



**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY  
REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2019 - 2018**

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Village Council  
Village of Byesville  
7120 North Street  
Byesville, Ohio 43153

We have reviewed the *Independent Auditor's Report* of the Village of Byesville, Guernsey County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2018 through December 31, 2019. 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 Byesville is responsible for compliance with these laws and regulations.

The Auditor of State is currently conducting an investigation at the Village. The investigation is ongoing and control and compliance issues, if any, related to this investigation will be addressed in future audit reports.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 27, 2021

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VILLAGE OF BYESVILLE  
GUERNSEY COUNTY

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## INDEPENDENT AUDITOR'S REPORT

June 24, 2021

Village of Byesville  
Guernsey County  
7120 North Street  
Byesville, Ohio 43153

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 Byesville**, Guernsey County, Ohio (the Village) as of and for the years ended December 31, 2019 and 2018.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
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***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2019 and 2018, and the respective changes in financial position or cash flows thereof for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Village of Byesville, Guernsey County as of December 31, 2019 and 2018, and 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.

***Emphasis of Matter***

As discussed in Note 12 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. We did not modify our opinion regarding this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



**Perry & Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio



**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$ 91,667	\$ 37,863	\$ -	\$ -	\$ 129,530
Municipal Income Tax	421,282	-	-	-	421,282
Intergovernmental	86,906	118,900	-	-	205,806
Special Assessments	187	-	-	-	187
Charges for Services	211	73,761	-	-	73,972
Fines, Licenses and Permits	22,892	-	-	-	22,892
Earnings on Investments	19,909	2,059	-	-	21,968
Miscellaneous	8,688	31,365	-	-	40,053
<i>Total Cash Receipts</i>	<u>651,742</u>	<u>263,948</u>	<u>-</u>	<u>-</u>	<u>915,690</u>
<b>Cash Disbursements</b>					
Current:					
Security of Persons and Property	183,906	60,344	-	-	244,250
Public Health Services	150	-	-	-	150
Leisure Time Activities	-	27,487	-	-	27,487
Community Environment	2,733	1,197	-	-	3,930
Basic Utility Services	45,006	1,721	-	-	46,727
Transportation	-	119,705	-	-	119,705
General Government	147,786	942	-	-	148,728
Capital Outlay	93,411	62,950	-	-	156,361
Debt Service:					
Principal Retirement	-	-	19,382	-	19,382
Interest and Fiscal Charges	-	-	3,262	-	3,262
<i>Total Cash Disbursements</i>	<u>472,992</u>	<u>274,346</u>	<u>22,644</u>	<u>-</u>	<u>769,982</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>178,750</u>	<u>(10,398)</u>	<u>(22,644)</u>	<u>-</u>	<u>145,708</u>
<b>Other Financing Receipts (Disbursements)</b>					
Transfers In	-	103,171	23,000	-	126,171
Transfers Out	(120,760)	(5,411)	-	-	(126,171)
Other Financing Sources	23	-	-	-	23
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(120,737)</u>	<u>97,760</u>	<u>23,000</u>	<u>-</u>	<u>23</u>
<i>Net Change in Fund Cash Balances</i>	58,013	87,362	356	-	145,731
<i>Fund Cash Balances, January 1</i>	<u>142,878</u>	<u>105,564</u>	<u>356</u>	<u>11,752</u>	<u>260,550</u>
<b>Fund Cash Balances, December 31</b>					
Nonspendable	8,734	-	-	-	8,734
Restricted	-	186,765	712	11,752	199,229
Committed	-	6,161	-	-	6,161
Assigned	192,157	-	-	-	192,157
<i>Fund Cash Balances, December 31</i>	<u>\$ 200,891</u>	<u>\$ 192,926</u>	<u>\$ 712</u>	<u>\$ 11,752</u>	<u>\$ 406,281</u>

