



Dave Yost • Auditor of State



VILLAGE OF WEST UNITY  
WILLIAMS COUNTY

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Village of West Unity  
Williams County  
P.O. Box 207  
224 West Jackson Street  
West Unity, Ohio 43570-0207

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 West Unity, Williams County, Ohio (the Village) as of and for the years ended December 31, 2017 and 2016.

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

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

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

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

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

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

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

As described in Note 2 of the financial statements, the Village prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38

and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

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

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

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2017 and 2016, 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 West Unity, Williams County, Ohio as of December 31, 2017 and 2016, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2018, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



**Dave Yost**  
Auditor of State

Columbus, Ohio

June 5, 2018

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY  
COMBINED STATEMENT OF RECIPITS, DISBURSEMENTS AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	General	Special Revenue	Debt Service	Capital Projects	Permanent Fund	Total Governmental Funds
<b>Receipts</b>						
Property Taxes	\$113,329	\$40,775				\$154,104
Municipal Income Taxes	469,512		\$148,869	\$240,482		858,863
Intergovernmental	53,807	98,603	1,927	204,724		359,061
Special Assessments	370					370
Charges for Services	37,484	745				38,229
Fines, Licenses and Permits	25,027	360				25,387
Earnings on Investments	17,674	1,187			\$151	19,012
Miscellaneous	19,448	1,268				20,716
	<u>736,651</u>	<u>142,938</u>	<u>150,796</u>	<u>445,206</u>	<u>151</u>	<u>1,475,742</u>
<i>Total Receipts</i>						
<b>Disbursements</b>						
Current:						
Security of Persons and Property	336,111					336,111
Leisure Time Activities	2,894	19,236				22,130
Community Environment					155	155
Basic Utility Services	15,934	3,939				19,873
Transportation	257,104	85,043				342,147
General Government		52,026				52,026
Capital Outlay	5,662	14,433		386,138		406,233
Debt Service:						
Principal Retirement			135,690			135,690
Interest and Fiscal Charges			5,162			5,162
	<u>617,705</u>	<u>174,677</u>	<u>140,852</u>	<u>386,138</u>	<u>155</u>	<u>1,319,527</u>
<i>Total Disbursements</i>						
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>118,946</u>	<u>(31,739)</u>	<u>9,944</u>	<u>59,068</u>	<u>(4)</u>	<u>156,215</u>
<b>Other Financing Sources (Uses)</b>						
Discount on Debt			(1,927)			(1,927)
Sale of Capital Assets				28,336		28,336
Transfers In		100,000				100,000
Transfers Out	(100,000)					(100,000)
	<u>(100,000)</u>	<u>100,000</u>	<u>(1,927)</u>	<u>28,336</u>		<u>26,409</u>
<i>Total Other Financing Sources (Uses)</i>						
<i>Net Change in Fund Balances</i>	18,946	68,261	8,017	87,404	(4)	182,624
<i>Fund Cash Balances, January 1</i>	<u>277,803</u>	<u>259,732</u>	<u>305,268</u>	<u>540,385</u>	<u>52,044</u>	<u>1,435,232</u>
<i>Fund Cash Balances, December 31</i>						
Nonspendable					52,000	52,000
Restricted		327,993	313,285	3,861		645,139
Committed				623,928	40	623,968
Assigned	135,682					135,682
Unassigned	161,067					161,067
<i>Fund Balances End of Year</i>	<u>\$296,749</u>	<u>\$327,993</u>	<u>\$313,285</u>	<u>\$627,789</u>	<u>\$52,040</u>	<u>\$1,617,856</u>

See accompanying notes to the basic financial statements

**VILLAGE OF WEST UNITY**  
**WILLIAMS COUNTY**  
**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCES (CASH BASIS)**  
**PROPRIETARY FUND TYPE**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Proprietary Fund Type
	Enterprise
<b>Operating Receipts</b>	
Charges for Services	\$607,978
Miscellaneous	6,820
	614,798
<i>Total Operating Receipts</i>	<i>614,798</i>
<b>Operating Disbursements</b>	
Personal Services	156,336
Employee Fringe Benefits	95,185
Contractual Services	319,695
Supplies and Materials	90,844
Other	15,717
	677,777
<i>Total Operating Disbursements</i>	<i>677,777</i>
Operating Loss	(62,979)
<b>Non-Operating Receipts (Disbursements)</b>	
Intergovernmental	193,125
Principal Retirement	(92,127)
Interest and Other Fiscal Charges	(12,687)
Discount on Debt	(666)
	87,645
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>87,645</i>
Net Change in Fund Cash Balance	24,666
Fund Cash Balance Beginning of Year	1,087,974
Fund Cash Balance End of Year	\$1,112,640

