

Ohio Auditor of State

Hinkle Notes

Presented by:
Local Government Services

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Frequently Asked Questions

- Why do I have to prepare notes to the financial statements?
- My auditors have always done this for me in the past; can they still prepare the notes for me?
- When are local governments required to prepare notes to the financial statements?
- If I don't prepare notes for my entity, what is the penalty?

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Frequently Asked Questions

- What if the local government receives a basic audit or AUP, do I still need to file notes?
- My entity has a two-year audit, do I still need to prepare notes each year?
- My entity uses UAN, do I still need to prepare notes?
- Does AOS have any resources available?

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Getting Started

- Shells are available on the Auditor of State website as a word document (if you do not have prior year notes to start from)
- Contact the auditors who did your last audit; they may be able to send you their notes file to be used as a starting point.
- Look at prior audit reports on the Auditor of State website for your entity.

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Getting Started

- Remember to customize every note for your entity – if it doesn't apply to you, delete it!

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Note Shells

- Go to www.ohioauditor.gov
- Hover your mouse on Local Government at the top, then click Reference Materials
- On the left side, choose Financial Statement Shells and Footnotes

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Note Shells

- Choose OCBOA or Regulatory, then find your entity type
- Click on Notes and save the file on your computer in an easy to find place
- Consider naming the file with the year you're working on so that you can go back to it in future years

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Note Shells

- These shells are updated once a year so check back for updates and incorporate them into your file each year
- The OCBOA shells include the most common note disclosures

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Note Shells

- The shells have colors to help guide you
 - Yellow highlights are helpful guidance
 - Green highlights are generic information; modify to fit your entity
- The shells use CY for current year and PY for prior year
 - You can use "find and replace" to make them 18 and 17, or whatever year you are in

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Note Shells

- The shells include a header that if modified on the first page, will carry your entity name, county, and year through all pages of the report

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Webinar

- Go to www.ohioauditor.gov
- Hover your mouse on Local Government at the top, then click Trainings and Conferences
- Under Webinar, choose Notes to the Financial Statements for Small Governments, Non-GAAP Entities

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Ready to Dive Into the Notes?



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Note 3 - Compliance

- List any budgetary violations that the village/township had during the year, by fund
 - Expenditures plus encumbrances exceeded appropriations
 - Appropriations exceeded estimated resources plus carryover balance
- List any funds that had a deficit cash balance at year end, if any
- Later on during your audit, the auditors may add other items here if they find non-compliance

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Note 4 - Budgetary Activity

- Regulatory notes have charts - budgeted vs actual activity by fund type for both receipts and expenditures
 - Make sure you use budget amounts from your most recent Amended Certificate of Estimated Resources and Appropriations for the year being reported
 - Actual amounts should match the financial statements
- OCBOA notes have a chart that reconciles the difference between the cash balance of the general and major special revenue funds with the budget basis balance of those funds

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Note 5 - Deposit and Investments

- Changes to Notes as of 12/31/18
- Ohio Pooled Collateral System (OPCS)

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Ohio Pooled Collateral System (OPCS)

- Allows for participating Financial Institutions to pool collateral for Ohio Public Unit's deposits
- Replaces old pooling method in ORC 135.181
- The Ohio Treasurer of State is the sole regulator and monitor of the program

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Why was OPCS implemented?

- Allows the Ohio Treasurer's Office to safeguard public deposits by ensuring all collateral pledged to the Ohio Treasurer of State creates a perfected security interest in such collateral thereby strengthening protections for public units participating in pooled collateral

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Ohio Pooled Collateral System (OPCS)

- Financial Institutions will choose one of the following methods:
 - Pooling Method - participate in the pooling method (OPCS) collateralizing at 102% or a rate set by the Treasurer in rule, or
 - Specific Pledge Method - not participate in OPCS and collateralize all public entities with specific pledge method at 105%

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Pooling Method

- The Ohio Treasurer of State is responsible for monitoring the Financial Institutions collateral levels and compliance
- Financial Institutions are required to electronically report to the OPCS

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Specific Pledge Method

- Responsibility for monitoring the Financial Institution's compliance falls solely on the public entity who is required to maintain a record of all securities pledged at all times

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Ohio Pooled Collateral System (OPCS)

- If Financial Institution is part of OPCS, request username and password from Ohio Treasurer of State website at www.opcs.ohio.gov

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Note 6 - Property Taxes

- Need the full tax rate and assessed values; these can be obtained from your County Auditor
 - Regulatory - information disclosed in Hinkle System
 - OCBOA - information disclosed in notes to the financial statements and Hinkle System

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Note 8 - Risk Management

- Specialized Footnotes
 - Go to www.ohioauditor.gov
 - Hover your mouse on Local Government at the top, then click Reference Materials
 - On the left side, choose Financial Statement Shells and Footnotes
 - Scroll down and choose Other Specialized Footnote Disclosures

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Note 8 - Risk Management

- Typically will not change significantly from year to year
- If involved in a new pool or outside organization (reporting entity disclosure), evaluate these to see if this should be disclosed.

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Note 9 - Defined Benefit Pension Plans
Note 10 - Post Employment Benefits

- Check the updated shell annually in these sections for all updated information for the pension systems

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Note 11 - Debt

- Describe the various debt obligations your entity has including bonds, notes, loans, and leases
- Regulatory - in the first chart, include amount of each debt outstanding at 12/31/CY and the interest rate
- OCBOA - in the charts, include amount of each debt outstanding at 12/31/PY, new debts issued, amounts retired during the current year, and then the amount outstanding at 12/31/CY

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Note 11 - Debt

- Both - fill in the chart with principal and interest payments remaining to be made on each type of debt; first 5 years separately and then remaining in 5 year increments

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Note 19 - Fund Balances (OCBOA)

- This note is not required for regulatory filers and is not included in the regulatory shell on the Auditor of State website
 - Note - must classify in correct fund balance classification on governmental financial statement
- The chart should match to the total Nonspendable, Restricted, Committed, Assigned, and Unrestricted on your financial statements, the note just provides more detail
- There is a worksheet in the financial statement file (OCBOA) where fund balance will be summarized
- If you need more information on how to categorize fund balance, please see Auditor of State Bulletin 2011-004 (<https://ohioauditor.gov/publications/bulletins/2011/2011-004.pdf>)
- The Bulletin includes a chart with many of the common village/township funds and how the fund balance should be classified.

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Fund Balance Reclassifications

- General Fund only
 - Outstanding carryover encumbrances reclass from unassigned fund balance to assigned fund balance
 - If future year appropriations (temporary or permanent) exceeds future year estimated resources, reclass difference from unassigned to assigned
 - i.e., for 12/31/18 statements look at FY 19

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Any Questions on Notes???



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Hinkle System

- Everyone is required to use the Hinkle System to file their financial statements annually
- If you use UAN, filing will be part of the year end closing process
- For non-UAN users:
 - A link just for your entity will be emailed to the address our office has on file and you must click that link to file
 - Financial data and certain demographic information is entered into the system
 - A full copy of your annual report, including required financial statements and notes, must be uploaded as one PDF file

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Hinkle System

- Frequently Asked Questions on the Hinkle System can be found on the web at:
<http://www.ohioauditor.gov/financialreporting/default.html>
- This same web page has “Quick Guides”; these documents give step by step instructions on how to use the Hinkle System, including screen shots for each step
- This same web page also has contact information to access your account or send in questions on the Hinkle System

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Demographic Information

- Population
- Average utility customers
- Full tax rate \$1,000 assessed value (inside and outside)
- Total assessed valuation of property taxes
- Total annual final appropriations for all funds for reporting year
- General Fund carryover cash balance at year end

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Creating a PDF File

- Most common software to create PDF files is Adobe Acrobat
- There are other software programs that you can access for free on the following websites:
 - Small PDF - <https://smallpdf.com/merge-pdf>
 - PDF Forge - <http://www.pdfmerge.com/>
 - Office Converter - <http://www.office-converter.com/Convert-to-PDF>
 - PDF Merge - <http://www.pdfmerge.com/>

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Creating a PDF File

- Each software may work slightly differently, but typically you will “print” to create a file
- Once you have all pieces saved as PDFs, then you will need to combine them into one file for uploading. Again, your software may work differently
- You could also print each page of your report, scan it, and save as a PDF (if you have a copier or scanner with that option)

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Questions????

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OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370
Email: ContactUs@OhioAuditor.gov
www.ohioauditor.gov

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Frequently Asked Questions

Q: When are local governments required to prepare notes to the financial statements?

A: Beginning with the year ending December 31, 2016, local governments must file a full annual financial report, including notes. The deadline for filing is 60 days from year-end for non-GAAP filers and 150 days from year-end for GAAP filers. See AOS Technical Bulletin 2015-007 for specific requirements for each type of entity.

Q: The auditors have always prepared notes in the past, are they still able to do so?

A: Auditors could still prepare the notes as a non-audit service; however, it is unlikely they will be able to do so by the deadline for most local governments. Therefore, the fiscal officer should prepare and file the annual financial report, including notes to the financial statements.

Q: What is the penalty for not filing notes to the financial statements by the deadline?

A: If notes are not included with the annual financial statements submitted via the Hinkle System, the annual financial report will be considered incomplete and could be subject to non-compliance citations and an unauditible declaration. The notes and financial statements can be refiled at the time of audit, however, they will be subject to the same as listed above.

Q: If a local government receives a basic audit or an agreed upon procedures (AUP) is there still a requirement to file notes to the financial statements?

A: Yes, although the basic audit report or AUP do not contain notes, local governments are still required to file a full annual financial report, including notes to the financial statements, as set forth in AOS Technical Bulletin 2015-007.

Q: If the local government has a two-year audit, is there still a requirement to file a report annually?

A: Yes, local governments are still required to file a full annual financial report, including notes to the financial statements, each year, as set forth in AOS Technical Bulletin 2015-007. The auditors will combine the two years into one audit report.

Q: If a local government uses the Uniform Accounting Network (UAN), is there still a requirement to file notes to the financial statements?

A: Yes, UAN entities will be able to meet the filing requirement through the year-end closing process. The fiscal officer should prepare notes to the financial statements prior to completing the year-end closing procedures. Further information will be given at UAN year-end training and in the year-end closing checklist.