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL PROPRIETARY AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	<u>Totals</u>
	<u>Enterprise</u>	<u>Agency</u>	<u>(Memorandum Only)</u>
<b>Operating Cash Receipts</b>			
Charges for Services	\$ 3,141,647	\$ -	\$ 3,141,647
Miscellaneous	15,462	-	15,462
<i>Total Operating Cash Receipts</i>	<u>3,157,109</u>	<u>-</u>	<u>3,157,109</u>
<b>Operating Cash Disbursements</b>			
Personal Services	524,898	-	524,898
Employee Fringe Benefits	200,460	-	200,460
Contractual Services	684,199	-	684,199
Supplies and Materials	209,657	-	209,657
Other	10,471	-	10,471
<i>Total Operating Cash Disbursements</i>	<u>1,629,685</u>	<u>-</u>	<u>1,629,685</u>
<i>Operating Income (Loss)</i>	<u>1,527,424</u>	<u>-</u>	<u>1,527,424</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Intergovernmental	10,958	-	10,958
Other Debt Proceeds	1,150,568	-	1,150,568
Miscellaneous Receipts	23,595	-	23,595
Capital Outlay	(1,205,459)	-	(1,205,459)
Principal Retirement	(904,482)	-	(904,482)
Interest and Other Fiscal Charges	(204,521)	-	(204,521)
Other Financing Sources	-	2,370	2,370
Other Financing Uses	-	(2,848)	(2,848)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(1,129,341)</u>	<u>(478)</u>	<u>(1,129,819)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	398,083	(478)	397,605
Transfers In	853,951	-	853,951
Transfers Out	(853,951)	-	(853,951)
<i>Net Change in Fund Cash Balances</i>	398,083	(478)	397,605
<i>Fund Cash Balances, January 1</i>	<u>567,948</u>	<u>1,112</u>	<u>569,060</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 966,031</u>	<u>\$ 634</u>	<u>\$ 966,665</u>

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**Note 1 - Reporting Entity**

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

***Public Entity Risk Pools***

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

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Fund Accounting***

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

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

***Street Construction, Maintenance, and Repair Fund*** – This fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

***State Highway Fund*** – This fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of the state highway within the Village. This includes traffic light repair and painting of pedestrian walking lines.

***Parks and Recreation Fund*** – This fund is used for maintaining the park.

***Parks and Recreation Fund*** – This fund is used for softball.

***State Grant Fund*** – This is used for approved state grants.

***Law Enforcement Trust Fund*** – This fund is used for supplies for the police department.

***Permissive Motor Vehicle License Tax Fund*** – This fund received accounts for monies from the state and county from the sale of license plates.

VILLAGE OF BYESVILLE  
GUERNSEY COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)

Note 2 – Summary of Significant Accounting Policies (Continued)

*Fund Accounting (Continued)*

**Fire Department Fund** – This fund is used for supplies and contractual requirements.

**New Fire Levy Fund** – This fund is used to pay for the ladder truck payment.

**Fire/Ambulance Levy Fund** – This fund is used to pay for supplies and contractual services for EMS.

**Byesville Beautification Fund** – This fund is used for beautification of Village owned property.

**Byesville Blast Fireworks Fund** – This fund is used for the fireworks display.

**Debt Service Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following Debt Service Fund:

**Street Debt Service Fund** – This fund receives transfers to make scheduled debt payments.

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

**Other Capital Projects Fund** – This fund receives special assessment monies and transfers from the General Fund for the construction of streets.

**FEMA Mitigation Fund** – This fund is used for FEMA purposes.

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

**Water Fund** – This fund accounts for the provision of water to the residents and commercial users located within the Village.

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

**Sewer Fund – Stop 9 Fund** – This fund accounts for the provision of sanitary sewer services to the residents and commercial user.

**Enterprise Improvement Fund** – This fund is used for water and sewer improvement.

**Water Debt Fund** – This fund accounts and reports the portion of the fees collected for consumer rent and transfers for loan payments used for improvements to the Village water system.

**Sewer Debt Fund** – This fund accounts and reports the portion of the fees collected for consumer rent and transfers for loan payments used for improvements to the Village sewer system.

**Utility Deposit Fund** – This fund accounts for utility deposits and the refunding of deposits when customer moves.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

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

***Fund Accounting (Continued)***

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

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency fund accounts for mayor's court activity.

***Basis of Accounting***

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

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

***Budgetary Process***

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

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

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

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

A summary of 2019 budgetary activity appears in Note 4.

***Deposits and Investments***

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

The Village maintains its funds in an interest-bearing checking account.