See accompanying notes to the basic financial statements



**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of West Unity, Williams County, Ohio (the Village) as a body corporate and politic. A publicly elected six-member Council directs the Village. The Village provides general government services including street maintenance, water and sewer utilities, park operations, and police services. The Village contracts with Brady Township to receive fire protection services.

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

***Basis of Presentation***

The Village's basic 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 fund types which are organized on a fund type basis.

***Fund Accounting***

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

**Governmental Funds** Governmental funds are those through which most governmental functions of the Village are financed. The following are the Village's governmental funds.

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

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

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

**Park and Recreation Fund** This fund receives tax levy money for maintaining and repairing park grounds and facilities.

**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 significant Debt Service Fund:

**Other Debt Service Fund** This fund is used to retire mortgage revenue bonds and loan proceeds received from the Ohio Water Development Authority.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(CONTINUED)**

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

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

**Other Capital Project Fund** This fund receives income tax monies and grant monies for maintaining facilities, conducting capital improvements, and purchasing equipment.

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

**Kissell Endowment Fund** – This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Village's community (Kissell) building.

**Proprietary Funds** The Village classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise funds or internal service funds.

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

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

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

***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 be budgeted annually.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(CONTINUED)**

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

**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. Appropriations lapse at year end.

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

**Encumbrances** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are cancelled and reissued the next fiscal year.

**Cash and Investments**

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

The Village values certificates of deposit at cost.

**Fund Balance**

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

**Nonspendable** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact.

**Restricted** Fund balance is reported as 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 for use in satisfying those contractual requirements.

**Assigned** Amounts in the assigned fund balance classification are intended to be used by the Village for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Village Council or a Village official delegated that authority by resolution or by State Statute. State Statute authorizes the Village Auditor to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(CONTINUED)**

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

**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 (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.

**Property, Plant, and Equipment**

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

**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.

**Note 3 – Budgetary Activity**

Budgetary Activity for the year ending December 31, 2017 follows:

2017 Budgeted vs Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General Fund	\$777,118	\$736,651	(\$40,467)
Special Revenue	237,883	242,938	5,055
Debt Service	150,797	150,796	(1)
Capital Projects	1,169,250	473,542	(695,708)
Permanent	160	151	(9)
Enterprise	809,609	807,923	(1,686)
Total	\$3,144,817	\$2,412,001	(\$732,816)

2017 Budgeted vs Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	\$810,615	\$717,705	\$92,910
Special Revenue	210,118	174,677	35,441
Debt Service	142,779	142,779	
Capital Projects	1,312,650	386,138	926,512
Permanent	200	155	45
Enterprise	855,750	783,257	72,493
Total	\$3,332,112	\$2,204,711	\$1,127,401

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(CONTINUED)**

**Note 4 - Compliance**

Contrary to Ohio law, proceeds from the sale of permanent improvements total of \$28,336 were recorded in the General fund instead of a special fund for the construction or acquisition of permanent improvements (Capital Projects fund).

**Note 5 – Deposits**

The Village maintains a deposit pool all funds use except the Village records identify the purchase of certificates of deposit by individual funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31, 2017 was as follows:

	2017
Demand Deposits	\$ 2,610,762
Certificates of Deposit	52,000
Other Time Deposits (Savings Accounts)	67,559
Total Deposits	<u>2,730,321</u>
Cash on Hand	175
Total Deposits and Cash	<u>\$ 2,730,496</u>

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Village.

**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 1.5 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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 WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(CONTINUED)**

**Note 7 – Interfund Transfers**

During 2017, the Street Construction Maintenance Repair Fund received a \$100,000 transfer from the General Fund for funding assistance.

