

VILLAGE OF BOLIVAR
AUDIT REPORT
JANUARY 1, 2014 - DECEMBER 31, 2015

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



Dave Yost • Auditor of State

Village Council
Village of Bolivar
P.O. Box 117
Bolivar, Ohio 44612

We have reviewed the *Independent Auditors' Report* of the Village of Bolivar, Tuscarawas County, prepared by Wilson, Phillips & Agin, CPA's, Inc., for the audit period January 1, 2014 through December 31, 2015. 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 Bolivar is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

July 21, 2016

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**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY
JANUARY 1, 2014 - DECEMBER 31, 2015**

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

INDEPENDENT AUDITORS' REPORT

Village of Bolivar
Tuscarawas County
P.O. Box 117
Bolivar, Ohio 44612

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 Bolivar, Tuscarawas County, as of and for the years ended December 31, 2015 and 2014.

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

Although the 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 Bolivar as of December 31, 2015 and 2014, 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 combined cash balances of the Village of Bolivar, Tuscarawas County as of December 31, 2015 and 2014, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 3, 2016, on our consideration of the Village of Bolivar'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
June 3, 2016

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

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

	Governmental Fund Types					Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Permanent	
Cash Receipts:						
Property Taxes	\$ 43,868	\$ 83,752	\$ -	\$ -	\$ -	\$ 127,620
Municipal Income Tax	149,610	13,885	-	6,942	-	170,437
Intergovernmental	31,515	47,178	-	-	-	78,693
Charges for Services	60,934	-	-	-	-	60,934
Fines, Licenses, Permits	13,585	-	-	-	-	13,585
Earnings on Investments	93	4	-	-	12	109
Miscellaneous	2,963	1,127	-	-	-	4,090
Total Cash Receipts	<u>302,568</u>	<u>145,946</u>	<u>-</u>	<u>6,942</u>	<u>12</u>	<u>455,468</u>
Cash Disbursements:						
Current:						
Security of Persons and Property	110,876	58,804	-	-	-	169,680
Public Health Services	978	-	-	-	-	978
Leisure Time Activities	13,877	-	-	-	-	13,877
Community Environment	9,125	-	-	1,930	-	11,055
Basic Utility Services	50,257	-	-	-	-	50,257
Transportation	2,116	131,307	-	-	-	133,423
General Government	119,479	-	-	-	-	119,479
Capital Outlay	-	12,001	-	36,795	-	48,796
Total Cash Disbursements	<u>306,708</u>	<u>202,112</u>	<u>-</u>	<u>38,725</u>	<u>-</u>	<u>547,545</u>
Excess of Receipts Over/(Under) Disbursements	(4,140)	(56,166)	-	(31,783)	12	(92,077)
Other Cash Financing Sources (Uses)						
Transfers In	562,756	-	-	-	-	562,756
Advances In	40,000	-	-	40,000	-	80,000
Sale of Capital Assets	-	10,000	-	-	-	10,000
Transfers Out	-	-	(562,756)	-	-	(562,756)
Advances Out	(40,000)	-	-	(40,000)	-	(80,000)
Total Other Cash Financing Sources (Uses)	<u>562,756</u>	<u>10,000</u>	<u>(562,756)</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Net Change in Fund Cash Balance	558,616	(46,166)	(562,756)	(31,783)	12	(82,077)
Fund Cash Balances, January 1	<u>12,245</u>	<u>111,463</u>	<u>562,756</u>	<u>205,307</u>	<u>9,039</u>	<u>900,810</u>
Fund Cash Balances, December 31						
Nonspendable	-	-	-	-	9,000	9,000
Restricted	-	65,297	-	83,744	51	149,092
Committed	1,071	-	-	89,780	-	90,851
Assigned	5,065	-	-	-	-	5,065
Unassigned (Deficit)	564,725	-	-	-	-	564,725
Fund Cash Balances, December 31	<u>\$ 570,861</u>	<u>\$ 65,297</u>	<u>\$ -</u>	<u>\$ 173,524</u>	<u>\$ 9,051</u>	<u>\$ 818,733</u>

See notes to financial statements.