VILLAGE OF BYESVILLE  
GUERNSEY COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)

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

***Capital Assets***

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

***Accumulated Leave***

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

***Fund Balance***

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

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

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

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

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

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

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

**Note 3 – Compliance**

Contrary to Ohio law, actual receipts in the State Grants Fund fell below budgeted receipts which caused a reduction in the resources available for appropriations below the allowable amount for the year ended December 31, 2019.

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Water Operating Fund for the year ended December 31, 2019.

**Note 4 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 533,426	\$ 651,765	\$ 118,339
Special Revenue	919,892	367,119	(552,773)
Debt Service	23,000	23,000	-
Enterprise	4,241,314	5,196,181	954,867
Total	\$ 5,717,632	\$ 6,238,065	\$ 520,433

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 666,114	\$ 598,637	\$ 67,477
Special Revenue	1,023,518	286,704	736,814
Debt Service	22,644	22,644	-
Capital Projects	11,752	-	11,752
Enterprise	4,747,101	4,895,278	(148,177)
Total	\$ 6,471,129	\$ 5,803,263	\$ 667,866

**Note 5 – Deposits**

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

	2019
Demand Deposits	\$ 1,372,946
Total Deposits	\$ 1,372,946

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

**Note 6 – Taxes**

***Property Taxes***

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

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

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

***Income Taxes***

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

Employers within the Village withhold income tax on employee compensation and remit 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.

**Note 7 - Risk Management**

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2019</u>
Cash and investments	\$ 38,432,610
Actuarial liabilities	\$14,705,917



**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.

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

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2019.

**Note 9 - Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2019. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

**Note 10 - Debt**

Debt outstanding at December 31, 2019 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OWDA 3553	\$ 63,962	2.00%
OWDA 3563	97,733	2.00%
OWDA 3672	1,561,034	1.50%
OWDA 3785	97,220	1.50%
OWDA 3906	539,924	3.25%
OWDA 3907	282,502	1.50%
OWDA 3924	270,238	1.50%
OWDA 3942	2,166,499	3.85%
OWDA 3943	1,689,087	1.50%
OWDA 4397	248,823	2.00%
OWDA 5174	51,167	0.00%
OWDA 5243	2,303,168	1.00%
OWDA 6594	960,240	0.00%
OWDA 8535	85,787	3.12%
OWDA 8570	858,235	2.58%
OWDA 8686	73,791	1.97%
OPWC CT42D	53,221	0.00%
OPWC CN32R	116,924	0.00%
OPWC CT58T	57,561	0.00%
PNC Equipment	95,391	3.44%
Kansas State Bank Street Sweeper	83,849	3.16%
Total	<u>\$ 11,756,356</u>	

The Ohio Water Development Authority (OWDA) 3553 loan relates to the main street sewer replacement project. The OWDA approved up to \$180,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$4,613, including interest, over 25 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3563 loan relates to the main street replacement waterlines project. The OWDA approved up to \$275,415 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$7,049, including interest, over 25 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3672 loan relates to the microfiltration units project. The OWDA approved up to \$2,877,887 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$60,096, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3785 loan relates to the road access for water plant project. The OWDA approved up to \$380,656 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$11,211, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

**Note 10 – Debt (Continued)**

The Ohio Water Development Authority (OWDA) 3906 loan relates to the well construction project. The OWDA approved up to \$958,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$20,165, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3907 loan relates to the waterline construction project. The OWDA approved up to \$499,745 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$10,551, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3924 loan relates to the water meters project. The OWDA approved up to \$479,777 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$10,093, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3942 loan relates to the new water treatment plant project. The OWDA approved up to \$3,358,770 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$95,739, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3943 loan relates to the new water treatment plant project. The OWDA approved up to \$3,000,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$63,081, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 4397 loan relates to the booster station project. The OWDA approved up to \$410,195 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$9,125, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 5174 loan relates to the clearwell rehabilitation project. The OWDA approved up to \$107,719 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$2,693, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 5243 loan relates to the waste water treatment plant project. The OWDA approved up to \$3,998,499 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$110,814, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

**Note 10 – Debt (Continued)**

The Ohio Water Development Authority (OWDA) 6594 loan relates to the UF replacement project. The OWDA approved up to \$1,314,117 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$38,149, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 6681 loan relates to the sewer relining design project. The OWDA approved up to \$72,484 in loans to the Village for this project. This loan was paid off in 2019.