**Note 8 – Risk Management**

The Village has obtained commercial insurance from Tokio Marine/HHC Public Risk, an U.S. Specialty Company for the following risks:

- Comprehensive property and general liability;
- Cyber Security
- Public official's liability
- Law enforcement liability
- Inland Marine
- Crime
- Vehicles; and
- Errors and omissions

**Note 9 – Retirement Systems**

***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%, of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2017.

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

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2017.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(CONTINUED)**

**Note 10 - Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. OP&F contributes 0.5 percent to fund these benefits.

**Note 11 – Debt**

The schedule of Outstanding Debt at December 31, 2017 was as follows:

Description	Interest Principal	Original Interest Rate
Ohio Water Development Authority Sewer Plant Loan	\$ 69,948	4.12%
Ohio Water Development Authority Water Plant Loan	<u>247,832</u>	4.21%
	<u>\$ 317,780</u>	

The Ohio Water Development Authority (OWDA) Sewer Plant loan relates to a water and sewer plant expansion project the Ohio Environmental Protection Agency mandated. The OWDA approved up to \$2,010,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$71,390, including interest, over 20 years. The scheduled payment amount below assumes that \$1,932,477 will be borrowed. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The OWDA Water Plant loan relates to construction of the new water treatment plant. The loan will be repaid in semiannual installment of \$52,740, including interest, over 10 years. The loan will be paid through the collection of a user charge for consumer water/sewer services at the new Turnpike plazas.

Amortization of the Wastewater and Water Plant debt, including interest, is scheduled as follows:

Fiscal Year Ending 12/31	Wastewater OWDA Loans	Water OWDA Loans
2018	\$ 70,998	\$ 105,010
2019		105,213
2020		<u>52,686</u>
Total	<u>\$ 70,998</u>	<u>\$ 262,909</u>

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY  
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	General	Special Revenue	Debt Service	Capital Projects	Permanent Fund	Total Governmental Funds
<b>Receipts</b>						
Property Taxes	\$117,803	\$40,038				\$157,841
Municipal Income Taxes	405,223		\$268,071	\$261,835		935,129
Intergovernmental	49,761	102,941				152,702
Special Assessments	2,092					2,092
Charges for Services	37,105	720				37,825
Fines, Licenses and Permits	23,916	220				24,136
Earnings on Investments	7,111	328			\$151	7,590
Miscellaneous	25,544	4,529				30,073
	<u>668,555</u>	<u>148,776</u>	<u>268,071</u>	<u>261,835</u>	<u>151</u>	<u>1,347,388</u>
<i>Total Receipts</i>						
<b>Disbursements</b>						
Current:						
Security of Persons and Property	357,526	2,900				360,426
Public Health Services		161				161
Leisure Time Activities		12,642				12,642
Community Environment	3,157				200	3,357
Basic Utility Services	12,666	3,338				16,004
Transportation		111,922				111,922
General Government	197,761	34,146				231,907
Capital Outlay	116,874	5,000		218,488		340,362
Debt Service:						
Principal Retirement			130,268			130,268
Interest and Fiscal Charges			6,875			6,875
	<u>687,984</u>	<u>170,109</u>	<u>137,143</u>	<u>218,488</u>	<u>200</u>	<u>1,213,924</u>
<i>Total Disbursements</i>						
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(19,429)</u>	<u>(21,333)</u>	<u>130,928</u>	<u>43,347</u>	<u>(49)</u>	<u>133,464</u>
<b>Other Financing Uses</b>						
Transfers Out			(500,000)			(500,000)
<i>Net Change in Fund Balances</i>	<u>(19,429)</u>	<u>(21,333)</u>	<u>(369,072)</u>	<u>43,347</u>	<u>(49)</u>	<u>(366,536)</u>
<i>Fund Cash Balances, January 1</i>	<u>297,232</u>	<u>281,065</u>	<u>674,340</u>	<u>497,038</u>	<u>52,093</u>	<u>1,801,768</u>
<i>Fund Cash Balances, December 31</i>						
Nonspendable					52,000	52,000
Restricted		259,732	305,268	21,101		586,101
Committed				519,284	44	519,328
Assigned	33,497					33,497
Unassigned	244,306					244,306
<i>Fund Balances End of Year</i>	<u>\$277,803</u>	<u>\$259,732</u>	<u>\$305,268</u>	<u>\$540,385</u>	<u>\$52,044</u>	<u>\$1,435,232</u>

