilitation of sewer lining to reduce flow and infiltration. The maximum amount of the loan is $387,092. The Village has drawn $254,185 as of December 31, 2018. The amortization schedule is not available as of December 31, 2017. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

The United States Department of Agriculture (USDA) bonds were issued in 2015 to purchase a 2015 Freightliner Fire Tanker Truck. The amount of the loan is $185,000. The Village with make annual payments with a maturity date of October 1, 2025. The loan is collateralized by the Truck. Paid from the Fire/Ambulance Equipment Levy Fund.

The Bankcorp Vehicle Lease entered into in 2016 for the lease/purchase of vehicles for use by the Village. This will be paid annually over four years. This will be repaid from the General Fund, Street Fund, water fund and Sewer Fund. Beginning balance as of January 1, 2017 was corrected to $128,635.

In 2018, the Village issued bonds in the amount of $115,000 to finance the upgrade of the boiler. This will be repaid over 5 years at interest of 4.15%. This will be paid from the General Fund.

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

Year	OWDA #4900	OWDA #5472	OWDA #5954	OWDA #6211	OWDA #6751
2019	$ 15,825	$ 135,914	$ 24,239	$ 6,609	$ 27,771
2020	15,825	135,914	24,239	6,609	27,771
2021	15,825	135,914	24,239	6,609	27,771
2022	15,825	135,914	24,239	6,609	27,771
2023	15,825	135,914	24,239	6,609	27,771
2024-2028	71,213	679,570	121,195	33,045	138,855
2029-2033	-	203,880	61,599	33,045	138,855
2034-2038	-	-	-	-	138,855
2039-2043	-	-	-	-	138,855
2044-2048	-	-	-	-	55,545
Total	$ 150,338	$1,563,020	$ 298,989	$ 99,135	$ 749,820

11. DEBT (Continued)

Year	OPWC CU35G	OPWC CP11N	Electric Bond	Bankcorp Lease
2019	$ 3,350	$ 6,827	$ 53,080	$ 37,387
2020	3,350	6,827	26,631	37,387
2021	3,350	6,827	-	-
2022	3,350	6,827	-	-
2023	3,350	6,827	-	-
2024-2028	3,346	34,134	-	-
2029-2033	-	23,893	-	-
Total	$ 20,096	$ 92,162	$ 79,711	$ 74,774

Year	Fire Truck	Boiler Bond
2019	$ 42,402	$ 25,985
2020	26,803	25,985
2021	-	25,985
2022	-	25,985
2023	-	25,985
Total	$ 112,498	$ 129,925

12. JOINT VENTURES

Combined Hydroelectric Projects (79 Members)

AMP is currently developing three hydroelectric projects, the Cannelton, the Smithland and the Willow Island hydroelectric generating facilities (the “Combined Hydroelectric Projects”), all on the Ohio River, with an aggregate generating capacity of approximately 208 MW. Each of the Combined Hydroelectric Projects entails the installation of run-of-the-river hydroelectric generating facilities on existing United States Army Corps of Engineers’ dams and includes associated transmission facilities, will be constructed and operated by AMP. AMP holds the licenses from FERC for the Combined Hydroelectric Projects. AMP received the last of the material permits needed to begin construction on the Cannelton hydroelectric facility and Smithland hydroelectric facility, respectively in 2009. Ground breaking ceremonies were held for Cannelton on August 25, 2009 and for Smithland on September 1, 2010. AMP received the last of the material permits for the Willow island hydroelectric facility in the last quarter of 2010 and ground breaking ceremonies took place July 21, 2011.

All major contracts for the projects which include the turbines, the powerhouse construction, the powerhouse gates, the powerhouse cranes, and the transformers have been awarded for Cannelton, Smithland and Willow Island facilities. And property right-of-way acquisitions for the transmission lines have been completed for all three projects.

On February 12, 2015, AMP reached agreement with Barnard Construction Company, Inc. (“Barnard”) to serve as the replacement powerhouse contractor on AMP’s Smithland Hydroelectric Project (“Smithland Project”), which is one of the three projects constituting the Combined Hydroelectric Projects replacing C.J. Mahan whose contract was terminated by mutual agreement between AMP and C.J. Mahan. Barnard is a highly experienced hydropower construction contractor. AMP and Barnard are working together to achieve an orderly transition of the Smithland Project from the prior powerhouse contractor. Nearly all of the subcontractors currently working on the Smithland Project have been retained. The Project Engineer, MWH Americas, Inc. all owner furnished equipment suppliers and all other prime contracts remain in place.

12. JOINT VENTURES (Continued)

AMP is projecting that the Combined Hydroelectric Projects are expected to enter into commercial operation as follows: Willow Island's First Unit in December 2015, and the second unit in January 2016. Cannelton's First Unit in January 2016; Second and Third Unit in February 2016.

The Smithland Project's First Unit is expected to enter into commercial operation in September 2016, the Second Unit in October 2016 and the Third Unit in November 2016; however this could be affected by this transition, but at this point, AMP management believes that there will no negative effect. AMP will supplement this notice when and if AMP expects a materially different commercial operation date for the Smithland Project.

Please note that these projected commercial operation dates set forth above are, and the other information herein is, subject to change and are dependent on a number of factors affecting each Project's overall remaining construction schedule, including weather. As a result, the commercial operation dates may occur earlier or later than the time frames set forth above.