Q: Does the Auditor of State have any resources that will help local governments prepare and file the annual financial report?

A: Yes, there are sample shells for both the financial statements and the notes on the AOS website, www.ohioauditor.gov. From the home page, click Local Government, then choose Reference Materials. On the left side, choose Financial Statement Shells and Footnotes. For information on filing with the Hinkle System, from the home page, click Local Government, then choose Annual Financial Reporting.

Village of Happy, Ohio				
<i>Silly County</i>				
<i>Combined Statement of Receipts, Disbursements</i>				
<i>and Changes in Fund Balances (Regulatory - Cash Basis)</i>				
<i>All Governmental Fund Types</i>				
<i>For the Year Ended December 31, 20CY</i>				
To be submitted.				
	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$159,426	\$28,324	\$0	\$187,750
Municipal Income Tax	949,640	473,033	0	1,422,673
Intergovernmental	136,988	240,051	170	377,209
Charges for Services	368	71,114	0	71,482
Fines, Licenses and Permits	39,339	1,840	0	41,179
Earnings on Investments	0	1,316	0	1,316
Miscellaneous	20,911	17,985	5,700	44,596
<i>Total Cash Receipts</i>	1,306,672	833,663	5,870	2,146,205
Cash Disbursements				
Current:				
Security of Persons and Property	585,847	21,153	0	607,000
Public Health Services	873	66,676	0	67,549
Leisure Time Activities	0	46,243	5,912	52,155
Basic Utility Services	3,800	0	0	3,800
Transportation	0	544,388	0	544,388
General Government	270,966	0	0	270,966
Capital Outlay	0	0	42,847	42,847
Debt Service:				
Principal Retirement	0	20,007	0	20,007
<i>Total Cash Disbursements</i>	861,486	698,467	48,759	1,608,712
<i>Excess of Receipts Over (Under) Disbursements</i>	445,186	135,196	(42,889)	537,493
Other Financing Receipts (Disbursements)				
Transfers In	0	30,000	10,000	40,000
Transfers Out	(40,000)	0	0	(40,000)
<i>Total Other Financing Receipts (Disbursements)</i>	(40,000)	30,000	10,000	0
<i>Net Change in Fund Cash Balances</i>	405,186	165,196	(32,889)	537,493
<i>Fund Cash Balances, January 1</i>	768,729	897,875	59,638	1,726,242
Fund Cash Balances, December 31				
Restricted	0	1,054,052	0	1,054,052
Committed	0	9,006	26,749	35,755
Assigned	0	13	0	13
Unassigned (Deficit)	1,173,915	0	0	1,173,915
<i>Fund Cash Balances, December 31</i>	\$1,173,915	\$1,063,071	\$26,749	\$2,263,735

Village of Happy, Ohio				
<i>Silly County</i>				
<i>Combined Statement of Receipts, Disbursements</i>				
<i>and Changes in Fund Balances (Regulatory - Cash Basis)</i>				
<i>All Governmental Fund Types</i>				
<i>For the Year Ended December 31, 20CY</i>				
To be submitted.				
	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
***** ***** Fund Balance Classification Worksheet ***** *****				
<i>Net Change in Fund Cash Balances</i>	\$405,186	\$165,196	(\$32,889)	\$537,493
<i>Fund Cash Balances, January 1</i>	768,729	897,875	59,638	1,726,242
<i>Fund Cash Balances, December 31</i>	\$1,173,915	\$1,063,071	\$26,749	\$2,263,735
Fund Balances				
Amounts identified as:				
Restricted for:				
Road Maintenance and Improvements	0	1,016,187	0	1,016,187
Police Operations	0	22,685	0	22,685
Drug and Alcohol Enforcement	0	4,590	0	4,590
Police Pension	0	2,008	0	2,008
Cemetery	0	8,582	0	8,582
Total Restricted	0	1,054,052	0	1,054,052
Committed to:				
Park Operations	0	9,006	0	9,006
Capital Improvements	0	0	26,749	26,749
Total Committed	0	9,006	26,749	35,755
Assigned to:				
Other Purposes	0	13	0	13
Total Assigned	0	13	0	13
Unassigned	1,173,915	0	0	1,173,915
<i>Total Fund Cash Balances, December 31</i>	\$1,173,915	\$1,063,071	\$26,749	\$2,263,735

Village of Happy, Ohio			
<i>Silly County</i>			
<i>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, 20CY</i>			
	Proprietary Fund Type	Fiduciary Fund Type	Totals
To be submitted.		Private Purpose Trust	(Memorandum Only)
Operating Cash Receipts	Enterprise		
Charges for Services	\$1,060,549	\$1,492	\$1,062,041
Earnings on Investments (trust funds only)	0	282	282
Miscellaneous	4,956	1,000	5,956
<i>Total Operating Cash Receipts</i>	1,065,505	2,774	1,068,279
Operating Cash Disbursements			
Personal Services	344,171	0	344,171
Employee Fringe Benefits	173,328	0	173,328
Contractual Services	646,402	7,204	653,606
Supplies and Materials	95,878	0	95,878
<i>Total Operating Cash Disbursements</i>	1,259,779	7,204	1,266,983
<i>Operating Income (Loss)</i>	(194,274)	(4,430)	(198,704)
Non-Operating Receipts (Disbursements)			
Municipal Income Taxes	473,033	0	473,033
Earnings on Investments (proprietary funds only)	5,510	0	5,510
Other Debt Proceeds	195,385	0	195,385
Capital Outlay	(5,276)	0	(5,276)
Principal Retirement	(278,869)	0	(278,869)
Interest and Other Fiscal Charges	(41,502)	0	(41,502)
<i>Total Non-Operating Receipts (Disbursements)</i>	348,281	0	348,281
<i>Net Change in Fund Cash Balances</i>	154,007	(4,430)	149,577
<i>Fund Cash Balances, January 1</i>	1,311,537	52,524	1,364,061
<i>Fund Cash Balances, December 31</i>	\$1,465,544	\$48,094	\$1,513,638

Village of Happy, Ohio
Silly County
Statement of Net Position - Cash Basis
12/31/20CY

	Governmental Activities	Business - Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$2,311,829	\$1,465,544	\$3,777,373
Net Position			
Restricted for:			
Capital Projects	\$14,984	\$0	\$14,984
Other Purposes	1,102,146	0	1,102,146
Unrestricted	1,194,699	1,465,544	2,660,243
<i>Total Net Position</i>	<u>\$2,311,829</u>	<u>\$1,465,544</u>	<u>\$3,777,373</u>

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Activities - Cash Basis
For the Year Ended December 31, 20CY

	Program Cash Receipts			
	Cash Disbursements	Charges for Services and Operating Assessments	Operating Grants and Contributions	
Governmental Activities				
Current:				
General Government	\$270,966	\$22,263	\$0	\$0
Security of Persons and Property	607,000	50,815	2,033	0
Public Health Services	74,753	41,678	0	0
Leisure Time Activities	52,155	6,587	8,912	0
Basic Utility Services	3,800	313	0	0
Transportation	544,388	0	237,958	170
Capital Outlay	42,847	0	0	0
Debt Service:				
Principal Retirement	20,007	0	0	0
<i>Total Governmental Activities</i>	<u>1,615,916</u>	<u>121,656</u>	<u>248,903</u>	<u>170</u>
Business-Type Activities				
Water	532,910	573,052	0	0
Sewer	1,052,516	487,497	0	0
<i>Total Business-Type Activities</i>	<u>1,585,426</u>	<u>1,060,549</u>	<u>0</u>	<u>0</u>
Total	<u><u>\$3,201,342</u></u>	<u><u>\$1,182,205</u></u>	<u><u>\$248,903</u></u>	<u><u>\$170</u></u>

General Receipts

Property Taxes Levied for:

General Purposes

Other Purposes

Income Taxes Levied for:

General Purposes

Other Purposes

Loan Proceeds

Intergovernmental

Interest

Miscellaneous

Total General Receipts

Change in Net Position

*Net Position Beginning of Year**Net Position End of Year*

See accompanying notes to the basic financial statements

Net Receipts (Disbursements) and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$248,703)	\$0	(\$248,703)
(554,152)	0	(554,152)
(33,075)	0	(33,075)
(36,656)	0	(36,656)
(3,487)	0	(3,487)
(306,260)	0	(306,260)
(42,847)	0	(42,847)
<u>(20,007)</u>	<u>0</u>	<u>(20,007)</u>
<u>(1,245,187)</u>	<u>0</u>	<u>(1,245,187)</u>
0	40,142	40,142
<u>0</u>	<u>(565,019)</u>	<u>(565,019)</u>
<u>0</u>	<u>(524,877)</u>	<u>(524,877)</u>
<u>(1,245,187)</u>	<u>(524,877)</u>	<u>(1,770,064)</u>
174,426	0	174,426
13,324	0	13,324
949,640	0	949,640
473,033	473,033	946,066
0	195,385	195,385
136,988	0	136,988
1,598	5,510	7,108
29,241	4,956	34,197
<u>1,778,250</u>	<u>678,884</u>	<u>2,457,134</u>
533,063	154,007	687,070
<u>1,778,766</u>	<u>1,311,537</u>	<u>3,090,303</u>
<u>\$2,311,829</u>	<u>\$1,465,544</u>	<u>\$3,777,373</u>

Village of Happy, Ohio
Silly County
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
 12/31/20CY

	<u>General</u>	<u>Street Maintenance</u>	<u>Street Levy</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$1,182,934	\$107,474	\$723,980	\$297,441	\$2,311,829
Fund Balances					
Restricted	\$0	\$107,474	\$723,980	\$285,676	\$1,117,130
Committed	0	0	0	11,765	11,765
Assigned	32,870	0	0	0	32,870
Unassigned (Deficit)	1,150,064	0	0	0	1,150,064
<i>Total Fund Balances</i>	<u>\$1,182,934</u>	<u>\$107,474</u>	<u>\$723,980</u>	<u>\$297,441</u>	<u>\$2,311,829</u>

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds
For the Year Ended December 31, 20CY