The Ohio Water Development Authority (OWDA) 8238 loan relates to the water treatment plant design project. The OWDA approved up to \$112,585 in loans to the Village for this project. This loan was paid off in 2019.

The Ohio Water Development Authority (OWDA) 8535 loan relates to the waste water system improvements - planning project. The OWDA approved up to \$344,692 in loans to the Village for this project. This loan has not yet been finalized.

The Ohio Water Development Authority (OWDA) 8570 loan relates to the WTP improvements and expansion project. The OWDA approved up to \$7,059,780 in loans to the Village for this project. This loan has not yet been finalized.

The Ohio Water Development Authority (OWDA) 8686 loan relates to the sewer relining phase 2 project. The OWDA approved up to \$241,606 in loans to the Village for this project. This loan has not yet been finalized.

The Ohio Public Works Commission (OPWC) loan CT42D relates to the main street sanitary sewer and water line project. The loan is zero percent interest and matures in 2025 with semi-annual payments of \$5,322.

The Ohio Public Works Commission (OPWC) loan CN32R relates to the sanitary sewer relining project. The loan is zero percent interest and matures in 2048 with semi-annual payments of \$2,126.

The Ohio Public Works Commission (OPWC) loan CT58T relates to the WTP filter replacement project. This loan has not yet been finalized.

The PNC loan was used to purchase a new Fire Truck. The loan is 3.44% and matures in 2022 with annual payments of \$32,925.

The Kansas State Bank loan was used to purchase a Street Sweeper. The loan is 3.16% and matures in 2023 with annual payments of \$22,644.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)**

**Note 10 – Debt (Continued)**

Amortization of the Village's debt, including interest, is scheduled as follows:

Year ending December 31:	OWDA Loans	OPWC Loans	PNC Fire Truck	Kansas State Bank Street Sweeper
2020	\$ 886,764	\$ 7,448	\$ 32,925	\$ 22,644
2021	886,764	7,448	32,925	22,644
2022	886,764	14,896	32,925	22,644
2023	886,764	14,896	-	22,644
2024	886,764	14,896	-	-
2025-2029	4,275,061	31,903	-	-
2030-2034	3,402,459	21,259	-	-
2035-2039	227,008	21,259	-	-
2040-2044	-	21,259	-	-
2045-2049	-	14,881	-	-
Total	<u>\$ 12,338,348</u>	<u>\$ 170,145</u>	<u>\$ 98,775</u>	<u>\$ 90,576</u>

No amortization schedules are currently available for OWDA 6681, OWDA 8238, OWDA 8570, OWDA 8686 or OPWC CT58T. These loans have not been finalized.

**Note 11 – Contingent Liabilities**

The Village participates in several state assisted grants that are subject to financial and compliance audits by grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The Village believes that disallowed claims, if any, will not have a material adverse effect on the Village's financial condition.

**Note 12 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, any recovery from emergency funding, either federal or state, cannot be estimated.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