As of December 31, 2015, the total outstanding Hydro Project debt on AMP's books is approximately $2,017,829,118. The Combined Hydroelectric Bonds are net revenue obligations of AMP. Secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 79 of its members. The Village of Plymouth has executed a take-or-pay power sales contract with AMP for 300kW or 0.14% of capacity and associated energy from the Combined Hydroelectric Projects. This is the most recent information available.

Prairie State Energy Campus (68 Members)

On December 20, 2007, AMP acquired 368,000kW or an effective 23.26% undivided ownership interest (the "PSEC Ownership Interest") in the Prairie State Energy Campus ("PSEC"), a planned 1,600 MW coal-fired power plant and associated facilities in southwest Illinois. The PSEC Ownership Interest is held by AMP 368 LLC, a single-member Delaware limited liability company ("AMP 368 LLC"). AMP is the owner of the sole membership interest in AMP 368 LLC. Construction of the PSEC commenced in October 2007.

On June 12, 2012, Unit 1 of the PSCE began commercial operation and on November 2, 2012 Unit 2 of the PSEC began commercial operation.

AMP sells the power and energy from the PSEC Ownership Interest pursuant to a take-or-pay power sales contract (the "Prairie State Power Sales Contract") with 68 Members (the "Prairie State Participants"). The Prairie State Power Sales Contract is, in all material respects, comparable to the Power Sales Contract for the Project. The Prairie State Bonds are net revenue obligations of AMP, secured by a master trust indenture, payable primarily from the payments to be made by the Prairie State Participants under the terms of the Prairie State Power Sales Contract.

AMP's share of the total Project costs, including AMP's share of PSEC capital improvements through 2016, resulted in the issuance by AMP of approximately $1.697 billion of debt. These costs include (i) AMP's costs of acquisition for contingencies, (ii) capitalized interest during and after the scheduled in service dates of the two PSEC Units, (iii) cost of issuance associated with both the interim and long-term financing for the Project and (iv) deposits to the Parity Common Reserve Account for the Bonds issued to permanently finance the Project. As of December 31, 2015 the outstanding obligation on Prairie State project is approximately $1,590,590,000.

12. JOINTLY VENTURES (Continued)

The Village of Plymouth has executed a take-or-pay power sales contract with AMP for a Project Share of 498kW or 0.14% kW capacity and associated energy from the Prairie State facility. This is the latest information available.

Meldahl Hydroelectric Project (48 Members) and Greenup (47 Members)

AMP is currently constructing a three unit hydroelectric generation facility on the Captain Anthony Meldahl Locks and Dam, an existing dam, on the Ohio River, constructed by the United States Army Corps of Engineers and of related equipment and associated transmission facilities (the "*Meldah*l *Project*"). When the Meldahl Project enters commercial operation, it is projected to have a generating capacity of approximately 105MW. The City of Hamilton, Ohio, a Member of AMP and a participant in the Meldahl Projects and AMP hold, as co-licensees, the Federal Energy Regulatory Commission license necessary to construct and operate the Meldahl Project. Pursuant to the various agreements between Hamilton and AMP, the Meldahl Project will be owned by Meldahl, LLC, a single member, Delaware not-for-profit limited liability company ("*Meldahl, LLC*"), and will operated by Hamilton. AMP, acting as agent for Meldahl, LLC, is financing the development, acquisition, construction, and equipping of the Meldahl Project. In order to finance the constructions of the Meldahl Project and related costs, in 2010 and 2011 AMP issued six series of its Meldahl Hydroelectric Project Revenue Bonds (the "*Meldahl Bonds*") in the amount of $685,100,000 consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Meldahl Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 48 of its Members.

Meldahl Hydroelectric Project (48 Members) and Greenup (47 Members) (Continued)

All major contracts for the project which include the turbine, the powerhouse construction, the powerhouse gate, the powerhouse crane, and the transformer have been awarded for the Meldahl facility. And the property right-of-way acquisitions for the transmission line have been completed for this project.

AMP projects that the first of the Project's three units will be in service in January 2016, the second unit in February 2016 and the third unit in March 2016 which means the commercial operation date of the Meldahl Project would occur during the first quarter of 2016. At this time the Meldahl Projects total construction remains unchanged.

Please note that the projected commercial operation date set forth above, and the other information herein is subject to change and is dependent on a number of factors affecting the Projects overall remaining construction schedule. As a result, the commercial operation date may occur earlier or later than the time frame set forth above.

The Village of Plymouth has executed a take-or-pay power sales contract with AMP for a Project Share of 80kW or 0.08% of capacity and associated energy from the Meldahl Project. As of December 31, 2015, the outstanding debt for the Meldahl Hydroelectric Project on AMP's books was approximately $630,065,00.

12. JOINTLY VENTURES (Continued)

The referenced agreements with Hamilton respecting the Meldahl Project also provided that Hamilton would sell to AMP a 48.6% undivided ownership interest in the Greenup Hydroelectrci Facility ("Greenup"). A 70.2 MW run-of-the-river hydroelectric generating facility located on the Greenup Locks and Dam on the Ohio River, in commercial operation since 1988. The sale is contingent upon the placement of the Meldahl Project into commercial operation. Based on the estimated commercial operation date for the Meldahl Project, AMP currentky estimates that it will issue bonds to finance its undivided ownership interest in Greenup in the first quarter of 2016. AMP Greenup bonds will be secured by a separate power sales contract that has been executed by the same Members (all except Hamilton which will retain title to the remaining 51.4% ownership interest in Greenup) that executed the Meldahl power sales contract. Hamilton will continue to operate Greenup. This is the most recent information available.