	General	Street Maintenance	Street Levy	Other Governmental Funds	Total Governmental Funds
Receipts					
Income Taxes	\$949,640	\$0	\$473,033	\$0	\$1,422,673
Property Taxes	174,426	0	0	13,324	187,750
Charges for Services	35,243	0	0	37,731	72,974
Fines, Licenses and Permits	39,339	0	0	1,840	41,179
Intergovernmental	136,988	168,947	16,000	55,214	377,149
Rent	0	0	0	7,503	7,503
Contributions and Donations	6,000	0	0	2,912	8,912
Interest	0	0	1,316	282	1,598
Miscellaneous	20,084	9,097	0	60	29,241
<i>Total Receipts</i>	<u>1,361,720</u>	<u>178,044</u>	<u>490,349</u>	<u>118,866</u>	<u>2,148,979</u>
Disbursements					
Current:					
General Government	270,966	0	0	0	270,966
Security of Persons and Property	585,847	0	0	21,153	607,000
Public Health Services	873	0	0	73,880	74,753
Leisure Time Activities	46,243	0	0	5,912	52,155
Basic Utility Services	3,800	0	0	0	3,800
Transportation	0	188,965	315,502	39,921	544,388
Capital Outlay	0	0	0	42,847	42,847
Debt Service:					
Principal Retirement	0	0	20,007	0	20,007
<i>Total Disbursements</i>	<u>907,729</u>	<u>188,965</u>	<u>335,509</u>	<u>183,713</u>	<u>1,615,916</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>453,991</u>	<u>(10,921)</u>	<u>154,840</u>	<u>(64,847)</u>	<u>533,063</u>
Other Financing Sources (Uses)					
Transfers In	0	0	0	40,000	40,000
Transfers Out	(40,000)	0	0	0	(40,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(40,000)</u>	<u>0</u>	<u>0</u>	<u>40,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	413,991	(10,921)	154,840	(24,847)	533,063
<i>Fund Balance Beginning of Year</i>	<u>768,943</u>	<u>118,395</u>	<u>569,140</u>	<u>322,288</u>	<u>1,778,766</u>
<i>Fund Balance End of Year</i>	<u>\$1,182,934</u>	<u>\$107,474</u>	<u>\$723,980</u>	<u>\$297,441</u>	<u>\$2,311,829</u>

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Fund Net Position - Cash Basis
Enterprise Funds
 12/31/20CY

	Business-Type Activities		
	Water	Sewer	Total Enterprise Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$289,107	\$1,176,437	\$1,465,544
Net Position			
Unrestricted	\$289,107	\$1,176,437	\$1,465,544

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Receipts,
Disbursements and Changes in Fund Net Position - Cash Basis
Enterprise Funds
For the Year Ended December 31, 20CY

	Business-Type Activities		
	Water	Sewer	Total Enterprise Funds
Operating Receipts			
Charges for Services	\$573,052	\$487,497	\$1,060,549
Other Operating Receipts	0	4,956	4,956
<i>Total Operating Receipts</i>	<u>573,052</u>	<u>492,453</u>	<u>1,065,505</u>
Operating Disbursements			
Personal Services	190,745	153,426	344,171
Fringe Benefits	82,134	91,194	173,328
Contractual Services	120,008	526,394	646,402
Materials and Supplies	60,219	35,659	95,878
Capital Outlay	2,638	2,638	5,276
<i>Total Operating Disbursements</i>	<u>455,744</u>	<u>809,311</u>	<u>1,265,055</u>
<i>Operating Income (Loss)</i>	<u>117,308</u>	<u>(316,858)</u>	<u>(199,550)</u>
Non-Operating Receipts (Disbursements)			
Income Taxes	0	473,033	473,033
Loan Proceeds	0	195,385	195,385
Interest	1,572	3,938	5,510
Principal Payments	(67,178)	(211,691)	(278,869)
Interest and Fiscal Charges	(9,988)	(31,514)	(41,502)
<i>Total Non-Operating Cash Receipts (Disbursements)</i>	<u>(75,594)</u>	<u>429,151</u>	<u>353,557</u>
<i>Change in Net Position</i>	41,714	112,293	154,007
<i>Net Position Beginning of Year</i>	<u>247,393</u>	<u>1,064,144</u>	<u>1,311,537</u>
<i>Net Position End of Year</i>	<u>\$289,107</u>	<u>\$1,176,437</u>	<u>\$1,465,544</u>

See accompanying notes to the basic financial statements

Happy Township			
<i>Silly County, Ohio</i>			
<i>Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory - Cash Basis)</i>			
<i>All Governmental Fund Types</i>			
<i>For the Year Ended December 31, 20CY</i>			
To be submitted.			Totals
		Special	(Memorandum
		Revenue	Only)
	General		
Cash Receipts			
Property and Other Local Taxes	\$281,940	\$4,952,366	\$5,234,306
Payments in Lieu of Taxes	0	316,407	316,407
Charges for Services	0	369,357	369,357
Licenses, Permits and Fees	130,278	56,292	186,570
Fines and Forfeitures	171	3,156	3,327
Intergovernmental	96,319	1,105,844	1,202,163
Special Assessments	0	114,016	114,016
Earnings on Investments	16,596	815	17,411
Miscellaneous	87,406	148,329	235,735
<i>Total Cash Receipts</i>	612,710	7,066,582	7,679,292
Cash Disbursements			
Current:			
General Government	513,918	207,641	721,559
Public Safety	0	4,458,071	4,458,071
Public Works	7,912	1,630,264	1,638,176
Health	61,866	71,338	133,204
Human Services	30,955	0	30,955
Conservation-Recreation	0	75,134	75,134
Other	0	30,860	30,860
Capital Outlay	136,390	167,183	303,573
Debt Service:			
Principal Retirement	14,461	105,616	120,077
Interest and Fiscal Charges	3,539	16,882	20,421
<i>Total Cash Disbursements</i>	769,041	6,762,989	7,532,030
<i>Excess of Receipts Over (Under) Disbursements</i>	(156,331)	303,593	147,262
Other Financing Receipts (Disbursements)			
Other Debt Proceeds	0	190,849	190,849
Advances In	50,000	50,000	100,000
Advances Out	(50,000)	(50,000)	(100,000)
<i>Total Other Financing Receipts (Disbursements)</i>	0	190,849	190,849
<i>Net Change in Fund Cash Balances</i>	(156,331)	494,442	338,111
<i>Fund Cash Balances, January 1</i>	1,502,663	9,201,870	10,704,533
Fund Cash Balances, December 31			
Nonspendable	0	0	0
Restricted	0	9,239,188	9,239,188
Committed	0	457,124	457,124
Assigned	0	0	0
Unassigned (Deficit)	1,346,332	0	1,346,332
<i>Fund Cash Balances, December 31</i>	\$1,346,332	\$9,696,312	\$11,042,644

Happy Township			
<i>Silly County, Ohio</i>			
<i>Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory - Cash Basis)</i>			
<i>All Governmental Fund Types</i>			
<i>For the Year Ended December 31, 20CY</i>			
To be submitted.			Totals
	General	Special Revenue	(Memorandum Only)
***** ***Fund Balance Classification Worksheet*** *****			
<i>Net Change in Fund Cash Balances</i>	(\$156,331)	\$494,442	\$338,111
<i>Fund Cash Balances, January 1</i>	1,502,663	9,201,870	10,704,533
<i>Fund Cash Balances, December 31</i>	\$1,346,332	\$9,696,312	\$11,042,644
Fund Balances			
Amounts identified as:			
Restricted for:			
Road and Bridge Maintenance and Improvements		1,722,140	1,722,140
Police Operations		4,294,425	4,294,425
Fire Operations		1,228,911	1,228,911
Emergency Medical Services		679,660	679,660
Garbage and Waste Disposal		1,110,078	1,110,078
Drug and Alcohol Education and Enforcement		18,703	18,703
Recreation Programs		46,941	46,941
Cemetery		76,681	76,681
Lighting		29,165	29,165
Storm Damage Repair		32,484	32,484
Total Restricted	0	9,239,188	9,239,188
Committed to:			
Road and Bridge Maintenance and Improvements	0	457,124	457,124
Total Committed	0	457,124	457,124
Unassigned	1,346,332	0	1,346,332
<i>Total Fund Cash Balances, December 31</i>	\$1,346,332	\$9,696,312	\$11,042,644

Happy Township
Silly County
Statement of Net Position - Cash Basis
December 31, 20CY

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$11,042,644
Net Position:	
Restricted for:	
Capital Projects	75,000
Public Works	1,688,043
Health	76,681
Public Safety	6,254,183
Conservation and Recreation	46,941
Other Purposes	1,098,340
Unrestricted	1,803,456
<i>Total Net Position</i>	\$11,042,644

See Accompanying Notes to the Basic Financial Statements
 See Accountant's Compilation Report

Happy Township
Silly County

Statement of Activities - Cash Basis
For the Year Ended December 31, 20CY

	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Change in Net Position
		Charges for Services	Operating Grants, Contributions, and Interest	Total Governmental Activities
Governmental Activities:				
General Government	\$721,559	\$85,293	\$0	(\$636,266)
Public Safety	4,458,071	332,088	663,322	(3,462,661)
Public Works	1,638,176	114,016	448,442	(1,075,718)
Health	133,204	96,717	0	(36,487)
Human Services	30,955	0	0	(30,955)
Conservation and Recreation	75,134	0	0	(75,134)
Other	30,860	0	0	(30,860)
Capital Outlay	303,573	0	0	(303,573)
Debt Service:				
Principal Retirement	120,077	0	0	(120,077)
Interest and Fiscal Charges	20,421	0	0	(20,421)
<i>Total Governmental Activities</i>	<u>\$7,532,030</u>	<u>\$628,114</u>	<u>\$1,111,764</u>	<u>(5,792,152)</u>
General Receipts:				
Property Taxes Levied for:				
				281,940
				3,755,954
				1,196,412
				16,596
				96,319
				117,903
				316,407
				190,849
				157,883
<i>Total General Receipts</i>				<u>6,130,263</u>
<i>Change in Net Position</i>				338,111
<i>Net Position at Beginning of Year</i>				<u>10,704,533</u>
<i>Net Position at End of Year</i>				<u><u>\$11,042,644</u></u>