See accompanying notes to the basic financial statements



**VILLAGE OF WEST UNITY**  
**WILLIAMS COUNTY**  
**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN FUND BALANCES (CASH BASIS)**  
**PROPRIETARY FUND TYPE**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Proprietary Fund Type
	Enterprise
<b>Operating Receipts</b>	
Charges for Services	\$509,167
Miscellaneous	8,800
	517,967
<i>Total Operating Receipts</i>	<i>517,967</i>
<b>Operating Disbursements</b>	
Personal Services	150,909
Employee Fringe Benefits	72,219
Contractual Services	125,212
Supplies and Materials	109,986
Other	10,731
	469,057
<i>Total Operating Disbursements</i>	<i>469,057</i>
Operating Income	48,910
<b>Non-Operating Disbursements</b>	
Principal Retirement	(88,368)
Interest and Other Fiscal Charges	(15,764)
	(104,132)
<i>Total Non-Operating Disbursements</i>	<i>(104,132)</i>
Income before Transfers	(55,222)
Transfers In	500,000
Net Change in Fund Cash Balance	444,778
Fund Cash Balance Beginning of Year	643,196
Fund Cash Balance End of Year	\$1,087,974

See accompanying notes to the basic financial statements

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of West Unity, Williams County, Ohio (the Village) as a body corporate and politic. A publicly elected six-member Council directs the Village. The Village provides general government services including street maintenance, water and sewer utilities, park operations, and police services. The Village contracts with Brady Township to receive fire protection services.

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

***Basis of Presentation***

The Village's basic 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 fund types which are organized on a fund type basis.

***Fund Accounting***

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

**Governmental Funds** Governmental funds are those through which most governmental functions of the Village are financed. The following are the Village's governmental funds.

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

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

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

**Park and Recreation Fund** This fund receives tax levy money for maintaining and repairing park grounds and facilities.

**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 significant Debt Service Fund:

**Other Debt Service Fund** This fund is used to retire mortgage revenue bonds and loan proceeds received from the Ohio Water Development Authority.

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

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(CONTINUED)**

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

**Other Capital Project Fund** This fund receives income tax monies and grant monies for maintaining facilities, conducting capital improvements, and purchasing equipment.

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

**Kissell Endowment Fund** – This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Village's community (Kissell) building.

**Proprietary Funds** The Village classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise funds or internal service funds.

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

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

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

***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 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. Appropriations lapse at year end.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(CONTINUED)**

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

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

**Encumbrances** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are cancelled and reissued the next fiscal year.

**Cash and Investments**

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

The Village values certificates of deposit at cost.

**Fund Balance**

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

**Nonspendable** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact.

**Restricted** Fund balance is reported as 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 for use in satisfying those contractual requirements.

**Assigned** Amounts in the assigned fund balance classification are intended to be used by the Village for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Village Council or a Village official delegated that authority by resolution or by State Statute. State Statute authorizes the Village Auditor to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

**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.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(CONTINUED)**

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

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.

**Property, Plant, and Equipment**

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

**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.

**Note 3 – Budgetary Activity**

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

2016 Budgeted vs Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General Fund	\$558,685	\$668,555	\$109,870
Special Revenue	141,480	148,776	7,296
Debt Service	222,000	268,071	46,071
Capital Projects	247,000	261,835	14,835
Permanent	120	151	31
Enterprise	560,205	1,017,967	457,762
Total	<u>\$1,729,490</u>	<u>\$2,365,355</u>	<u>\$635,865</u>

2016 Budgeted vs Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	\$756,799	\$687,984	\$68,815
Special Revenue	193,581	170,109	23,472
Debt Service	642,779	637,143	5,636
Capital Projects	255,000	218,488	36,512
Permanent	200	200	-
Enterprise	608,220	573,189	35,031
Total	<u>\$2,456,579</u>	<u>\$2,287,113</u>	<u>\$169,466</u>

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(CONTINUED)**

**Note 4 – Deposits**

The Village maintains a deposit pool all funds use except the Village records identify the purchase of certificates of deposit by individual funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31, 2017 was as follows:

	<u>2016</u>
Demand Deposits	\$ 2,103,501
Certificates of Deposit	352,000
Other Time Deposits (Savings Accounts)	<u>67,515</u>
Total Deposits	2,523,016
Cash on Hand	190
Total Deposits and Cash	<u><u>\$ 2,523,206</u></u>

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Village.