AMP Fremont Energy Center (AFEC)

On February 3, 2011 American Electric Power, Inc. (AMP) entered into a non-binding memorandum of understanding (MOU) with FirstEnergy Corp. regarding the Fremont Energy Center ("AFEC"). AFEC is a 707 MW natural gas fired combined cycle generation plant with a Base Capacity of 512 MW, located near the city of Fremont, Ohio. The closing date to purchase was July 28, 2011. AMP's acquisition of the plant was financed with draws on an additional line of credit for $600,000,000 secured solely for the purpose of purchasing the plant.

AMP Fremont Energy Center (AFEC) (Continued)

To provide permanent financing for the AFEC Project on June 29, 2012 AMP issued in two series $546,085,000 of its AMP Fremont Center Project Revenue Bonds consisting of taxable and tax-exempt obligations to (i) with other available funds, to repay the $600,000,000 principal amount of an interim loan that financed the acquisition of the AMP Fremont Energy Center ("AFEC") and development costs and completion of construction and commissioning of AFEC; (ii) to make deposits to the Construction Accounts under the Indenture to finance additional capital expenditures allocable to AMP's 90.69% undivided interest in AFEC; (iii) to fund deposits to certain reserve accounts and (iv) to pay the costs of issuance of the Series 2012 Bonds. As of December 31, 2015 the total outstanding AFEC Project debt on AMP's books is approximately $529,225,000.

On January 21, 2012 the AMP Fremont Energy Center ("AFEC") began commercial operation. The total cost of construction of the AFEC at the date it was placed in service was $582,200,642. This amount included a development fee of $35,535,448 paid by AFEC participants for the account of AMP Generating Station participants who are also AFEC participants. The amount was previously recorded as a noncurrent regulatory asset at December 21, 2011. In June 2012, AMP sold 26.419 MW of 5.16% undivided ownership interest in AFEC to Michigan Public Power Agency ("MPPA") and entered into a power sales contract with Central Virginia Electric Cooperative ("CVEC") for the output of a 21.248 MW or 4.15% interest in AFEC. AMP has sold the output of the remaining 464.355 MW or 90.69% interest to the AFEC participants, which consists of 87 of its members, pursuant to a take-or-pay power sales contract.

The Village of Plymouth has executed a take-or-pay power sales contract with AMP for a Project Share of 300 kW or 0.06% of capacity and associated energy from the AFEC facility. This is the most recent information available.

13. AMERICAN MUNICIPAL POWER GENERATING STATION PROJECT

The Village is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The Village's share was 500 kilowatts of a total 771,281 kilowatts, giving the Village a 0.06 percent share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. These costs were therefore deemed impaired and participants were obligated to pay costs already incurred. In prior year, payments of these costs was not made due to AMP's pursuit of legal action to void them. As a result of a March 2014 legal ruling. The AM Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The Village's estimated share at March 31, 2014 of the impaired costs is $86,534. The Village received a credit of $22,612 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of $31,683. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the Village's payments. Since March 31, 2014 the Village has made payments of $31,683 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the Village's allocation of additional costs incurred by the project is $664 and interest expense incurred on AMP's line-of-credit of $214, resulting in a net impaired cost estimate at December 31, 2015 of $788. The Village paid their estimated share of the project cost of $31,683 on July 11, 2014, check number 17424. This is the most recent information available.

14. EXTRAORDINARY ITEMS

In 2017, the Village filed a claim for insurance in the Electric Operating Fund for repairs to a truck in the amount of $1,202.

VILLAGE OF PLYMOUTH
RICHLAND COUNTY

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

	Governmental Fund Types				
	General	**Special Revenue**	**Capital Projects**	**Permanent**	**Totals (Memorandum Only)**
Cash Receipts					
Property Tax and Other Local Taxes	$ 148,165	$ 154,378	$ -	$ -	$ 302,543
Municipal Income Tax	313,190	-	-	-	313,190
Intergovernmental Receipts	62,674	96,072	-	-	158,746
Charges for Services	-	52,890	-	-	52,890
Fines, Licenses, and Permits	69,593	1,240	-	-	70,833
Earnings on Investments	2,608	67	-	65	2,740
Miscellaneous	39,284	7,481	-	-	46,765
Total Cash Receipts	635,514	312,128	-	65	947,707
Cash Disbursements					
Current:					
Security of Persons and Property	422,430	41,828	-	-	464,258
Public Health Services	-	34,283	-	-	34,283
Leisure Time Activities	-	51,965	-	-	51,965
Transportation	-	46,071	-	-	46,071
General Government	193,961	28,130	-	-	222,091
Capital Outlay	-	49,507	-	-	49,507
Debt Service:					
Principal	14,675	46,251	-	-	60,926
Interest	930	5,180	-	-	6,110
Total Cash Disbursements	631,996	303,215	-	-	935,211
Excess of Receipts Over (Under) Disbursements	3,518	8,913	-	65	12,496
Other Financing Receipts/(Disbursements)					
Other Debt Proceeds	-	2,000	-	-	2,000
Sale of Capital Assets	1,610	2,934	-	-	4,544
Transfers In	-	140	-	-	140
Transfers Out	(140)	-	-	-	(140)
Total Other Financing Receipts/(Disbursements)	1,470	5,074	-	-	6,544
Extraordinary Item	31,155	-	-	-	31,155
Net Change in Fund Cash Balance	36,143	13,987	-	65	50,195
Fund Cash Balances, January 1, 2017	178,636	305,153	59	45,779	529,627
Fund Cash Balances, December 31, 2017					
Nonspendable	-	-	-	44,420	44,420
Restricted	133,162	260,935	59	1,424	395,580
Committed	-	50,675	-	-	50,675
Assigned	12,441	7,530	-	-	19,971
Unassigned (Deficit)	69,176	-	-	-	69,176
Fund Cash Balances, December 31, 2017	$ 214,779	$ 319,140	$ 59	$ 45,844	$ 579,822

See notes to financial statements.