See Accompanying Notes to the Basic Financial Statements

See Accountant's Compilation Report

Happy Township
Silly County
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 20CY

	General Fund	Road and Bridge Fund	Police Fund	Fire Fund
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,346,332	\$457,124	\$4,253,055	\$1,218,148
Fund Balances:				
Restricted	\$0	\$0	\$4,253,055	\$1,218,148
Committed	0	457,124	0	0
Assigned	17,924	0	0	0
Unassigned	1,328,408	0	0	0
<i>Total Fund Balances</i>	<u>\$1,346,332</u>	<u>\$457,124</u>	<u>\$4,253,055</u>	<u>\$1,218,148</u>

See Accompanying Notes to the Basic Financial Statements
See Accountant's Compilation Report

Garbage and Waste Disposal District Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$1,110,078	\$2,657,907	\$11,042,644
\$1,110,078	\$2,657,907	\$9,239,188
0	0	457,124
0	0	17,924
0	0	1,328,408
\$1,110,078	\$2,657,907	\$11,042,644

See Accountant's Compilation Report

Happy Township
Silly County

Statement of Receipts, Disbursements, and Changes in Fund Balances - Cash Basis
Governmental Funds
December 31, 20CY

	General Fund	Road and Bridge Fund	Police Fund	Fire Fund
Receipts:				
Property Taxes	\$281,940	\$525,254	\$1,929,018	\$1,826,936
Interest	16,596	0	0	0
Intergovernmental	96,319	88,615	280,666	257,793
Special Assessments	0	0	0	0
Charges for Services	0	0	0	71,272
Licenses, Permits, and Fees	130,278	0	0	0
Fines, Forfeitures, and Penalties	171	0	182	0
Payment in Lieu of Taxes	0	0	0	0
Gifts and Donations	0	0	0	0
Rent	72,747	0	0	0
Miscellaneous	14,659	4,729	3,652	121,903
<i>Total Receipts</i>	<u>612,710</u>	<u>618,598</u>	<u>2,213,518</u>	<u>2,277,904</u>
Disbursements:				
Current:				
General Government	513,918	0	0	0
Public Safety	0	0	1,983,789	2,099,513
Public Works	7,912	589,785	0	0
Health	61,866	0	0	0
Human Services	30,955	0	0	0
Conservation and Recreation	0	0	0	0
Other	0	0	0	0
Capital Outlay	136,390	149,687	0	0
Debt Service:				
Principal Retirement	14,461	0	0	38,861
Interest and Fiscal Charges	3,539	0	0	10,905
<i>Total Disbursements</i>	<u>769,041</u>	<u>739,472</u>	<u>1,983,789</u>	<u>2,149,279</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(156,331)</u>	<u>(120,874)</u>	<u>229,729</u>	<u>128,625</u>
Other Financing Sources (Uses):				
Advances-In	50,000	0	0	0
Advances-Out	(50,000)	0	0	0
Proceeds of Loan	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	<u>(156,331)</u>	<u>(120,874)</u>	<u>229,729</u>	<u>128,625</u>
<i>Fund Balances at Beginning of Year</i>	<u>1,502,663</u>	<u>577,998</u>	<u>4,023,326</u>	<u>1,089,523</u>
<i>Fund Balances at End of Year</i>	<u>\$1,346,332</u>	<u>\$457,124</u>	<u>\$4,253,055</u>	<u>\$1,218,148</u>

See Accompanying Notes to the Basic Financial Statements
See Accountant's Compilaton Report

Garbage and Waste Disposal District Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$671,158	\$0	\$5,234,306
0	815	17,411
113,981	364,789	1,202,163
0	114,016	114,016
0	298,085	369,357
0	56,292	186,570
0	2,974	3,327
0	316,407	316,407
0	5,105	5,105
0	0	72,747
1,390	11,550	157,883
<u>786,529</u>	<u>1,170,033</u>	<u>7,679,292</u>
0	207,641	721,559
0	374,769	4,458,071
743,614	296,865	1,638,176
0	71,338	133,204
0	0	30,955
0	75,134	75,134
0	30,860	30,860
0	17,496	303,573
36,113	30,642	120,077
3,355	2,622	20,421
<u>783,082</u>	<u>1,107,367</u>	<u>7,532,030</u>
<u>3,447</u>	<u>62,666</u>	<u>147,262</u>
0	50,000	100,000
0	(50,000)	(100,000)
0	190,849	190,849
<u>0</u>	<u>190,849</u>	<u>190,849</u>
3,447	253,515	338,111
<u>1,106,631</u>	<u>2,404,392</u>	<u>10,704,533</u>
<u>\$1,110,078</u>	<u>\$2,657,907</u>	<u>\$11,042,644</u>

See Accountant's Compilaton Report

REGULATORY SAMPLE

Note 4 - Budgetary Activity

Budgetary activity for the year ending December 31, 20CY follows:

CY Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,062,662	\$1,306,672	\$244,010
Special Revenue	753,108	863,663	110,555
Capital Projects	12,500	15,870	3,370
Enterprise	1,629,398	1,739,433	110,035
Trust	6,000	2,774	(3,226)
Total	<u>\$3,463,668</u>	<u>\$3,928,412</u>	<u>\$464,744</u>

Ties to pg 35

CY Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,059,255	\$901,486	\$157,769
Special Revenue	795,118	698,467	96,651
Capital Projects	49,500	48,759	741
Enterprise	1,612,164	1,585,426	26,738
Trust	7,293	7,204	89
Total	<u>\$3,523,330</u>	<u>\$3,241,342</u>	<u>\$281,988</u>

Ties to pg 36

OCBOA SAMPLE

Note 4 - Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and street maintenance and street levy special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis are as follows:

1. Budgetary receipts and disbursements of the park fund is reclassified to the general fund for cash basis reporting.
2. Outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the cash basis are as follows:

	<u>General</u>	<u>Street Maintenance</u>	<u>Street Levy</u>	
Cash Basis	\$413,991	(\$10,921)	\$154,840	Ties to pg 22
Encumbrances	<u>(24,113)</u>	<u>(1,311)</u>	<u>(40,807)</u>	Ties to pg 40
Budget Basis	<u><u>\$389,878</u></u>	<u><u>(\$12,232)</u></u>	<u><u>\$114,033</u></u>	

AMENDED OFFICIAL CERTIFICATE OF ESTIMATED RESOURCES

This is the last certificate for Village for CY

CERTIFICATE # 3

OFFICE OF BUDGET COMMISSION, SILLY, OHIO.
 SEPTEMBER 18, FUNNY TOWN, OHIO.

TO THE TAXING AUTHORITY OF HAPPY VILLAGE

THE FOLLOWING IS THE AMENDED OFFICIAL CERTIFICATE OF ESTIMATED RESOURCES FOR THE FISCAL YEAR BEGINNING JANUARY 1ST, AS REVISED BY THE BUDGET COMMISSION OF SAID COUNTY, WHICH SHALL GOVERN THE TOTAL OF APPROPRIATIONS MADE AT ANY TIME DURING SUCH FISCAL YEAR:

	UNENCUMBERED BALANCE 1/1	TAXES	OTHER SOURCES	TOTAL
GENERAL FUND	\$768,729.35	\$102,900.00	\$959,762.41	\$1,831,391.76
SPECIAL REVENUE FUNDS	\$897,874.95	\$14,000.00	\$739,108.00	\$1,650,982.95
DEBT SERVICE FUNDS	\$0.00	\$0.00	\$0.00	\$0.00
CAPITAL PROJECTS FUNDS	\$59,636.93	\$0.00	\$12,500.00	\$72,136.93
SPECIAL ASSESSMENTS	\$0.00	\$0.00	\$0.00	\$0.00
ENTERPRISE FUNDS	\$1,311,536.52	\$0.00	\$1,629,397.90	\$2,940,934.42
INTERNAL SERVICE FUNDS	\$0.00	\$0.00	\$0.00	\$0.00
FIDUCIARY FUNDS	\$52,523.76	\$0.00	\$6,000.00	\$58,523.76
TOTAL	\$3,090,301.51	\$116,900.00	\$3,346,768.31	\$6,553,969.82

3,463,669.31

The total of these two columns are the "Budgeted Receipts" in Note 4

[Handwritten signatures and names]

- > BUDGET
- >
- > COMMISSION
- >

Record of Ordinances

Resolution No.: 22-14

Passed: December

CY PERMANENT ANNUAL APPROPRIATIONS ORDINANCE

AN ORDINANCE TO MAKE PERMANENT APPROPRIATIONS FOR CURRENT EXPENSES AND EXPENDITURES OF THE VILLAGE OF HAPPY, STATE OF OHIO, DURING THE FISCAL YEAR ENDING DECEMBER 31,

NOW, THEREFORE BE IT ORDAINED, by the Council of the Village of HAPPY, State of Ohio, that to provide for the current expense and other expenditures of the Village of HAPPY, Ohio, during the fiscal year ending December 31, the following sums be and are hereby set aside and appropriated as follows:

SECTIONS I:

General Fund-101

Security of Persons and Property

Police:

Salaries	223,416
Benefits	80,310
Other	65,550
Capital Outlay	11,500

Total Police-101 380,776

Fire: - 102

Contractual Services	65,000
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Street Lighting: 103

Contractual Services	36,500
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Other SPP (Dispatch): 199

Salaries	110,538
Benefits	56,348
Other	600

Total Other SPP - 199 167,486

Total Security of Persons and Property

648,763

Public Health Services

Payment to County Health District:

Contractual Services	1,800
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Total Public Health Services

1,800

Basic Utility Services

Refuse Contract:

Contractual Services	3,850
----------------------	-------

Total Basic Utility Services

3,850

General Government

Mayor:

Salaries	10,000
Benefits	573
Other	3,500
Capital Outlay	0

Total Mayor 14,073

Total of all Appropriation Ordinances for CY plus PY encumbrances equals "Appropriation Authority" in Note 4.