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

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$ 81,011	\$ 36,529	\$ -	\$ -	\$ 117,540
Municipal Income Tax	439,366	-	-	-	439,366
Intergovernmental	71,251	161,150	-	-	232,401
Special Assessments	135	-	-	-	135
Charges for Services	-	80,385	-	-	80,385
Fines, Licenses and Permits	23,805	3	-	-	23,808
Earnings on Investments	3,807	35	-	-	3,842
Miscellaneous	9,088	38,055	-	-	47,143
<i>Total Cash Receipts</i>	<u>628,463</u>	<u>316,157</u>	<u>-</u>	<u>-</u>	<u>944,620</u>
<b>Cash Disbursements</b>					
Current:					
Security of Persons and Property	204,109	124,558	-	-	328,667
Public Health Services	750	-	-	-	750
Leisure Time Activities	-	47,909	-	-	47,909
Community Environment	2,847	-	-	-	2,847
Basic Utility Services	56,854	3,400	-	-	60,254
Transportation	-	151,436	-	-	151,436
General Government	154,138	2,291	-	-	156,429
Capital Outlay	93,591	91,976	-	-	185,567
Debt Service:					
Principal Retirement	-	29,928	18,788	-	48,716
Interest and Fiscal Charges	-	2,997	3,856	-	6,853
<i>Total Cash Disbursements</i>	<u>512,289</u>	<u>454,495</u>	<u>22,644</u>	<u>-</u>	<u>989,428</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>116,174</u>	<u>(138,338)</u>	<u>(22,644)</u>	<u>-</u>	<u>(44,808)</u>
<b>Other Financing Receipts (Disbursements)</b>					
Sale of Capital Assets	-	14,250	-	-	14,250
Transfers In	-	100,000	23,000	-	123,000
Transfers Out	(123,000)	-	-	-	(123,000)
Other Financing Uses	(23)	-	-	-	(23)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(123,023)</u>	<u>114,250</u>	<u>23,000</u>	<u>-</u>	<u>14,227</u>
<i>Net Change in Fund Cash Balances</i>	<u>(6,849)</u>	<u>(24,088)</u>	<u>356</u>	<u>-</u>	<u>(30,581)</u>
<i>Fund Cash Balances, January 1</i>	<u>149,727</u>	<u>129,652</u>	<u>-</u>	<u>11,752</u>	<u>291,131</u>
<b>Fund Cash Balances, December 31</b>					
Nonspendable	8,734	-	-	-	8,734
Restricted	-	88,586	356	11,752	100,694
Committed	-	16,978	-	-	16,978
Assigned	134,144	-	-	-	134,144
<i>Fund Cash Balances, December 31</i>	<u>\$ 142,878</u>	<u>\$ 105,564</u>	<u>\$ 356</u>	<u>\$ 11,752</u>	<u>\$ 260,550</u>

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

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

	<u>Proprietary Fund Types</u>	<u>Fiduciary Fund Types</u>	<u>Totals</u>
	Enterprise	Agency	(Memorandum Only)
<b>Operating Cash Receipts</b>			
Charges for Services	\$ 3,072,511	\$ -	\$ 3,072,511
<i>Total Operating Cash Receipts</i>	<u>3,072,511</u>	<u>-</u>	<u>3,072,511</u>
<b>Operating Cash Disbursements</b>			
Personal Services	531,841	-	531,841
Employee Fringe Benefits	250,197	-	250,197
Contractual Services	586,260	-	586,260
Supplies and Materials	217,298	-	217,298
Other	13,978	-	13,978
<i>Total Operating Cash Disbursements</i>	<u>1,599,574</u>	<u>-</u>	<u>1,599,574</u>
<i>Operating Income (Loss)</i>	<u>1,472,937</u>	<u>-</u>	<u>1,472,937</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Intergovernmental	578	-	578
Special Assessments	50,000	-	50,000
Other Debt Proceeds	55,559	-	55,559
Miscellaneous Receipts	24,606	-	24,606
Capital Outlay	(680,289)	-	(680,289)
Principal Retirement	(680,789)	-	(680,789)
Interest and Other Fiscal Charges	(216,127)	-	(216,127)
Other Financing Sources	-	3,475	3,475
Other Financing Uses	-	(2,663)	(2,663)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(1,446,462)</u>	<u>812</u>	<u>(1,445,650)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	26,475	812	27,287
Capital Contributions	2,592	-	2,592
<i>Net Change in Fund Cash Balances</i>	29,067	812	29,879
<i>Fund Cash Balances, January 1</i>	<u>538,881</u>	<u>300</u>	<u>539,181</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 567,948</u>	<u>\$ 1,112</u>	<u>\$ 569,060</u>

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

**Note 1 - Reporting Entity**

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

***Public Entity Risk Pools***

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

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Fund Accounting***

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

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

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

***Fire Department Fund*** – This fund receives fire contract monies for operation and supplies within the department.

***Debt Service Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following Debt Service Fund:

***Street Debt Service Fund*** – This fund receives transfers to make scheduled debt payments.

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

***Other Capital Projects Fund*** – This fund receives special assessment monies and transfers from the General Fund for the construction of streets.



**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

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

***Fund Accounting (Continued)***

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

***Water Fund*** – This fund accounts for the provision of water to the residents and commercial users located within the Village.