VILLAGE OF PLYMOUTH
RICHLAND COUNTY

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

	Proprietary Fund Type Enterprise	Fiduciary Fund Type Agency	Totals (Memorandum Only)
Operating Cash Receipts:			
Charges for Services	$ 2,570,389	$ -	$ 2,570,389
Fines, Licenses and Permits	-	18,448	18,448
Miscellaneous	3,308	-	3,308
Total Operating Cash Receipts	2,573,697	18,448	2,592,145
Operating Cash Disbursements:			
Personal Services	318,817	-	318,817
Fringe Benefits	138,859	-	138,859
Contractual Services	1,562,245	-	1,562,245
Supplies and Materials	76,769	-	76,769
Other	17,700	26,051	43,751
Total Operating Cash Disbursements	2,114,390	26,051	2,140,441
Operating Income/(Loss)	459,307	(7,603)	451,704
Non-Operating Cash Receipts (Disbursements):			
Intergovernmental	36,225	-	36,225
Other Debt Proceeds	70,774	-	70,774
Sale of Fixed Assets	10,522	-	10,522
Miscellaneous	11,758	7,071	18,829
Capital Outlay	(151,301)	-	(151,301)
Principal Retirement	(314,971)	-	(314,971)
Interest and Other Charges	(39,005)	-	(39,005)
Total Non-Operating Cash Receipts (Disbursements)	(375,998)	7,071	(368,927)
Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances	83,309	(532)	82,777
Extraordinary Item	4,306	-	4,306
Transfers In	331,169	-	331,169
Transfers Out	(331,169)	-	(331,169)
Net Receipts Over/(Under) Disbursements	87,615	(532)	(248,392)
Fund Cash Balances, January 1, restated	1,203,388	3,120	1,206,508
Fund Cash Balances, December 31	$ 1,291,003	$ 2,588	$ 958,116

See notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

1. REPORTING ENTITY

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Plymouth, Richland County, (the Village) as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government services, garbage, water, sewer and electric utilities; park and pool operations; maintenance of Village roads and bridges; cemetery operations; fire and ambulance services; and police services.

The Village participates in four joint ventures. Note 12 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

Governmental Funds

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

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

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

Cemetery Fund - This fund receives grave opening and closing fees, sale of lots revenue, and property tax revenue used for the care of the Village's cemetery.

Fire/Ambulance Equipment Levy Fund - This fund receives property tax revenue for the maintenance and purchase of fire and ambulance equipment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Improvement Fund – This fund receives a portion of income tax revenue to account for the payment of capital improvements to the Village.

Permanent Funds
These funds account for and report financial 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:

Cemetery Trust Non-Expendable Trust Fund – This fund receives interest earned on the principal amount to be used for the perpetual care of the Village cemetery.

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

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

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

Electric Fund – This fund receives charges for services from residents to cover electric service costs.

Fiduciary Funds
Fiduciary Funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs. The Village had no Private Purpose Trust Funds.

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 activity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires that each fund (except certain Agency Funds) be budgeted annually.

Appropriations

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

Estimated Resources

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

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

A summary of 2017 budgetary activity appears in Note 4.

Deposits and Investments

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

Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

Property, Plant, and Equipment

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accumulated Leave

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

Fund Balance

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

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

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

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

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

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

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

3. COMPLIANCE

Contrary to Ohio Revised Code Section 5705.41 (D), the Village had expenditures made prior to certification in 22% of disbursements tested.

Contrary to Ohio Revised Code Section 5705.39, the Village had appropriations greater than estimated resources.

4. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2017 is as follows:

2017 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	$ 847,626	$ 668,279	$ (179,347)
Special Revenue	325,080	317,202	(7,878)
Capital Projects	-	-	-
Permanent	133	65	(68)
Enterprise	3,895,399	3,038,451	(856,948)
Total	$ 5,068,238	$ 4,023,997	$ (1,044,241)

2017 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	$ 727,925	$ 644,577	$ 83,348
Special Revenue	546,142	310,745	235,397
Capital Projects	58	-	58
Permanent	1,397	-	1,397
Enterprise	3,955,006	2,950,836	1,004,170
Total	$ 5,230,528	$ 3,906,158	$ 1,324,370

5. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2017
Demand Deposits	$ 1,453,064
STAR Ohio	84,874
Total Deposits and Investments	$ 1,537,938

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

6. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due by December 31. The second half payment is due the following June 20.

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

7. LOCAL INCOME TAX

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

8. RISK MANAGEMENT

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

The Village pays the State Workers' Compensation System a premium based on a rate of per $100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the Plan), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2016 the OPRM retained 50% of the premium and losses on the first $250,000 casualty treaty and 30% of the first $1,000,000 property treaty. Effective November 2, 2017, the OPRM retained 47% of the premium and losses of the first $250,000 casualty treaty and 30% of the first $1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 764 members as of December 31, 2017.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

8. RISK MANAGEMENT (Continued)

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2017.