 3,217,594 + 77,500 + 228,236 = 3,523,330

Record of Ordinances

Resolution No.: 22-14	Passed:
Sewer - 602	
Salaries	26,777
Benefits	14,549
Other	2,000
Capital	0
Total Office/Billing - 551	43,326
Salaries	127,469
Benefits	72,623
Other	66,300
Capital	0
Total Pumping- 555	266,392
Other	4,000
Capital	0
Total Automotive - 558	4,000
Other	130,000
Capital	0
Total lands & buildings - 559	130,000
Total Sewer Fund	443,718
Water R&I	
Other	29,500
Capital Outlay	5,000
Debt Service	77,166
Total Water R&I Fund	111,666
Sewer R&I	
Salaries	
Benefits	
Other	101,525
Capital Outlay	35,000
Debt Service	260,204
Total Sewer R&I Fund	396,729
Cemetery Trust	
Other	7,043
Capital Outlay	0
Total Cemetery Trust Fund	7,043
Grand Total All Funds	3,217,594

← First Appropriation Ordinance

SECTION II: That the Village Fiscal Officer is hereby authorized to draw warrants on the Village Treasury for payments from any foregoing appropriation upon certification and vouchers therefore, approved by the board of officers authorized to approve the same, or an ordinance or resolution of council to make the expenditure; provided that no warrant shall be drawn for salaries or wages except to persons employed by the authority of and accordance with law or ordinance. Provided further that the appropriations for contingencies can only be expensed upon appeal of two-thirds of council for items constituting a legal obligation against the village, and for purposes other than those covered by other specific appropriations herein made.

VILLAGE OF HAPPY

Ordinance No. 22-2015

PASSED: November 02, 2015

AN ORDINANCE AMENDING RESOLUTION 22-14, 2015 ANNUAL APPROPRIATIONS AND DECLARING AN EMERGENCY.

BE IT ORDAINED, BY THE COUNCIL OF THE VILLAGE OF HAPPY, STATE OF OHIO, COUNTY OF SILLY AS FOLLOWS:

SECTION #1: THAT RESOLUTION NO 22-14 OF THE VILLAGE OF HAPPY BE AND THE SAME IS HEREBY AMENDED TO ADDITIONAL APPROPRIATIONS OF THE VILLAGE OF HAPPY AS FOLLOWS:

202.602.52500	STATE HIGHWAY – CAPITAL	\$15,000.00
205.602.52500	MVL – CAPITAL	\$24,000.00
208.601.52500	STREET LEVY – CAPITAL	<u>\$35,000.00</u>
		74,000.00

These are additional funds to purchase the 2016 F-550.

407.302.52400	SUPPLIES & MATERIALS – PARK CAP IMP	\$3,500.00
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This is for additional funds for the propeller pump at the pool.

Total Additional Appropriations all funds \$77,500.00

← Second Appropriation Ordinance

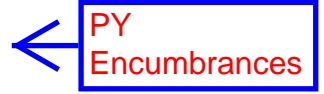
SECTION #2: ALL ORDINANCES OR PARTS OF ORDINANCES/RESOLUTIONS IN CONFLICT HEREWITH TO THE EXTENT OF SUCH CONFLICT ARE HEREBY REPEALED.

SECTION #3: THIS ORDINANCE IS HEREBY DECLARED TO BE AN EMERGENCY MEASURE AND ITS IMMEDIATE PASSAGE IS NECESSARY IN ORDER TO PRESERVE PROTECT AND MAINTAIN THE HEALTH, SAFETY AND WELFARE OF THE CITIZENS OF HAPPY, OHIO AND FOR THE FURTHER REASON THAT IN ORDER TO MAINTAIN THE EFFICIENT MANAGEMENT OF VILLAGE OF ACCOUNTS, THE FOREGOING ADDITIONS OF ACCOUNTS AND AMENDED SALARIES ARE NECESSARY.

SECTION #4 WHEREFORE, THE ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE IMMEDIATELY UPON ITS PASSAGE AND APPROVAL, PROVIDED IT RECEIVES THE AFFIRMATION VOTE OF THREE-FOURTHS OF THE MEMBERS ELECTED TO OR APPOINTED TO COUNCIL FROM AND AFTER THE EARLIEST PERIOD ALLOWED BY LAW.

PASSED THIS 2ND DAY OF November 20 15.

Fund	Description.....	Beg Yr Bal....	Ytd Receipts..	Ytd Expenses..	Unexp bal....	Encumbrances..	Unenc bal.....
101	GENERAL	669,016.07	1,142,129.41	1,042,416.13	768,729.35	12,374.00	756,355.35
201	STREET MAINTENANCE	54,751.35	199,039.41	137,842.91	115,947.85	2,487.50	113,460.35
202	STATE HIGHWAY	50,765.42	16,708.48	500.37	66,973.53	0.00	66,973.53
203	CEMETERY	-178,543.94	218,820.86	34,131.99	6,144.93	1,494.46	4,650.47
204	PARK	-16,816.20	47,489.27	30,472.44	200.63	196.70	3.93
205	PERMISSIVE MOT VEH FUND	66,433.09	47,700.60	7,017.69	107,116.00	2,094.96	105,021.04
208	STREET LEVY	661,219.23	408,740.37	500,817.89	569,141.71	0.00	569,141.71
209	POLICE PENSION	-1,848.22	13,413.58	8,899.48	2,665.88	0.00	2,665.88
210	POLICE TRAINING	24,681.97	6,113.21	5,738.33	25,056.85	0.00	25,056.85
211	SKATE PARK FUND	0	0	0	0	0	0.00
212	DOWNTOWN REVITALIZATION	12.50	0	0	12.50	0	12.50
215	DRUG LAW ENFORCEMENT	4,590.05	0	0.00	4,590.05	0.00	4,590.05
216	COMPUTER FUND	0.00	875	849.98	25.02	0	25.02
300	OWDA LOAN	0.00	0.00	0.00	0.00	0.00	0.00
401	CAPITAL IMPROVEMENT	28,865.25	28,197.45	12,402.10	44,660.60	15,000.00	29,660.60
405	WATER WORKS PROJECT	0.00	0.00	0.00	0.00	0.00	0.00
407	CY YOUNG PARK IMPROVEME	13,392.64	3,165.00	1,581.31	14,976.33	0.00	14,976.33
601	WATER	167,408.80	261,344.52	256,446.48	172,306.84	4,589.70	167,717.14
602	SEWAGE	31,301.93	452,118.47	438,049.77	45,370.63	16,875.07	28,495.56
609	WATER R & I	136,869.76	94,449.16	166,298.06	65,020.86	0.00	65,020.86
610	SEWAGE R & I	1,005,550.04	448,739.81	435,516.71	1,018,773.14	162,808.20	855,964.94
612	EPA SEWAGE	0.00	0.00	0.00	0.00	0.00	0.00
613	WATER WELL FIELD	-8,392.89	177,199.85	158,741.91	10,065.05	10,065.05	0.00
804	STREET OPEN TRUST	2,052.00	395.00	0.00	2,447.00	0.00	2,447.00
807	CEMETERY EXPENDABLE TRU	46,897.17	3,395.69	216.10	50,076.76	250.00	49,826.76
***		2,758,206.02	3,570,035.14	3,237,939.65	3,090,301.51	228,235.64	2,862,065.87



Fund	Description.....	Beg Yr Bal....	Ytd Receipts..	Ytd Expenses..	Unexp bal.....	Encumbrances..	Unenc bal.....
101	GENERAL	768,729.35	1,306,671.15	901,486.39	1,173,914.11	24,111.67	1,149,802.44
201	STREET MAINTENANCE	115,947.85	178,044.26	188,964.99	105,027.12	1,310.94	103,716.18
202	STATE HIGHWAY	66,973.53	13,316.92	8,971.49	71,318.96	15,477.84	55,841.12
203	CEMETERY	6,144.93	69,114.43	66,675.87	8,583.49	1,115.85	7,467.64
204	PARK	200.63	55,048.28	46,243.13	9,005.78	498.10	8,507.68
205	PERMISSIVE MOT VEH FUND	107,116.00	39,694.40	30,949.64	115,860.76	22,300.00	93,560.76
208	STREET LEVY	569,141.71	490,349.66	335,509.19	723,982.18	40,807.47	683,174.71
209	POLICE PENSION	2,665.88	13,323.96	13,982.71	2,007.13	0.00	2,007.13
210	POLICE TRAINING	25,056.85	2,932.53	6,369.50	21,619.88	0.00	21,619.88
211	SKATE PARK FUND	0	0	0	0	0	0
212	DOWNTOWN REVITALIZATION	12.5	0	0	12.5	0	12.5
215	DRUG LAW ENFORCEMENT	4,590.05	0	0.00	4,590.05	0.00	4,590.05
216	COMPUTER FUND	25.02	1,840.00	800	1,065.02	0	1,065.02
220	Police Fund	0	0	0.00	0	0.00	0
300	OWDA LOAN	0.00	0.00	0.00	0.00	0.00	0.00
401	CAPITAL IMPROVEMENT	44,660.60	10,169.69	39,846.72	14,983.57	5,000.00	9,983.57
405	WATER WORKS PROJECT	0.00	0.00	0.00	0.00	0.00	0.00
407	CY YOUNG PARK IMPROVEME	14,976.33	5,700.00	8,911.98	11,764.35	6,625.00	5,139.35
601	WATER	172,306.84	479,050.14	431,947.97	219,409.01	7,516.67	211,892.34
602	SEWAGE	45,370.63	490,768.32	450,964.77	85,174.18	4,278.16	80,896.02
609	WATER R & I	65,020.86	95,573.73	91,136.72	69,457.87	4,855.63	64,602.24
610	SEWAGE R & I	1,018,773.14	674,041.64	601,551.81	1,091,193.91	16,416.95	1,074,776.96
612	EPA SEWAGE	0.00	0.00	0.00	0.00	0.00	0
613	WATER WELL FIELD	10,065.05	0.00	9,825.09	239.96	66.96	173.00
804	STREET OPEN TRUST	2,447.00	0.00	0.00	2,447.00	0.00	2,447.00
807	CEMETERY EXPENDABLE TRU	50,076.76	2,773.86	7,204.00	45,646.62	55.00	45,591.62
		3,090,301.51	3,928,412.97	3,241,341.97	3,777,303.45	150,436.24	3,626,867.21

Note 4 - OCBOA

REGULATORY SAMPLE

Note 5 – Deposits and Investments

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

	20CY
Demand deposits	
Certificates of deposit	
Other time deposits (savings and NOW accounts)	
Total deposits	0
U.S. Treasury Notes	
STAR Ohio	
Repurchase agreement	
Common stock (at cost, fair value was \$XXXX at December 31, 20XCY)	
Total investments	0
Total deposits and investments	\$0

(Note: The above is an embedded Excel Spreadsheet. Double-click to edit. Do not enter \$ signs. Delete any rows that are not applicable to the Village.)