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

***Water Debt Fund*** – This fund accounts and reports the portion of the fees collected for consumer rent and transfers for loan payments used for improvements to the Village water system.

***Sewer Debt Fund*** – This fund accounts and reports the portion of the fees collected for consumer rent and transfers for loan payments used for improvements to the Village sewer system.

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

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency fund accounts for mayor's court activity.

***Basis of Accounting***

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

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

***Budgetary Process***

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

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

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

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

***Budgetary Process (Continued)***

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

A summary of 2018 budgetary activity appears in Note 4.

***Deposits and Investments***

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

The Village maintains its funds in an interest-bearing checking account.

***Capital Assets***

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

***Accumulated Leave***

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

***Fund Balance***

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

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

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

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

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

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

***Fund Balance (Continued)***

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

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

**Note 3 – Compliance**

Contrary to Ohio law, appropriation authority exceeded estimated resources for the General, Street, Water Operating, Sewer Operating, and Sewer Operating-Stop 9 Funds for the year ended December 31, 2018.

**Note 4 – Budgetary Activity**

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

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 546,672	\$ 628,463	\$ 81,791
Special Revenue	396,677	430,407	33,730
Debt Service	23,000	23,000	-
Enterprise	2,998,291	3,205,846	207,555
Total	\$ 3,964,640	\$ 4,287,716	\$ 323,076

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 697,940	\$ 638,893	\$ 59,047
Special Revenue	526,950	456,558	70,392
Debt Service	23,000	22,644	356
Capital Projects	11,752	-	11,752
Enterprise	3,541,038	3,188,455	352,583
Total	\$ 4,800,680	\$ 4,306,550	\$ 494,130

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

**Note 5 – Deposits**

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

	2018
Demand Deposits	<u>\$ 829,610</u>
Total Deposits	<u><u>\$ 829,610</u></u>

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Note 6 – Taxes**

***Property Taxes***

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

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

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

***Income Taxes***

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

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

**Note 7 - Risk Management**

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2018</u>
Cash and investments	\$ 35,381,789
Actuarial liabilities	\$12,965,015

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

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

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

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

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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

**Note 9 - Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

**Note 10 - Debt**

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OWDA 3553	\$ 71,792	2.00%
OWDA 3563	109,697	2.00%
OWDA 3672	1,656,732	1.50%
OWDA 3785	117,951	1.50%
OWDA 3906	571,796	3.25%
OWDA 3907	299,178	1.50%
OWDA 3924	286,190	1.50%
OWDA 3942	2,271,525	3.85%
OWDA 3943	1,788,796	1.50%
OWDA 4397	261,899	2.00%
OWDA 5174	56,553	0.00%
OWDA 5243	2,500,285	1.00%
OWDA 6594	1,021,445	0.00%
OWDA 6681	72,515	0.00%
OWDA 8238	52,186	3.37%
OPWC CT42D	69,187	0.00%
OPWC CN32R	123,302	0.00%
PNC Equipment	95,391	3.44%
Kansas State Bank Street Sweeper	103,232	3.16%
Total	<u>\$ 11,529,652</u>	

The Ohio Water Development Authority (OWDA) 3553 loan relates to the main street sewer replacement project. The OWDA approved up to \$180,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$4,613, including interest, over 25 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

**Note 10 – Debt (Continued)**

The Ohio Water Development Authority (OWDA) 3563 loan relates to the main street replacement waterlines project. The OWDA approved up to \$275,415 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$7,049, including interest, over 25 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3672 loan relates to the microfiltration units project. The OWDA approved up to \$2,877,887 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$60,096, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3785 loan relates to the road access for water plant project. The OWDA approved up to \$380,656 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$11,211, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3906 loan relates to the well construction project. The OWDA approved up to \$958,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$20,165, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3907 loan relates to the waterline construction project. The OWDA approved up to \$499,745 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$10,551, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3924 loan relates to the water meters project. The OWDA approved up to \$479,777 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$10,093, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3942 loan relates to the new water treatment plant project. The OWDA approved up to \$3,358,770 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$95,739, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 3943 loan relates to the new water treatment plant project. The OWDA approved up to \$3,000,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$63,081, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

**Note 10 – Debt (Continued)**

The Ohio Water Development Authority (OWDA) 4397 loan relates to the booster station project. The OWDA approved up to \$410,195 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$9,125, including interest, over 30 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 5174 loan relates to the clearwell rehabilitation project. The OWDA approved up to \$107,719 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$2,693, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 5243 loan relates to the waste water treatment plant project. The OWDA approved up to \$3,998,499 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$110,814, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 6594 loan relates to the UF replacement project. The OWDA approved up to \$1,314,117 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$38,149, including interest, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority (OWDA) 6681 loan relates to the sewer relining design project. The OWDA approved up to \$72,484 in loans to the Village for this project. This loan has not yet been finalized.