**Note 5 – Taxes**

***Property Taxes***

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable 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 1.5 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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 6 – Interfund Transfers**

During 2016, the Sewer Operating Fund received a \$500,000 transfer from the Debt Service Fund for the construction of and improvements to the Village's storm and sanitary sewer and related facilities for the collection, treatment and disposal of any sanitary sewage and industrial wastes.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(CONTINUED)**

**Note 7 – Risk Management**

The Village has obtained commercial insurance from Tokio Marine/HHC Public Risk, an U.S. Specialty Company for the following risks:

- Comprehensive property and general liability;
- Cyber Security
- Public official's liability
- Law enforcement liability
- Inland Marine
- Crime
- Vehicles; and
- Errors and omissions

**Note 8 – Retirement Systems**

***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%, of their gross salaries and the Village contributed an amount equaling 14%, of participants' gross salaries. The Village has paid all contributions required through December 31, 2016.

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

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2016.

**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 2.0 percent during calendar year 2016. OP&F contributes 0.5 percent to fund these benefits.

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(CONTINUED)**

**Note 10 – Debt**

The schedule of Outstanding Debt at December 31, 2017 was as follows:

Description	Interest Principal	Original Interest Rate
Ohio Water Development Authority Sewer Plant Loan	\$ 205,638	4.12%
Ohio Water Development Authority Water Plant Loan	339,959	4.21%
	<u>\$ 545,597</u>	

The Ohio Water Development Authority (OWDA) Sewer Plant loan relates to a water and sewer plant expansion project the Ohio Environmental Protection Agency mandated. The OWDA approved up to \$2,010,000 in loans to the Village for this project. The Village will repay the loan in semiannual installments of \$71,390, including interest, over 20 years. The scheduled payment amount below assumes that \$1,932,477 will be borrowed. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The OWDA Water Plant loan relates to construction of the new water treatment plant. The loan will be repaid in semiannual installment of \$52,740, including interest, over 10 years. The loan will be paid through the collection of a user charge for consumer water/sewer services at the new Turnpike plazas.

Amortization of the Wastewater and Water Plant debt, including interest, is scheduled as follows:

Fiscal Year Ending 12/31	Sewer Plant OWDA Loans	Water Plant OWDA Loans
2017	\$ 140,852	\$ 104,814
2018	70,998	105,010
2019		105,213
2020		52,686
Total	<u>\$ 211,850</u>	<u>\$ 367,723</u>





# Dave Yost • Auditor of State

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

Village of West Unity  
Williams County  
P.O. Box 207  
224 West Jackson Street,  
West Unity, Ohio 43570-0207

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 West Unity, Williams County, Ohio, (the Village) as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements, and have issued our report thereon dated June 5, 2018. wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

### ***Internal Control Over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A *significant deficiency* is a deficiency, or a combination of internal control deficiencies 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 findings that we consider material weaknesses. We consider findings 2017-001 and 2017-002 to be material weaknesses.

***Compliance and Other Matters***

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2017-001.

***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.



**Dave Yost**  
Auditor of State

Columbus, Ohio

June 5, 2018

**VILLAGE OF WEST UNITY  
WILLIAMS COUNTY  
SCHEDULE OF FINDINGS  
DECEMBER 31, 2017 AND 2016**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2017-001**

**Noncompliance and Material Weakness**

**Ohio Rev. Code § 5705.10 (F)** provides, in part, that when a permanent improvement of the subdivision is sold, the amount received from the sale shall be paid into the sinking fund, the bond retirement fund, or a special fund for the construction or acquisition of permanent improvements.