[Insert amounts from Year End Reconciliation. (i.e. Demand deposits are checking balance less reconciling items such as outstanding checks and deposits in transit.) Total Deposits and Investments should agree to total Financial Statement Year End Balance.]

At December 31, 20CY, the Village held \$XXX in equity securities. Equity securities are not eligible investments for the Village under Ohio law. *(Insert other time period if other than 12/31/XX these investments were held during the fiscal year. Also include any other ineligible investments. Note that entities may be allowed to hold equity securities, if required under a trust agreement. Check with your Village's Legal Counsel.)*

Deposits

Effective July 1, 2017, the Ohio Pooled Collateral System (OPCS) was implemented by the Office of the Ohio Treasurer of State. Financial institutions have the option of participating in OPCS or collateralizing utilizing the specific pledge method. The following note will need to be customized to fit the Village's specific situation: 1) Participating in OPCS, or 2) Financial institution utilizing specific securities to collateralize deposit.

Deposits are insured by the Federal Deposit Insurance Corporation; [or] collateralized by securities specifically pledged by the financial institution to the Village; *(delete if there is no specific pledging)*; 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. *(delete if no pool is used)*

At December 31, 20CY, *(Insert other time period if applicable during the fiscal year.)* \$XXX of deposits were not insured or collateralized, contrary to Ohio law. *(modify as needed. If deposits are not collateralized due to reduced collateral through OPCS, describe the collateral, and delete "contrary to Ohio law.")*

Investments

(Delete if your Village does not have investments.) (The following MUST be modified, based on the Village's circumstances. It may be best to discuss the arrangement with a knowledgeable officer of the financial institution.) The Federal Reserve holds the Village's U.S. Treasury Notes in book-entry form by, in the name of the Village's financial institution. The financial institution maintains records identifying the Village as owner of these securities.

[The following sentences describe some repurchase agreements / sweep accounts. However, circumstances may require modification to this disclosure. Also, not all sweep accounts are repurchase agreements.] The Village's financial institution transfers securities to the Village's agent to collateralize repurchase agreements. The securities are not in the Village's name.

[The following may describe some equity securities, but you should check with the broker-dealer or financial institution.] A financial institution's trust department holds the Village's equity securities in book entry form in the Village's name.

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

Note 5 – Deposits and Investments

(Modify as appropriate considering the Village's investment policy.)

State statutes classify monies held by the Village into three categories.

Active deposits are public monies determined to be necessary to meet current demands upon the Village treasury. Active monies must be maintained either as cash in the Village treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

(Include only if no custodial credit risk.) Protection of the Village's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in 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.

Interim monies held by the Village can be deposited or invested in the following securities:

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations

including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. **Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Village, and must be purchased with the expectation that it will be held to maturity. (delete if included as part of interest rate risk)**

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

(delete if the Village did not pass an ordinance) *The Village has passed an ordinance allowing the Village to invest monies not required to be used for a period of six months or more in the following:*

1. *Bonds of the State of Ohio;*
2. *Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and*
3. *Obligations of the Village.*

At year end, the Village had \$ _____ in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

Effective July 1, 2017, the Ohio Pooled Collateral System (OPCS) was implemented by the Office of the Ohio Treasurer of State. Financial institutions have the option of participating in OPCS or collateralizing utilizing the specific pledge method. The following note will need to be customized to fit the Village's specific situation: 1) Participating in OPCS or 2) Financial institution utilizing specific securities to collateralize deposits.

(Delete if no such exposure.) Custodial credit risk is the risk that in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$_____ of the Village's bank balance of \$_____ was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The Village's financial institution was approved for a reduced collateral rate of XX percent through the Ohio Pooled Collateral System. (Modify as needed. Include explanation for why deposits were uncollateralized. Explanation applies to local government with financial institutions that have a reduced collateral rate.) Note: Collateral held by the pledging financial institution or amounts collateralized with securities held by the pledging financial institutions trust department or agent but not in the depositor government's name can expose the government to custodial credit risk and should be explained.

(Delete if no such exposure.)The Village has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

Eligible securities pledged to the Village and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five percent of the deposits being secured; or

Participation in 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. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. (Modify as needed for reduced collateral rate.)

Modify the above to include an explanation as to why deposits are exposed to custodial credit risk. Amounts not collateralized for other reasons may be contrary to Ohio law and should be identified as such.

Investments

(Delete if no such exposure.)

The fair value of these investments is not materially different than measurement value. As of December 31, 20CY, the Village had the following investments: (While samples of specific identification and segmented time distribution tables follow, the Village should select one to include.):

	Measurement Value	Maturity
Federal National Mortgage Association Note		
Federal Home Loan Mortgage Corporation Note		
Federal Home Loan Bank Note		
Money Market Mutual Fund		
STAR Ohio		
Total Portfolio	\$0	

Investment Type	Measurement Value	Investment Maturities (in Years)			
		Less than 1	1-2	3-5	More than 5
Federal Home Loan					
Mortgage Corporation Notes					
Federal Home Loan Bank Notes					
Federal National Mortgage Association Notes					
Repurchase Agreements					
Money Market Mutual Fund					
STAR Ohio					
Total Investments	\$0	\$0	\$0	\$0	\$0

Interest Rate Risk (Delete if no such exposure.) Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Village’s investment policy addresses interest rate risk by requiring the Village’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments. (Modify as needed.)

Credit Risk (Delete if no such exposure.) The security underlying the repurchase agreement, the federal national mortgage association notes, federal home loan corporation notes and the federal home loan bank notes carry a rating of _____ by _____ and _____ by _____. STAR Ohio carries a rating of AAAM by Standard and Poor’s. The money market fund carries a rating of _____ by _____. The Village has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. (Modify as needed. ORC Section 135.14 also contains credit risk requirements for commercial paper notes, which could be disclosed if the Village invests in commercial paper notes and does not have an investment of its own policy regarding the notes.)

Custodial Credit Risk (Delete if no such exposure.) For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The repurchase agreement, federal national mortgage association notes, federal home loan mortgage corporation notes, and the federal home loan bank notes are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the Village’s name.

The Village has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, “Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.” (Modify as needed.)

Concentration of Credit Risk The Village places no limit on the amount it may invest in any one issuer. The following investments represent five percent or more of total investments as of December 31, 20CY:

Investment Issuer	Percentage of Investments
Federal Home Loan Mortgage Corporation Notes	%
Federal Home Loan Bank Notes	
Federal National Mortgage Association Notes	

Federal Deposit Insurance Corporation

1) For each bank located within Ohio, all time & savings deposits (this includes NOW accounts and money market deposit accounts; it does not include interest-bearing demand deposit accounts) are added together and insured up to \$250,000.

2) For each bank located within Ohio, all demand deposits (this means both interest-bearing and noninterest-bearing deposits that are payable on demand) are added together and insured up to \$250,000.

Deposit Insurance for Accounts Held by Government Depositors

Section 330.15 of the FDIC's regulations (12 C.F.R. 330.15) governs the insurance coverage of public unit accounts. For deposit insurance purposes, the term "public unit" includes a state, county, municipality, or any "political subdivision" of the public unit. Under section 330.15, the "official custodian" of the funds belonging to the public unit - rather than the public unit itself - is insured as the depositor.

Permanent Rule

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest-bearing demand deposit accounts (which were permitted after July 21, 2011). The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal. The insurance coverage of accounts held by government depositors is different if the depository institution is located outside the State in which the public unit is located. In that case, all deposits, both time and savings deposits and demand deposits, owned by the public unit and held by the public unit's official custodian are added together and insured up to \$250,000. Time and savings deposits are not insured separately from demand deposits.

3) For each bank located in states other than Ohio, all types of accounts are added together and insured up to \$250,000.

As mentioned above, a political subdivision (through its official custodian) is entitled to its own insurance coverage. The term "political subdivision" is defined to include drainage, irrigation, navigation, improvement, levee, sanitary, school or power districts, and bridge or port authorities and other special districts created by state statute or compacts between the states. The term "political subdivision" also includes any subdivision or principal department of a public unit (state, county, or municipality) if the subdivision or department meets the following tests:

- The creation of the subdivision or department has been expressly authorized by the law of such public unit;
- Some functions of government have been delegated to the subdivision or department by such law; and
- The subdivision or department is empowered to exercise exclusive control over funds for its exclusive use.

The term "political subdivision" does not include subordinated or non-autonomous divisions, agencies, or boards within subdivisions or principal departments.

Again, a public unit (including a political subdivision) is insured through its official custodian. If the same individual is an official custodian for more than one public unit, he or she is separately insured for the deposits belonging to each public unit. On the other hand, two or more individuals are treated as one official custodian if action or consent by all of these individuals is required for the exercise of control over the funds of a single public unit.

An official custodian is an officer, employee, or agent of a public unit having official custody of public funds and lawfully depositing the funds in an insured institution. In order to qualify as an official custodian, a person must have plenary authority - including control - over the funds. Control of public funds includes possession as well as the authority to establish accounts in insured depository institutions and to make deposits, withdrawals and disbursements.

Deposit insurance coverage cannot be increased by dividing funds among several putative official custodians who lack plenary authority over such funds. Likewise, coverage cannot be increased by dividing funds among several accounts controlled by the same official custodian for the same public unit.

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the

bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the unlikely event of the failure of an insured bank.