	2017
Assets	$14,853,620
Liabilities	(9,561,108)
Retained Earnings	$ 5,292,512

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org .

9. DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. For 2017, OPERS members contributed 10.0% of their gross wages and the Village contributed an amount equal to 14.0% of participant's gross salaries. The Village has paid all contributions required through December 31, 2017.

Ohio Police and Fire Retirement

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25%. The Village contributed to OP&F an amount equal to 19.50% of full-time police officers wages. The Village has paid all contributions required through December 31, 2017.

Social Security

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

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2017.

10. POSTEMPLOYMENT BENEFITS

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits and OP&F contributes 0.5 percent to fund these benefits.

11. DEBT

Debt outstanding at December 31, 2017 was as follows:

	2017 Principal	%
OWDA – Water Tower Painting 4900	$ 157,367	1.00
OWDA – WTTP Improvements 5472	1,834,849	0.00
OWDA – Water Tower Replacement 5954	295,231	1.50
OWDA – Willow Drive Separation 6211	84,637	3.87
OWDA – SR 61 Waterline Replacement 6771	593,189	2.00
OWDA – Sewer Interceptor 7789	60,942	0.75
OPWC – Sewer Erosion Line CU35G	23,444	0.00
OPWC – Water Tower Replacement CP11N	98,990	0.00
Electric Bond	170,000	4.85
USDA Fire Tanker	108,055	3.20
Bancorp Vehicle Lease	91,248	4.50
Total	$ 3,617,952	

The Electric Bonds relates to the upgrade of electric equipment. The original loan was for $575,000. The Village makes semi-annual payments with a July 1, 2021 maturity date. The loan is collateralized by electric receipts. Paid from the Electric Debt Service Fund.

The Ohio Public Works Commission (OPWC) Sewer Erosion loan relates to the replacement of sewer lines caused by the Huron river eroding the previous lines. The original loan was for $66,984. The Village makes semi-annual payments with a January 1, 2025 maturity date. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

The Ohio Public Works Commission (OPWC) Water Tower Replacement loan relates to the replacement of Plymouth Street Water Tower. The original loan was for $122,525. The Village makes semi-annual payments with a July 1, 2032 maturity date. The loan is collateralized by water receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) Riggs Street Water Tower Painting relates toe maintenance of the water tower. The original loan was for $286,816. The Village makes semi-annual payments with a maturity date of July 1, 2028. The loan is collateralized by utility receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) WWTP Improvements loan relates to the construction of a new wastewater treatment plant mandated by the EPA. The maximum amount of the loan is $2,886,939. The Village makes semi-annual payments with a maturity date of July 1, 2031. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

11. DEBT (Continued)

The Ohio Water Development Authority (OWDA) Water Tower Replacement loan relates to the construction of a water tower. The maximum amount of the loan is $435,330. The Village makes semi-annual payments with a maturity date of July 1, 2031. The loan is collateralized by utility receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) Willow Drive Sewer Separation loan relates to the maintenance of the wastewater treatment plant. The maximum amount of the loan is $122,742. The Village makes semi-annual payments with a maturity date of January 1, 2034. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

The Ohio Water Development Authority (OWDA) SR 61 Waterline Replacement loan relates to the maintenance of the waterlines on SR 61. The maximum amount of the loan is $624,224. The amortization schedule is not available as of December 31, 2016. The loan is collateralized by water receipts. Paid from the Water Debt Service Fund.

The Ohio Water Development Authority (OWDA) Sewer Interceptor Rehabilitation loan relates to the rehabilitation of sewer lining to reduce flow and infiltration. The maximum amount of the loan is $387,092. The Village has drawn $60,942 as of December 31, 2017. The amortization schedule is not available as of December 31, 2017. The loan is collateralized by sewer receipts. Paid from the Sewer Bond Debt Service Fund.

The United States Department of Agriculture (USDA) bonds were issued in 2015 to purchase a 2015 Freightliner Fire Tanker Truck. The amount of the loan is $185,000. The Village with make annual payments with a maturity date of October 1, 2025. The loan is collateralized by the Truck. Paid from the Fire/Ambulance Equipment Levy Fund.

The Bankcorp Vehicle Lease entered into in 2016 for the lease/purchase of vehicles for use by the Village. This will be paid annually over four years. This will be repaid from the General Fund, Street Fund, water fund and Sewer Fund. Beginning balance as of January 1, 2017 was corrected to $128,635.

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

Year	OWDA #4900	OWDA #5472	OWDA #5954	OWDA #6211	OWDA #6751
2018	$ 15,825	$ 135,914	$ 24,239	$ 6,609	$ 27,771
2019	15,825	135,914	24,239	6,609	27,771
2020	15,825	135,914	24,239	6,609	27,771
2021	15,825	135,914	24,239	6,609	27,771
2022	15,825	135,914	24,239	6,609	27,771
2023-2027	79,125	679,570	121,195	33,045	138,855
2028-2032	7,913	339,794	84,838	33,045	138,855
2033-2037	-	-	-	6,609	138,855
2038-2042	-	-	-	-	138,855
2043-2047	-	-	-	-	83,316
Total	$ 166,163	$1,698,934	$ 327,228	$ 105,744	$ 777,591