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Governmental Fund Types					Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Permanent	
Cash Receipts:						
Property Taxes	\$ 43,515	\$ 135,207	\$ -	\$ -	\$ -	\$ 178,722
Municipal Income Tax	70,238	49,114	-	20,488	-	139,840
Intergovernmental	47,099	54,791	-	-	-	101,890
Special Assessments	170	-	-	-	-	170
Charges for Services	58,759	-	-	-	-	58,759
Fines, Licenses, Permits	13,092	-	-	-	-	13,092
Earnings on Investments	98	4	-	-	4	106
Miscellaneous	704	500	-	-	-	1,204
Total Cash Receipts	<u>233,675</u>	<u>239,616</u>	<u>-</u>	<u>20,488</u>	<u>4</u>	<u>493,783</u>
Cash Disbursements:						
Current:						
Security of Persons and Property	146,883	108,238	-	-	-	255,121
Public Health Services	843	-	-	-	-	843
Leisure Time Activities	14,071	-	-	-	-	14,071
Community Environment	6,666	-	-	1,774	-	8,440
Basic Utility Services	49,802	-	-	-	-	49,802
Transportation	3,604	120,051	-	-	-	123,655
General Government	120,950	14,772	-	7,002	-	142,724
Capital Outlay	-	-	-	3,372	-	3,372
Total Cash Disbursements	<u>342,819</u>	<u>243,061</u>	<u>-</u>	<u>12,148</u>	<u>-</u>	<u>598,028</u>
Excess of Receipts Over/(Under) Disbursements	(109,144)	(3,445)	-	8,340	4	(104,245)
Other Cash Financing Sources (Uses)						
Sale of Capital Assets	-	2,000	-	-	-	2,000
Other Financing Sources	21,979	-	-	17,198	-	39,177
Other Financing (Uses)	-	(24,873)	-	-	-	(24,873)
Total Other Cash Financing Sources (Uses)	<u>21,979</u>	<u>(22,873)</u>	<u>-</u>	<u>17,198</u>	<u>-</u>	<u>16,304</u>
Net Change in Fund Cash Balance	(87,165)	(26,318)	-	25,538	4	(87,941)
Fund Cash Balances, January 1	<u>99,410</u>	<u>137,781</u>	<u>562,756</u>	<u>179,769</u>	<u>9,035</u>	<u>988,751</u>
Fund Cash Balances, December 31						
Nonspendable	-	-	-	-	9,000	9,000
Restricted	-	109,462	562,756	85,674	39	757,931
Committed	-	-	-	119,633	-	119,633
Assigned	-	2,001	-	-	-	2,001
Unassigned (Deficit)	12,245	-	-	-	-	12,245
Fund Cash Balances, December 31	<u>\$ 12,245</u>	<u>\$ 111,463</u>	<u>\$ 562,756</u>	<u>\$ 205,307</u>	<u>\$ 9,039</u>	<u>\$ 900,810</u>

See notes to financial statements.

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN
FUND CASH BALANCES - PROPRIETARY FUND TYPE
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	Enterprise Fund	
	2015	2014
Operating Cash Receipts:		
Charges for Services	\$ 142,387	\$ 142,523
Total Operating Cash Receipts:	142,387	142,523
 Operating Cash Disbursements:		
Personal Services	46,782	41,770
Fringe Benefits	14,589	12,946
Contractual Services	23,013	23,960
Supplies and Materials	11,924	14,568
Total Operating Cash Disbursements	96,308	93,244
 Operating Income	46,079	49,279
 Non-Operating Receipts/(Disbursements)		
Special Assessments	-	346
Miscellaneous	-	1,085
Sale of Capital Assets	10,000	-
Capital Outlay	(13,785)	(5,803)
Total Non-Operating Receipts/(Disbursements)	(3,785)	(4,372)
 Net Change in Cash Fund Balance	42,294	44,907
 Fund Cash Balances, January 1	107,145	62,238
 Fund Cash Balances, December 31	\$ 149,439	\$ 107,145

See notes to financial statements.

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Bolivar, Tuscarawas County, Ohio (the Village) as a body corporate and politic. A publicly-elected six-member council directs the Village. The Village provides general governmental services, including water and refuse utilities, park operations and police services. The Village contracts with the Bolivar Volunteer Fire Department to receive fire protection services.

The Village participates in two jointly governed organizations, the Lawrence Township Joint Recreational District and Tuscarawas County Regional Planning Commission. Note 9 provides more detail.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. 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.

C. Deposits and Investments

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

Investments in STAR Ohio are recorded at share values reported by the fund.

D. Fund Accounting

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

Governmental Funds

General Fund

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

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditures for specific purposes. 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 roads.

Fire Levy Fund – This fund receives Lawrence Township property tax monies for providing fire and emergency medical services through the Bolivar Volunteer Fire Department.

Police Levy Fund – This fund receives tax levy monies for the purpose of maintaining police services.

Street Construction Fund – This fund receives tax levy money for the purpose of maintaining roads and street improvements.

Permissive Motor Vehicle License Fund – This fund accounts for and reports motor vehicle registration fees restricted for maintenance and repair of state highways within the Village.

Capital Projects Funds

This fund accounts for an 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 Projects Fund:

Capital Fund – This fund receives income monies as specified by Village ordinance for capital projects.

Permanent Funds

These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government of its citizenry). The Village had the following significant permanent fund:

Roy Parks Nonexpendable Trust Fund – This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for maintaining and preserving Roy Parks park.

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 the cost of providing this utility.

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Ohio Revised Code requires that the Village budget 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. Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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 also 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 carried over, and need not be reappropriated.