The Ohio Water Development Authority (OWDA) 8238 loan relates to the water treatment plant design project. The OWDA approved up to \$112,585 in loans to the Village for this project. This loan has not yet been finalized.

The Ohio Public Works Commission (OPWC) loan CT42D relates to the main street sanitary sewer and water line project. The loan is zero percent interest and matures in 2025 with semi-annual payments of \$5,322.

The Ohio Public Works Commission (OPWC) loan CN32R relates to the sanitary sewer relining project. The loan is zero percent interest and matures in 2048 with semi-annual payments of \$2,126.

The PNC loan was used to purchase a new Fire Truck. The loan is 3.44% and matures in 2022 with annual payments of \$32,925.

The Kansas State Bank loan was used to purchase a Street Sweeper. The loan is 3.16% and matures in 2023 with annual payments of \$22,644.



**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018 (CONTINUED)**

**Note 10 – Debt (Continued)**

Amortization of the Village's debt, including interest, is scheduled as follows:

Year ending December 31:	OWDA Loans	OPWC Loans	PNC Fire Truck	Kansas State Bank Street Sweeper
2019	\$ 886,764	\$ 14,896	\$ 32,925	\$ 22,644
2020	886,764	7,448	32,925	22,644
2021	886,764	14,896	32,925	22,644
2022	886,764	14,896	32,925	22,644
2023	886,764	14,896	-	22,644
2024-2028	4,320,807	42,547	-	-
2029-2033	3,629,473	21,259	-	-
2034-2038	841,012	21,259	-	-
2039-2043	-	21,259	-	-
2044-2048	-	19,133	-	-
Total	<u>\$ 13,225,112</u>	<u>\$ 192,489</u>	<u>\$ 131,700</u>	<u>\$ 113,220</u>

No amortization schedules are currently available for OWDA 6681, OWDA 8238. These loans have not been finalized.

**Note 11 – Contingent Liabilities**

The Village participates in several state assisted grants that are subject to financial and compliance audits by grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The Village believes that disallowed claims, if any, will not have a material adverse effect on the Village's financial condition.

**Note 12 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, any recovery from emergency funding, either federal or state, cannot be estimated.

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

June 24, 2021

Village of Byesville  
Guernsey County  
7120 North Street  
Byesville, Ohio 43153

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the **Village of Byesville**, Guernsey County, (the Village) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated June 24, 2021, 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 and we noted that the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of audit findings that we consider material weaknesses. We consider findings 2019-001 and 2019-002 to be material weaknesses.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
Members: American Institute of Certified Public Accountants  
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

***Compliance and Other Matters***

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2019-002.

***Village's Response to Findings***

The Village's responses to the findings identified in our audit are described in the accompanying schedule of audit findings. We did not subject the Village's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

***Purpose of this Report***

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



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

**VILLAGE OF BYESVILLE  
GUERNSEY COUNTY**

**SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2019-2018**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2019-001**

**Material Weakness**

**Financial Reporting**

The Village should have procedures and controls in place to prevent and detect errors in financial reporting. Fund balances should be properly classified based on Governmental Accounting Standards Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.