11. DEBT (Continued)

Year	OPWC CU35G	OPWC CP11N	Electric Bond	Bankcorp Lease
2018	$ 3,350	$ 6,827	$ 54,432	$ 37,387
2019	3,350	6,827	53,080	37,387
2020	3,350	6,827	26,631	37,387
2021	3,350	6,827	-	-
2022	3,350	6,827	-	-
2023-2027	6,694	34,134	-	-
2028-2032	-	30,721	-	-
Total	$ 23,444	$ 98,990	$ 134,143	$ 112,161

Year	Fire Truck
2018	$ 43,293
2019	42,402
2020	26,803
Total	$ 112,498

12. JOINT VENTURES

Combined Hydroelectric Projects (79 Members)

AMP is currently developing three hydroelectric projects, the Cannelton, the Smithland and the Willow Island hydroelectric generating facilities (the “Combined Hydroelectric Projects”), all on the Ohio River, with an aggregate generating capacity of approximately 208 MW. Each of the Combined Hydroelectric Projects entails the installation of run-of-the-river hydroelectric generating facilities on existing United States Army Corps of Engineers’ dams and includes associated transmission facilities, will be constructed and operated by AMP. AMP holds the licenses from FERC for the Combined Hydroelectric Projects. AMP received the last of the material permits needed to begin construction on the Cannelton hydroelectric facility and Smithland hydroelectric facility, respectively in 2009. Ground breaking ceremonies were held for Cannelton on August 25, 2009 and for Smithland on September 1, 2010. AMP received the last of the material permits for the Willow island hydroelectric facility in the last quarter of 2010 and ground breaking ceremonies took place July 21, 2011.

All major contracts for the projects which include the turbines, the powerhouse construction, the powerhouse gates, the powerhouse cranes, and the transformers have been awarded for Cannelton, Smithland and Willow Island facilities. And property right-of-way acquisitions for the transmission lines have been completed for all three projects.

On February 12, 2015, AMP reached agreement with Barnard Construction Company, Inc. (“Barnard”) to serve as the replacement powerhouse contractor on AMP’s Smithland Hydroelectric Project (“Smithland Project”), which is one of the three projects constituting the Combined Hydroelectric Projects replacing C.J. Mahan whose contract was terminated by mutual agreement between AMP and C.J. Mahan. Barnard is a highly experienced hydropower construction contractor. AMP and Barnard are working together to achieve an orderly transition of the Smithland Project from the prior powerhouse contractor. Nearly all of the subcontractors currently working on the Smithland Project have been retained. The Project Engineer, MWH Americas, Inc. all owner furnished equipment suppliers and all other prime contracts remain in place.

12. JOINT VENTURES (Continued)

AMP is projecting that the Combined Hydroelectric Projects are expected to enter into commercial operation as follows: Willow Island's First Unit in December 2015, and the second unit in January 2016. Cannelton's First Unit in January 2016; Second and Third Unit in February 2016.

The Smithland Project's First Unit is expected to enter into commercial operation in September 2016, the Second Unit in October 2016 and the Third Unit in November 2016; however this could be affected by this transition, but at this point, AMP management believes that there will no negative effect. AMP will supplement this notice when and if AMP expects a materially different commercial operation date for the Smithland Project.

Please note that these projected commercial operation dates set forth above are, and the other information herein is, subject to change and are dependent on a number of factors affecting each Project's overall remaining construction schedule, including weather. As a result, the commercial operation dates may occur earlier or later than the time frames set forth above.

As of December 31, 2015, the total outstanding Hydro Project debt on AMP's books is approximately $2,017,829,118. The Combined Hydroelectric Bonds are net revenue obligations of AMP. Secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 79 of its members. The Village of Plymouth has executed a take-or-pay power sales contract with AMP for 300kW or 0.14% of capacity and associated energy from the Combined Hydroelectric Projects. This is the most recent information available.

Prairie State Energy Campus (68 Members)

On December 20, 2007, AMP acquired 368,000kW or an effective 23.26% undivided ownership interest (the "PSEC Ownership Interest") in the Prairie State Energy Campus ("PSEC"), a planned 1,600 MW coal-fired power plant and associated facilities in southwest Illinois. The PSEC Ownership Interest is held by AMP 368 LLC, a single-member Delaware limited liability company ("AMP 368 LLC"). AMP is the owner of the sole membership interest in AMP 368 LLC. Construction of the PSEC commenced in October 2007.

On June 12, 2012, Unit 1 of the PSCE began commercial operation and on November 2, 2012 Unit 2 of the PSEC began commercial operation.

AMP sells the power and energy from the PSEC Ownership Interest pursuant to a take-or-pay power sales contract (the "Prairie State Power Sales Contract") with 68 Members (the "Prairie State Participants"). The Prairie State Power Sales Contract is, in all material respects, comparable to the Power Sales Contract for the Project. The Prairie State Bonds are net revenue obligations of AMP, secured by a master trust indenture, payable primarily from the payments to be made by the Prairie State Participants under the terms of the Prairie State Power Sales Contract.

AMP's share of the total Project costs, including AMP's share of PSEC capital improvements through 2016, resulted in the issuance by AMP of approximately $1.697 billion of debt. These costs include (i) AMP's costs of acquisition for contingencies, (ii) capitalized interest during and after the scheduled in service dates of the two PSEC Units, (iii) cost of issuance associated with both the interim and long-term financing for the Project and (iv) deposits to the Parity Common Reserve Account for the Bonds issued to permanently finance the Project. As of December 31, 2015 the outstanding obligation on Prairie State project is approximately $1,590,590,000.