In 2017, the Village sold a dump truck, automobile, mower, and commercial fogger for \$13,486. The Village also sold its former village hall for \$14,850. These proceeds were credited to the General fund instead of the Capital Projects fund. Village officials were unaware of this requirement. Adjustments were made to the accompanying financial statements and the accounting records to record these monies in the Capital Projects fund.

The Fiscal Officer should record receipts as required by law and management review the Village Officer's Handbook for guidance on these situations.

**FINDING NUMBER 2017-002**

**Financial Reporting - Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 & .A16.

We identified the following errors requiring adjustments to the financial statements and notes to the financial statements:

Governmental Accounting Standards Board (GASB) Statement No. 54, requires an assignment of fund balance within the General fund when appropriations adopted for the subsequent year exceed the estimated revenues for that year. 2017 General fund appropriations of \$810,615 were greater than estimated receipts of \$777,118; leaving \$33,497 that should be reported as assigned fund balance at December 31, 2016. Only \$330 was recorded at December 31, 2016. In addition, the General Fund reported assigned fund balance of \$135,682 at December 31, 2017, but there were no constraints identified for those funds and they should have been reported as unassigned.

Estimated revenues approved by Council differed from those posted in the Village's accounting system and included in the notes of the financial statements as follows:

<b>Fund</b>	<b>Approved Amounts</b>	<b>Posted Amounts</b>	<b>Variance</b>
<b>2016</b>			
General	\$ 658,685	\$ 558,685	\$ 100,000
Water Operating	268,100	284,100	(16,000)
Sewer Operating	781,955	261,955	520,000
<b>2017</b>			
Street Construction Maintenance and Repair	71,630	171,630	(100,000)
Sewer Operating	482,892	508,351	(25,459)

These errors were not identified and corrected prior to the Village preparing its financial statements due to deficiencies in the Village's internal controls over financial statement monitoring. The accompanying financial statements and notes to the financial statements have been adjusted to reflect these changes. Additional insignificant errors were also noted for the years ended December 31, 2016 and 2015.

To help ensure the Village's financial statements and notes to the statements are complete and accurate, the Village should adopt policies and procedures, including a final review of the statements and notes by the Fiscal Officer and Village Council, to help identify and correct errors and omissions. The Fiscal Officer can refer to Auditor of State Bulletin 2011-004 at the following website address for information on Governmental Accounting Standards Board Statement No. 54:  
<http://www.ohioauditor.gov/publications/bulletins/2011/2011-004.pdf>.

Additionally, the Fiscal Officer can refer to the Village Officer's Handbook at the following website address for guidance on the recording of transactions:  
<http://www.ohioauditor.gov/publications/VillageOfficerManual%203-1-18.pdf>.

**Officials' Response:**

We did not receive a response from Officials to the findings reported above.

*Village Administrator*  
JOSHUA FRITSCH

*Fiscal Officer*  
KIM GRIME

*Deputy Clerk*  
KATIE BALTOSSER

*Chief of Police*  
J.R. JONES



*Mayor*  
PEGGY L. BERNATH

*Council Members*  
KEVIN GRAY, *Pres.*  
SAM MARAN  
TERRI LEBOWSKY  
MARK NULL  
STEPHEN MARVIN  
DAVID SHORT

*"Northwestern Ohio Community  
Of Pride and Unity"*

224 W. JACKSON STREET - P. O. BOX 207 • WEST UNITY, OHIO 43570-0207  
Village Office: 419-924-2215 - Police Dept: 419-924-2271

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2017 AND 2016**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2015-001	Material Weakness – Financial Reporting, misclassifications of revenue sources.	Partially corrected and repeated as Finding 2017-002 in this report.	Additional errors occurred were not detected. Management is aware and understands the importance of the information presented on the financial statements and will ensure these errors will be accurately identified and reported.
2015-002	Material Weakness – Fund Balance Classification.	Not corrected and repeated as finding 2017-002 in this report.	Additional errors occurred were not detected. Management is aware and understands the importance of the information presented on the financial statements and will ensure these errors will be accurately identified and reported.

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# Dave Yost • Auditor of State

VILLAGE OF WEST UNITY

WILLIAMS 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  
JUNE 21, 2018