A summary of 2015 and 2014 budgetary activity appears in Note 3.

F. Fund Balance

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

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.

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fund Balance

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 classifications could be used.

G. 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.

H. Accumulated Leave

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

2. EQUITY IN POOLED 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:

	2015	2014
Demand Deposits	\$ 959,091	\$ 998,886
Cash on Hand	30	30
Total Deposits	959,121	998,916
STAR Ohio	9,051	9,039
Total Deposits and Investments	\$ 968,172	\$ 1,007,955

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

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

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014**

3. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2015 and 2014 is as follows:

2015 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 822,945	\$ 865,324	\$ 42,379
Special Revenue	187,833	155,956	(31,877)
Capital Projects	6,650	6,942	292
Permanent	9	12	3
Enterprise	160,706	152,387	(8,319)
Total	<u>\$ 1,178,143</u>	<u>\$ 1,180,621</u>	<u>\$ 2,478</u>

2015 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 309,422	\$ 306,708	\$ 2,714
Special Revenue	248,221	202,112	46,109
Debt Service	562,756	562,756	-
Capital Projects	67,000	38,725	28,275
Enterprise	131,492	110,093	21,399
Total	<u>\$ 1,318,891</u>	<u>\$ 1,220,394</u>	<u>\$ 98,497</u>

2014 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 255,632	255,654	\$ 22
Special Revenue	252,715	241,616	(11,099)
Capital Projects	37,686	37,686	-
Permanent	4	4	-
Enterprise	143,902	143,954	52
Total	<u>\$ 689,939</u>	<u>\$ 678,914</u>	<u>\$ (11,025)</u>

2014 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 361,564	\$ 342,819	\$ 18,745
Special Revenue	299,014	267,934	31,080
Capital Projects	28,776	12,148	16,628
Enterprise	116,033	99,047	16,986
Total	<u>\$ 805,387</u>	<u>\$ 721,948</u>	<u>\$ 83,439</u>

Contrary to ORC 5705.41(D), the Village had purchases made prior to commitment of funds.

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014**

4. 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.

5. 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 employees compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

6. RETIREMENT SYSTEMS

The Villages law enforcement officers belong to the Police and Fire Pension Fund (OP&F). Other full-time employees belong to the Ohio Public Employees Retirement System (OPERS) of Ohio. OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans benefits which include postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2015 and 2014, OP&F participants contributed 10.75% from January 1, 2014 to June 30, 2014, they contributed 11.50% from July 1, 2014 through June 30, 2015 and contributed 12.25% from July 1, 2015 through December 31, 2015. For 2015 and 2014, the Village contributed to OP&F and amount equal to 19.50% of full-time law enforcement wages. For 2015 and 2014, OPERS members contributed 10.0% of their gross wages and the Village contributed an amount equal to 14.00% of participant's gross salaries. The Village has paid all contributions required through December 31, 2015.

7. RISK MANAGEMENT

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles;
- Commercial inland marine;
- Public Officials' Liability
- Employers liability;
- Employee Benefits liability.

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014**

8. CONTINGENT LIABILITIES

The Village is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village's financial condition.

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

9. JOINTLY GOVERNED ORGANIZATION

Lawrence Township Joint Recreational District

The Village participates in the Lawrence Township Joint Recreational District which is a jointly governed organization between Lawrence Township, the Village of Zoar and the Village of Bolivar. The District provides swimming and recreational activities for the residents of the participating communities.

Tuscarawas County Regional Planning Commission

The Commission is a statutorily created political subdivision of the State. The Commission is jointly governed among Tuscarawas County municipalities and townships. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendation and reports concerning the physical, Environmental, social, economical and governmental characteristics, functions and services of the County. In 2015 and 2014, \$159 was paid to the Commission by the Village for each year.

**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 Bolivar
Tuscarawas County
P.O. Box 117
Bolivar, Ohio 44612

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 Bolivar, Tuscarawas County as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated June 3, 2016, 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 Bolivar'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.. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Bolivar'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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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

Wilson, Phillips & Agin, CPA's, Inc.
Zanesville, Ohio
June 3, 2016

**VILLAGE OF BOLIVAR
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2013-001	Material Weakness Financial Reporting	Yes	Finding No Longer Valid
2013-002	Material Weakness Income Tax	Yes	Finding No Longer Valid
2013-003	ORC 5705.41(B) Expenditures exceeding appropriations	Yes	Finding No Longer Valid
2013-004	ORC 5705.14 and 5705.16 Transfers not approved by resolution	Yes	Finding No Longer Valid
2013-005	ORC 5705.10(F) Land sale and outstanding bonds	Yes	Finding No Longer Valid
2013-006	ORC 5705.10 Negative Fund balance	Yes	Finding No Longer Valid



Dave Yost • Auditor of State

VILLAGE OF BOLIVAR

TUSCARAWAS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 2, 2016