12. JOINTLY VENTURES (Continued)

The Village of Plymouth has executed a take-or-pay power sales contract with AMP for a Project Share of 498kW or 0.14% kW capacity and associated energy from the Prairie State facility. This is the latest information available.

Meldahl Hydroelectric Project (48 Members) and Greenup (47 Members)

AMP is currently constructing a three unit hydroelectric generation facility on the Captain Anthony Meldahl Locks and Dam, an existing dam, on the Ohio River, constructed by the United States Army Corps of Engineers and of related equipment and associated transmission facilities (the "*Meldah*l *Project*"). When the Meldahl Project enters commercial operation, it is projected to have a generating capacity of approximately 105MW. The City of Hamilton, Ohio, a Member of AMP and a participant in the Meldahl Projects and AMP hold, as co-licensees, the Federal Energy Regulatory Commission license necessary to construct and operate the Meldahl Project. Pursuant to the various agreements between Hamilton and AMP, the Meldahl Project will be owned by Meldahl, LLC, a single member, Delaware not-for-profit limited liability company ("*Meldahl, LLC*"), and will operated by Hamilton. AMP, acting as agent for Meldahl, LLC, is financing the development, acquisition, construction, and equipping of the Meldahl Project. In order to finance the constructions of the Meldahl Project and related costs, in 2010 and 2011 AMP issued six series of its Meldahl Hydroelectric Project Revenue Bonds (the "*Meldahl Bonds*") in the amount of $685,100,000 consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Meldahl Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 48 of its Members.

Meldahl Hydroelectric Project (48 Members) and Greenup (47 Members) (Continued)

All major contracts for the project which include the turbine, the powerhouse construction, the powerhouse gate, the powerhouse crane, and the transformer have been awarded for the Meldahl facility. And the property right-of-way acquisitions for the transmission line have been completed for this project.

AMP projects that the first of the Project's three units will be in service in January 2016, the second unit in February 2016 and the third unit in March 2016 which means the commercial operation date of the Meldahl Project would occur during the first quarter of 2016. At this time the Meldahl Projects total construction remains unchanged.

Please note that the projected commercial operation date set forth above, and the other information herein is subject to change and is dependent on a number of factors affecting the Projects overall remaining construction schedule. As a result, the commercial operation date may occur earlier or later than the time frame set forth above.

The Village of Plymouth has executed a take-or-pay power sales contract with AMP for a Project Share of 80kW or 0.08% of capacity and associated energy from the Meldahl Project. As of December 31, 2015, the outstanding debt for the Meldahl Hydroelectric Project on AMP's books was approximately $630,065,00.

12. JOINTLY VENTURES (Continued)

The referenced agreements with Hamilton respecting the Meldahl Project also provided that Hamilton would sell to AMP a 48.6% undivided ownership interest in the Greenup Hydroelectrci Facility ("Greenup"). A 70.2 MW run-of-the-river hydroelectric generating facility located on the Greenup Locks and Dam on the Ohio River, in commercial operation since 1988. The sale is contingent upon the placement of the Meldahl Project into commercial operation. Based on the estimated commercial operation date for the Meldahl Project, AMP currentky estimates that it will issue bonds to finance its undivided ownership interest in Greenup in the first quarter of 2016. AMP Greenup bonds will be secured by a separate power sales contract that has been executed by the same Members (all except Hamilton which will retain title to the remaining 51.4% ownership interest in Greenup) that executed the Meldahl power sales contract. Hamilton will continue to operate Greenup. This is the most recent information available.

AMP Fremont Energy Center (AFEC)

On February 3, 2011 American Electric Power, Inc. (AMP) entered into a non-binding memorandum of understanding (MOU) with FirstEnergy Corp. regarding the Fremont Energy Center ("AFEC"). AFEC is a 707 MW natural gas fired combined cycle generation plant with a Base Capacity of 512 MW, located near the city of Fremont, Ohio. The closing date to purchase was July 28, 2011. AMP's acquisition of the plant was financed with draws on an additional line of credit for $600,000,000 secured solely for the purpose of purchasing the plant.

AMP Fremont Energy Center (AFEC) (Continued)

To provide permanent financing for the AFEC Project on June 29, 2012 AMP issued in two series $546,085,000 of its AMP Fremont Center Project Revenue Bonds consisting of taxable and tax-exempt obligations to (i) with other available funds, to repay the $600,000,000 principal amount of an interim loan that financed the acquisition of the AMP Fremont Energy Center ("AFEC") and development costs and completion of construction and commissioning of AFEC; (ii) to make deposits to the Construction Accounts under the Indenture to finance additional capital expenditures allocable to AMP's 90.69% undivided interest in AFEC; (iii) to fund deposits to certain reserve accounts and (iv) to pay the costs of issuance of the Series 2012 Bonds. As of December 31, 2015 the total outstanding AFEC Project debt on AMP's books is approximately $529,225,000.

On January 21, 2012 the AMP Fremont Energy Center ("AFEC") began commercial operation. The total cost of construction of the AFEC at the date it was placed in service was $582,200,642. This amount included a development fee of $35,535,448 paid by AFEC participants for the account of AMP Generating Station participants who are also AFEC participants. The amount was previously recorded as a noncurrent regulatory asset at December 21, 2011. In June 2012, AMP sold 26.419 MW of 5.16% undivided ownership interest in AFEC to Michigan Public Power Agency ("MPPA") and entered into a power sales contract with Central Virginia Electric Cooperative ("CVEC") for the output of a 21.248 MW or 4.15% interest in AFEC. AMP has sold the output of the remaining 464.355 MW or 90.69% interest to the AFEC participants, which consists of 87 of its members, pursuant to a take-or-pay power sales contract.