During 2019 and 2018, receipts, disbursements, and fund balances were not always posted or classified correctly. The following posting errors were noted:

- Debt payments for the PNC Fire Truck loan were misclassified as Capital Outlay and Security of Persons and Property instead of Principal Retirement and Interest and Fiscal Charges in the Fire Department and New Fire Levy Funds in 2018;
- A debt payment for the Street Sweeper loan did not allocate the correct amount of Interest and Fiscal Charges in the Debt Service Fund in 2018;
- Capitalized interest for OWDA loans was not recorded in 2019 and 2018;
- Debt proceeds for OWDA loans were misclassified as Other Financing Sources instead of Other Debt Proceeds in the Water Operating and Sewer Operating Funds in 2019 and 2018;
- OWDA and OPWC debt proceeds and the corresponding capital outlay disbursements were not all recorded in the Water Operating and Sewer Operating Funds in 2019 and 2018;
- Debt payment to OWDA in December 2019 did not allocate the correct amount of Interest and Fiscal Charges in the Water Debt Service and Sewer Debt Service Funds in 2019;
- Fund balances were misclassified as Assigned instead of Restricted in the Byesville Beautification and Byesville Blast Fireworks Funds in 2019 and 2018;
- The portion of fund balance representing unclaimed monies was misclassified as Unassigned instead of Nonspendable in the General Fund in 2019 and 2018;
- Budget carryover and outstanding encumbrances at year-end were misclassified as Unassigned instead of Assigned in the General Fund in 2019 and 2018;
- Sale of trucks was misclassified as Intergovernmental instead of Sale of Capital Assets in the Fire Department Fund in 2018;
- Rollback receipts were misclassified as Property and Other Local Taxes instead of Intergovernmental in the General, New Fire Levy, and Fire/Ambulance Levy Funds in 2019 and 2018;
- Gasoline tax and auto license receipts were not all allocated to the correct funds in 2019 and 2018; and
- Mayor's court activity was misclassified as Fines, Licenses and Permits and Other instead of Other Financing Sources and Other Financing Uses in the Agency Fund in 2019 and 2018.

Not posting receipts, disbursements, and fund balances accurately resulted in the financial statements requiring several adjustments and reclassifications. The Village has made the adjustments to their accounting system. The financial statements reflect all adjustments and reclassifications.

To help ensure accuracy and reliability in the financial reporting process, we recommend that management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues and expenses are properly identified and classified on the financial statements.

VILLAGE OF BYESVILLE  
GUERNSEY COUNTY

SCHEDULE OF AUDIT FINDINGS (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2019-2018

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

FINDING NUMBER 2019-001 (CONTINUED)

Financial Reporting (Continued)

We also recommend the Fiscal Officer refer to the Ohio Village Handbook for guidance to determine the proper establishment of receipt and disbursement accounts and posting of receipts and disbursements. The Fiscal Officer should refer to Auditor of State Technical Bulletin 2011-004 for assistance in properly classifying fund balances.

**Official's Response** – I will look over these issues with the financial reporting and make corrections as to how they are done going forward. I was not aware of these issues due to the fact that I did not become the Fiscal Officer until the end of 2019.

FINDING NUMBER 2019-002

Material Weakness/Noncompliance

Budgetary Controls

The budget is an instrument of public policy: A governing board expresses its desires for using a government's limited resources through its appropriations. Ohio Revised Code Section 5705 deals with a variety of budgetary requirements that all subdivisions must comply with in order to ensure fiscal responsibility.

In performing the audit, we noted several violations of budgetary law which, although they do not in and of themselves, result in errors in financial reporting, may lead to the Village making financial decisions based on incorrect or incomplete information. We noted the following:

- **Violations of 5705.36** – Actual receipts fell below budgeted receipts which caused appropriation authority to exceed allowable amounts in the General, Street, Water Operating, Sewer Operating, and Sewer Operating-Stop 9 Funds in 2018;
- **Violations of 5705.39** – Appropriation authority exceeded the allowable amount in the State Grants Fund in 2019; and
- **Violations of 5705.41(B)** – Budgetary expenditures exceed appropriation authority in the Water Operating Fund in 2019 due to the Village not properly recording all of their debt activity.

Although Council approves budgets for revenue and expenses and receives monthly reports of budget and actual information, it does not ensure that budgetary forms are properly completed and submitted to the County Budget Commission timely.

Council should review the requirements of ORC section 5705 to be familiar with these laws and to make sure the Village is complying with applicable sections.

**Official's Response** – I will work with the Village administrator to correct these issues going forward. I will work on becoming more aware of these laws within the ORC. I was not the Fiscal Officer with the Village for the majority of this audit period.

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# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF BYESVILLE**

**GUERNSEY COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 9/9/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)