Special Rule for Public Bonds

A special rule applies to funds held by an officer, agent or employee of a public unit under a law or bond indenture that requires the funds to be set aside to discharge a debt owed to the holders of notes or bonds issued by the public unit. A deposit of such funds in an insured depository institution is insured up to \$250,000 for the beneficial interest of each bondholder. This coverage is separate from the coverage for other deposits owned by the public unit at the same institution. In order to obtain this special coverage, however, the deposit account must satisfy certain disclosure requirements applicable to deposits held by agents or fiduciaries. Specifically, the deposit account records of the insured depository institution must disclose the existence of the fiduciary relationship or the fiduciary nature of the deposit. In addition, the details of the fiduciary relationship and the interests of the bondholders must be ascertainable from the records of the depository institution or the records of the depositor maintained in good faith and in the regular course of business.

The relevant section of the FDIC's deposit insurance regulations can be found at: [12 C.F.R. 330.15](#).

If you have questions or comments about the insurance coverage of public unit accounts, contact the Federal Deposit Insurance Corporation by telephone at 1-877-ASK-FDIC or by mail at 550 17th Street, NW, Washington, DC 20429.

Last Updated 01/01/2013

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[Freedom of Information Act \(FOIA\) Service Center](#) [FDIC Open Government Webpage](#) [No FEAR Act Data](#)

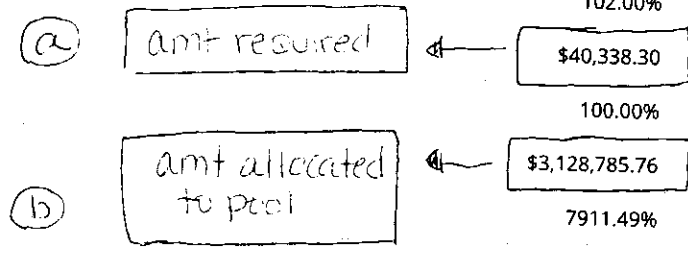
Ledger date:

Buckeye State Bank - Example

@12/31/18

Account Information

Date	12/31/2018
Account Type	DDA
Accrued Interest	\$1.91
Account Balance	\$289,545.44
FDIC Insurance	\$250,000.00
Uninsured Balance (%)	13.66%
Uninsured Balance (\$)	\$39,547.35
Required Collateral (%)	102.00%
Required Collateral (\$)	\$40,338.30
Allocation Amount (%)	100.00%
Allocation Amount (\$)	\$3,128,785.76
Allocation (% of Uninsured)	7911.49%
Is Sufficient	true
Distribution Amount	\$39,547.35
Distribution (% of Uninsured)	100.00%
Distribution Target	\$39,547.35
Uncovered Balance	\$0.00



(b) > (a) = no uninsured collateral

Collateral Floor Information

FI Floor	102.00%
TOS Cushion	0.00%
Bank Monitoring Floor	0.00%
PU Negotiated Floor	0.00%
Economic Monitoring Floor	0.00%

Public Unit Information

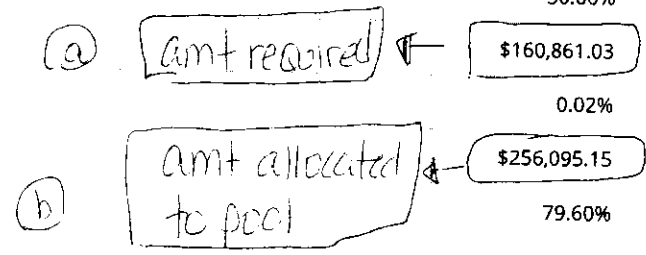
Name	
Tax ID	
Portfolio ID	
Primary Contact	

Ledger date:

Fifth Third - Example 12/31/18

Account Information

Date	12/31/2018
Account Type	DDA
Accrued Interest	\$0.00
Account Balance	\$571,722.06
FDIC Insurance	\$250,000.00
Uninsured Balance (%)	56.27%
Uninsured Balance (\$)	\$321,722.06
Required Collateral (%)	50.00%
Required Collateral (\$)	\$160,861.03
Allocation Amount (%)	0.02%
Allocation Amount (\$)	\$256,095.15
Allocation (% of Uninsured)	79.60%
Is Sufficient	true
Distribution Amount	\$160,861.03
Distribution (% of Uninsured)	50.00%
Distribution Target	\$160,861.03
Uncovered Balance	\$0.00



(b) > (a) = no uninsured collateral @ reduced floor
 reduced collateral

Collateral Floor Information

FI Floor	50.00%
TOS Cushion	0.00%
Bank Monitoring Floor	0.00%
PU Negotiated Floor	50.00%
Economic Monitoring Floor	0.00%

Public Unit Information

Name
 Tax ID
 Portfolio ID
 Primary Contact



Pledge Statement - Depositor

Specific Pledge

Depositor:

Pledged Monthly Statement for Depositor

DDA #	Pledge #	Effective Date	Release Date	Pledge Amount Original Face	Pledge Amount Current Face	Collateral ID	Collateral Desc	CUSIP	Rate	Maturity Date	Market Quote
First Federal Bank of the Midwest											
457297	58914	3/1/2018	Open	20,000.00	20,000.00	SK 164063	Muni FAIRBORN-VAR PURP-LTD	303585QW6	4.00000	12/1/2025	104.467
457297	58537	2/6/2018	Open	2,000,000.00	1,742,078.54	SK 193102	FHMC Gold Remic FHR 4690 QA	3137F14B1	3.50000	5/15/2044	101.008
457297	58880	2/28/2018	Open	425,000.00	425,000.00	SK 193729	Muni SYLVANIA-REF	871446SA9	2.45000	12/1/2031	92.038
Total Pledges For DDA 457297				2,445,000.00	2,187,078.54	3 Pledge(s)					
Total Pledges For Depositor 990564				2,445,000.00	2,187,078.54	3 Pledge(s)					

(D)

amount allocated

Important: This Pledge Management system report is the specific correspondence referred to in the Continuing Pledge Agreement among the Federal Home Loan Bank of Cincinnati (the 'Bank'), its customer/pledgor and the depositor/pledgee being secured by such pledge. Copies of this report are being delivered to both parties. The Bank provides market quote information obtained from sources believed to be reliable; however, the Bank does not guarantee its completeness or accuracy. The Bank provides no market value analysis of the pledged securities noted above, other than original face/current face and other information reported herein. It is the sole responsibility of the depositor/pledgee to determine whether individual and/or aggregate amounts pledged hereunder are or are not currently sufficient to secure the 'pledged amount' noted herein and to notify the customer/pledgor as to any deficiency thereof.

compare to

bank balance * 105%

1,000,000 * 105% = 1,050,000

(A)

b) a = no uninsured collateral

REGULATORY SAMPLE

Note 11 - Debt

Debt outstanding at December 31, 2015 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OPWC Loan - State and Goodrich Streets Improvement	\$48,904	0%
OPWC Loan - Canal Street Improvements	42,797	0%
OPWC Loan - County Road 15 Pump Station	25,875	0%
OPWC Loan - Sewage Collection System Improvements	192,129	0%
OWDA Loan - Water Treatment Plant	432,241	2%
OWDA Loan - Water Treatment Plant Improvements I	608,932	2%
OWDA Loan - Water Treatment Plant Improvements II	1,455,755	1%
OWDA Loan - County Road 15 Pump Station	<u>561,977</u>	1%
Total	<u><u>\$3,368,610</u></u>	

The first two loans from the Ohio Public Works Commission (OPWC) are for street improvements to be repaid in semi-annual installments over 16 and 15 years, respectively. Two more loans from OPWC are for a pump station and sewage collection improvements to be repaid in semi-annual installments over 20 and 30 years, respectively.

The Village has four loans outstanding with the Ohio Water Development Authority (OWDA). One loan is for the construction of the Water Treatment Plant, which will be repaid over 25 years. Two of the loans relate to improvements made to the Wastewater Treatment Plant and will be paid off over 25 and 20 years, respectively. The fourth loan is for projects related to the pump station and will be paid over 20 years.

Amortization of the above debt (other than the OWDA County Road 15 Pump Station loan, as this loan is not finalized), including interest, is scheduled as follows:

Year ending December 31:	<u>OPWC Loans</u>	<u>OWDA Loans</u>
2016	\$28,770	\$306,245
2017	28,770	306,245
2018	28,771	306,145
2019	28,770	306,245
2020	16,544	306,245
2021-2025	47,705	1,053,017
2026-2030	35,939	89,303
2031-2035	32,564	0
2036-2040	32,564	0
2041-2045	<u>29,308</u>	<u>0</u>
Total	<u><u>\$309,705</u></u>	<u><u>\$2,673,445</u></u>

OCBOA SAMPLE

Note 11 – Long Term Obligations

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities			
OPWC Loans:			
State and Goodrich Streets Improvement	0.00 %	\$183,391	January 1, 2020
Canal Street Improvements	0.00	124,500	July 1, 2021
Business-Type Activities			
OPWC Loans:			
County Road 15 Pump Station	0.00	45,000	July 1, 2027
Sewage Collection System Improvements	0.00	195,385	July 1, 2045
OWDA Loans:			
Water Treatment Plant	2.00	1,506,553	January 1, 2022
Wastewater Treatment Plant Improvements I	2.00	1,166,795	July 1, 2027
Wastewater Treatment Plant Improvements II	1.00	3,066,361	January 1, 2025
County Road 15 Pump Station	1.00	900,947	Not Finalized

The changes in the Village's long-term debt during 2015 were as follows:

	Amount Outstanding 12/31/14	Additions	Deletions	Amount Outstanding 12/31/15	Amounts Due in One Year
Governmental Activities					
OPWC Loans Payable:					
State and Goodrich Streets Improvement	\$61,130	\$0	(\$12,226)	\$48,904	\$12,226
Canal Street Improvements	50,578	0	(7,781)	42,797	7,781
<i>Total Governmental Activities</i>	<u>\$111,708</u>	<u>\$0</u>	<u>(\$20,007)</u>	<u>\$91,701</u>	<u>\$20,007</u>
Business-Type Activities					
OPWC Loans Payable:					
County Road 15 Pump Station	\$28,125	\$0	(\$2,250)	\$25,875	\$2,250
Sewage Collection System Improvements	0	195,385	(3,256)	192,129	6,513
Total OPWC Loans Payable	<u>28,125</u>	<u>195,385</u>	<u>(5,506)</u>	<u>218,004</u>	<u>8,763</u>
OWDA Loans Payable:					
Water Treatment Plant	499,419	0	(67,178)	432,241	68,522
Wastewater Treatment Plant Improvements I	655,588	0	(46,656)	608,932	47,594
Wastewater Treatment Plant Improvements II	1,609,585	0	(153,830)	1,455,755	155,372
County Road 15 Pump Station	561,509	6,167	(5,699)	561,977	0
Total OWDA Loans Payable	<u>3,326,101</u>	<u>6,167</u>	<u>(273,363)</u>	<u>3,058,905</u>	<u>271,488</u>
<i>Total Business-Type Activities</i>	<u>\$3,354,226</u>	<u>\$201,552</u>	<u>(\$278,869)</u>	<u>\$3,276,909</u>	<u>\$280,251</u>

The two loans from the Ohio Public Works Commission are for street improvements to be repaid in semi-annual installments over 16 and 15 years, respectively. Two more loans from the Ohio Public Works Commission are for a pump station and sewage collection improvements to be repaid in semi-annual installments over 20 and 30 years, respectively.