The Village of Plymouth has executed a take-or-pay power sales contract with AMP for a Project Share of 300 kW or 0.06% of capacity and associated energy from the AFEC facility. This is the most recent information available.

13. AMERICAN MUNICIPAL POWER GENERATING STATION PROJECT

The Village is a member of American Municipal Power (AMP) and has participated in the AMP Generating Station (AMPGS) Project. This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The Village's share was 500 kilowatts of a total 771,281 kilowatts, giving the Village a 0.06 percent share. The AMPGS Project required participants to sign "take or pay" contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. In November 2009, the participants voted to terminate the AMPGS Project due to projected escalating costs. These costs were therefore deemed impaired and participants were obligated to pay costs already incurred. In prior year, payments of these costs was not made due to AMP's pursuit of legal action to void them. As a result of a March 2014 legal ruling. The AM Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The Village's estimated share at March 31, 2014 of the impaired costs is $86,534. The Village received a credit of $22,612 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of $31,683. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the Village's payments. Since March 31, 2014 the Village has made payments of $31,683 to AMP toward its net impaired cost estimate. Also since March 31, 2014, the Village's allocation of additional costs incurred by the project is $664 and interest expense incurred on AMP's line-of-credit of $214, resulting in a net impaired cost estimate at December 31, 2015 of $788. The Village paid their estimated share of the project cost of $31,683 on July 11, 2014, check number 17424. This is the most recent information available.

14. RESTATEMENT OF FUND BALANCE

Fund balance in the Agency Fund for unclaimed monies not reported at December 31, 2016:

	Agency
Fund Balance at December 31, 2016	$ 2,373
Adjustments	747
Fund Balance at January 1, 2017	$ 3,120

15. EXTRAORDINARY ITEMS

In 2017, the Village filed a claim for insurance in the Water Operating Fund for repairs to the water tower in the amount of $3,500.

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

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

Village of Plymouth
Richland County
48 West Broadway Street
Plymouth, Ohio 44865

To the Village Council:

We have audited, in accordance with auditing standards general accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Village of Plymouth, Richland County 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 May 16, 2019, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered Village of Plymouth's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a significant deficiency. We consider Finding 2018-001 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Plymouth's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed one instance of noncompliance or other matters we must report under *Government Auditing Standard*s which is described in the accompanying schedule of findings as items 2018-002.

Entity's Response to Finding

The Village's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the Village's response and, accordingly, we express no opinion on it.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilson, Phillips & Agin, CPA's, Inc.
Zanesville, Ohio
May 16, 2019

VILLAGE OF PLYMOUTH
RICHLAND COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2018 AND 2017

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

FINDING NUMBER 2018-001

Significant Deficiency – Financial Reporting

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

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

The Village did not properly post and classify all receipts and fund balance. The following adjustments and reclassifications were made.

Reclassifications:

- In 2017 a reclassification from Contractual Services to Debt Principal in the amount of $67,463 to properly show debt payments and an adjustments was made to Capital Outlay and Debt Proceeds in the amount of $59,248 to record pass through activity.
- In 2018, a reclassification from Debt Proceeds to Intergovernmental Receipts in the amount of $128,452 to properly show debt proceeds.
- In 2018 and 2017, a reclassification from Unassigned Fund Balance to Assigned Fund Balance in the amount of $66,782 and $12,441, respectively in the General Fund for encumbrances outstanding at December 31, 2018 and 2017.
- In 2018 and 2017, a reclassification Restricted Fund Balance to Assigned Fund Balance in the amount of $4,257 and $7,530, respectively in the Special Revenue Fund for encumbrances outstanding at December 31, 2018 and 2017.

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

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

Client Response: The Fiscal Officer will research and refresh her understanding and differences of the fund balance classifications. She will also make sure that grant money received and loan money received are classified to the appropriate account..

VILLAGE OF PLYMOUTH
RICHLAND COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2018 AND 2017

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

FINDING NUMBER 2018-002

Noncompliance – Certification of Funds

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

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

- If the fiscal officer can certify that both at the time that the contract or order was made ("then") and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has 30 days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts less than $3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of the expenditures by the Village.

- Blanket Certificates. Fiscal officers may prepare "blanket" certificates if the Village has approved their use and established maximum amounts.

- Super Blanket Certificates. The Village may also make expenditures and contracts for any amount from a specific line item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonable predictable operation expense. This certification is not to extend beyond the current year. More than one so-called "super blanket" certificate may be outstanding at a particular time for any line item appropriation.

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

FINDING NUMBER 2018-002 (Continued)

The Village did not certify the availability of funds prior to the purchase commitment for 22% of expenditures tested. For these item the Village also did not prepare blanket certificates, super blankets certificates or then and now certificates in accordance with the Ohio Revised Code. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

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

Client Response: At times it is difficult to know when employees purchase items because they do not follow proper procedure. In the future these items be done as Then and Now.

VILLAGE OF PLYMOUTH
RICHLAND COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
YEARS ENDED 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; **Explain:**
2016-001	Significant Deficiency Relassifications	No	Not Corrected; Reported as Finding 2018-001

OHIO AUDITOR OF STATE
KEITH FABER

VILLAGE OF PLYMOUTH

RICHLAND 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
JULY 9, 2019