The Village has four loans outstanding with the Ohio Water Development Authority (OWDA). One loan deals with the construction of the Water Treatment Plant, which will be repaid over a period of 25 years. Two of the loans relate to improvements made to the Wastewater Treatment Plant and will be paid off over 25 and 20 years, respectively. The fourth loan is for projects related to the pump station and will be paid over a period of 20 years.

A line of credit has been established with the Ohio Water Development Authority in the amount of \$900,947

for the County Road 15 Pump Station project; however, since this loan is not finalized, the repayment schedule is not included in the schedule of debt service payments. The Village has received the full amount of proceeds. Until a final repayment schedule is available, the Village is paying based on estimates.

Principal and interest requirements to retire debt outstanding at December 31, 2015, were as follows:

Year	Governmental	Business-Type Activities		
	Activities	OPWC Loans	OWDA Loans	
	OPWC Loans	Principal	Principal	Interest
2016	\$20,007	\$8,763	\$271,488	\$34,757
2017	20,007	8,763	275,373	30,872
2018	20,008	8,763	279,320	26,925
2019	20,007	8,763	283,330	22,915
2020	7,781	8,763	287,405	18,840
2021-2025	3,891	43,814	1,012,465	40,552
2026-2030	0	35,939	87,547	1,756
2031-2035	0	32,564	0	0
2036-2040	0	32,564	0	0
2041-2045	0	29,308	0	0
Total	\$91,701	\$218,004	\$2,496,928	\$176,617

The Village has pledged future receipts, net of operating disbursements, to repay an OWDA loan in the Village water fund. The debt is payable solely from net receipts and is payable through 2022. Annual principal and interest payments on the debt issue are expected to require about 65 percent of net receipts and less than 14 percent of total receipts. The total principal and interest remaining to be paid on the debt is \$462,998, total net receipts were \$118,880, and total receipts were \$574,624.

The Village has pledged future receipts, net of operating disbursements, to repay OPWC and OWDA loans in the Village sewer fund. The debt is payable solely from net receipts and is payable through 2045. Annual principal and interest payments on the debt issues are expected to require less than 152 percent of net receipts and approximately 25 percent of total receipts. The total principal and interest remaining to be paid on the debt is \$2,428,550, total net receipts were \$160,113, and total receipts were \$969,424.

OCBOA SAMPLE

Note 19 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Village is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Street Maintenance	Street Levy	Other Governmental Funds	Total
Restricted for					
Transportation	\$0	\$107,474	\$723,980	\$187,179	\$1,018,633
Public Safety	0	0	0	29,283	29,283
Public Health	0	0	0	54,230	54,230
Capital Improvements	0	0	0	14,984	14,984
<i>Total Restricted</i>	<u>0</u>	<u>107,474</u>	<u>723,980</u>	<u>285,676</u>	<u>1,117,130</u>
Committed to					
Capital Improvements	0	0	0	11,765	11,765
Assigned to					
Purchases on Order:					0
General Government	17,938	0	0	0	17,938
Public Safety	6,174	0	0	0	6,174
Leisure Time Activities	498	0	0	0	498
2016 Operations	8,260	0	0	0	8,260
<i>Total Assigned</i>	<u>32,870</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,870</u>
Unassigned	1,150,064	0	0	0	1,150,064
<i>Total Fund Balances</i>	<u><u>\$1,182,934</u></u>	<u><u>\$107,474</u></u>	<u><u>\$723,980</u></u>	<u><u>\$297,441</u></u>	<u><u>\$2,311,829</u></u>

General fund Balance - \$6,000			
<i>All purchase orders have been closed at year end</i>			
2018 Amended Certificate:			
General Fund:			
Beginning Unencumbered Cash	\$6,000		
Property Taxes	\$30,000	}	\$55,000
Other	\$25,000		
Total Available Resources	<u>\$61,000</u>		

Example #1

2018 General Fund Appropriations **\$61,000**

Calculation

2018 Current Estimated Resources	\$55,000	
2018 General Fund Appropriations	\$61,000	
Difference	<u>(\$6,000)</u>	to Assigned

December 31, 2017 General Fund Balance:

Assigned	\$6,000
Unassigned	\$0
Total General Fund Balance	<u>\$6,000</u>

Example #2

2018 General Fund Appropriations **\$52,000**

Calculation

2018 Current Estimated Resources	\$55,000
2018 General Fund Appropriations	\$52,000
Difference	<u>\$3,000</u>

December 31, 2017 General Fund Balance:

Assigned	\$0
Unassigned	\$6,000
Total General Fund Balance	<u>\$6,000</u>

General fund Balance - \$6,000			
<i>All purchase orders have been closed at year end</i>			
2018 Amended Certificate:			
General Fund:			
Beginning Unencumbered Cash	\$6,000		
Property Taxes	\$30,000	}	\$55,000
Other	\$25,000		
Total Available Resources	<u>\$61,000</u>		

Example #3

2018 General Fund Appropriations **\$57,000**

Calculation

2018 Current Estimated Resources	\$55,000	
2018 General Fund Appropriations	<u>\$57,000</u>	
Difference	<u>(\$2,000)</u>	to Assigned

December 31, 2017 General Fund Balance:

Assigned	\$2,000
Unassigned	<u>\$4,000</u>
Total General Fund Balance	<u><u>\$6,000</u></u>

Hinkle Notes Training

Quicklist

- Decide whether you are filing Regulatory or OCBOA
- Obtain/Access a template for the notes
- Contact the prior auditors to obtain the prior year's notes file as a starting point. You can obtain a copy via on-line audit search, but this file cannot be edited.
<http://www.ohioauditor.gov/auditsearch/Search.aspx>
- A note shell (template) can be obtained on the Auditor of State's website at:
<http://www.ohioauditor.gov/references/shells.html>. The generic entity note shell will be updated annually by the Auditor of State's Office and will be the starting point for preparing notes specific to your entity.
- Make sure you save the file on your computer in an easy place to find.
- Note 1 – Describe the services provided by your entity. List any contracts for major services with another entity, such as paying the County Sheriff for specific police protection. If your entity is in fiscal caution, watch, or emergency, an extra paragraph in the shell will need to be included.
- Note 2 – Summary of Significant Accounting Policies. Most of this note is standard language that will remain as is in the note shell. However, you need to modify this note for what have for your entity. The yellow and green highlights will guide you.
- Note 3 – Compliance. List any budgetary violations or deficit cash balance at year-end, if any. If none, then delete this note AND renumber the remaining notes and continue to the next note.
- Note 4 – Budgetary Activity. You will need to obtain the Certificate of Estimated Resources and Appropriations for the year (original, all amendments, and final). You will also need a report that lists the year-end encumbrances.
- Note 5 – Deposit and Investments. You will need all December 31 ,2016 bank and investment statements, If filing on an OCBOA basis, you will also need to determine what amounts are covered by FDIC.
- Note 6
 - Property Taxes – You will need to obtain the full tax rate and assessed values from your County Auditor.
 - Income Taxes (applicable to Villages) – Only include if your village has an income tax and review the village's most recent tax ordinance and/or ballot language to assist in disclosing information in the note.
- Note 7 – Interfund Balances
 - Regulatory – Only include any material outstanding advance(s) not repaid by the end of the year.
 - OCBOA – Describe any transfers and/or advances that were made during the year and also any outstanding advance(s) not repaid at year end.

- Note 8 – Risk Management Note. You will need to obtain the detailed insurance policy that includes the amounts of coverages and deductibles.
- Note 9 – Defined Benefit Pension Plans. You will need to know the breakdown of total payroll between individual retirement systems to be used in calculating the contractually required contribution.
- Note 10 – Postemployment Benefits. The same worksheet that you will use to calculate the contractually required contribution will be also used to calculate the amounts contributed for health care.
- Note 11 – Debt. You will need to obtain all amortization schedules for all debt.
- Note 12 – Construction and Contractual Commitments. List any significant construction or other contractual commitments. For OCBOA filers, you will also list encumbrances since those dollars are set aside for a particular use in the future.
- Note 13 – Contingent Liabilities. Ask your legal council to provide a letter indicating whether there are any legal issues that could impact your entity’s financial position.
- Note 14-17 – These notes relate to organizations that the entity may be involved with. Look at prior audit reports to see if anything was listed and also look at audit reports of other entities in your area – larger city, county, or school district reports may include some of these organizations that your entity is involved with as well.
- Note 18 – Related Party Transactions. Review the note shells and list any transactions that meet that definition.
- Note 19 – Fund Balances. This note only applies to OCBOA filers.
- Note 20 – Subsequent Events. List any significant financial event(s) that occur after year-end such as issuance of debt, new levy or other revenue source, or any major expenditures known after year-end.
- Note 21 – AMP Ohio. This will only apply if your entity is a member.
- Note 22 – Restatement Note. This note would be included if your entity would change reporting on a Regulatory Basis one year to reporting on an OCBOA basis in the following year.
- If filing on an OCBOA basis, a Management’s Discussion and Analysis will need to be prepared.