



OHIO AUDITOR OF STATE
KEITH FABER

A small, thin-lined map of the state of Ohio is positioned to the right of the Auditor's name, with the text overlapping it slightly.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

DOCUMENT OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
SINGLE AUDIT FOR THE YEAR ENDED DECEMBER 31, 2024	
REGULAR AUDIT FOR THE YEAR ENDED DECEMBER 31, 2023	

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**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor's Report	1
Prepared by Management:	
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) All Governmental Fund Types For the Year Ended December 31, 2024.....	5
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) All Proprietary Fund Types For the Year Ended December 31, 2024.....	6
Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis) All Fiduciary Fund Types For the Year Ended December 31, 2024.....	7
Notes to the Financial Statements For the Year Ended December 31, 2024	8
Schedule of Expenditures of Federal Awards	23
Notes to the Schedule of Expenditures of Federal Awards.....	24
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	25
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	27
Schedule of Findings.....	31
Prepared by Management:	
Summary Schedule of Prior Audit Findings	37
Corrective Action Plan	38

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INDEPENDENT AUDITOR'S REPORT

Village of Whitehouse
Lucas County
P.O. Box 2476
6925 Providence Street
Whitehouse, Ohio 43571-2476

To the Village Council:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Village of Whitehouse, Lucas County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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* section of our report, the accompanying financial statements 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, 2024, or the changes in financial position or, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Village on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the Village's financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's 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.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 17, 2025

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Village of Whitehouse
Lucas County
*Combined Statement of Receipts, Disbursements
 and Changes in Fund Balances (Regulatory Cash Basis)*
All Governmental Fund Types
For the Year Ended December 31, 2024

	General	Special Revenue	Debt Service	Capital Projects	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$463,859	\$479,850			\$943,709
Municipal Income Tax	2,512,057			\$1,076,597	3,588,654
Intergovernmental	784,961	373,598		905,538	2,064,097
Special Assessments			\$24,596		24,596
Charges for Services	762,706	811,516			1,574,222
Licenses, Permits and Fees	79,332				79,332
Fines, Forfeitures and Settlements	12,509				12,509
Earnings on Investments	469,816	68			469,884
Miscellaneous	110,767	3,708		938	115,413
<i>Total Cash Receipts</i>	<i>5,196,007</i>	<i>1,668,740</i>	<i>24,596</i>	<i>1,983,073</i>	<i>8,872,416</i>
Cash Disbursements					
Current:					
Security of Persons and Property	2,401,390	1,598,073			3,999,463
Leisure Time Activities	126,892				126,892
Community Environment	155,650				155,650
Basic Utility Services	349,804				349,804
Transportation		233,363			233,363
General Government	587,227	271,491	24,469	232,155	1,115,342
Capital Outlay				1,684,648	1,684,648
Debt Service:					
Principal Retirement		47,944	227,004		274,948
Interest and Fiscal Charges			48,092		48,092
<i>Total Cash Disbursements</i>	<i>3,620,963</i>	<i>2,150,871</i>	<i>299,565</i>	<i>1,916,803</i>	<i>7,988,202</i>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>1,575,044</i>	<i>(482,131)</i>	<i>(274,969)</i>	<i>66,270</i>	<i>884,214</i>
Other Financing Receipts (Disbursements)					
Loans Issued				221,021	221,021
Transfers In	49,092	265,000	269,754	810,817	1,394,663
Transfers Out	(265,000)		(2,048)	(967,784)	(1,234,832)
<i>Total Other Financing Receipts (Disbursements)</i>	<i>(215,908)</i>	<i>265,000</i>	<i>267,706</i>	<i>64,054</i>	<i>380,852</i>
<i>Net Change in Fund Cash Balances</i>	<i>1,359,136</i>	<i>(217,131)</i>	<i>(7,263)</i>	<i>130,324</i>	<i>1,265,066</i>
<i>Fund Cash Balances, January 1</i>	<i>3,237,481</i>	<i>2,383,816</i>	<i>59,879</i>	<i>1,933,944</i>	<i>7,615,120</i>
<i>Fund Cash Balances, December 31</i>	<i>\$4,596,617</i>	<i>\$2,166,685</i>	<i>\$52,616</i>	<i>\$2,064,268</i>	<i>\$8,880,186</i>

See accompanying notes to the basic financial statements

Village of Whitehouse
Lucas County
*Combined Statement of Receipts, Disbursements
 and Changes in Fund Balances (Regulatory Cash Basis)*
All Proprietary Fund Types
For the Year Ended December 31, 2024

	<u>Proprietary Fund Types</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	<u>\$2,320,626</u>
Operating Cash Disbursements	
Personal Services	596,217
Employee Fringe Benefits	225,334
Contractual Services	1,305,055
Supplies and Materials	40,284
Other	<u>1,488</u>
<i>Total Operating Cash Disbursements</i>	<u>2,168,378</u>
<i>Operating Income</i>	<u>152,248</u>
Non-Operating Disbursements	
Capital Outlay	(170,029)
Principal Retirement	(275,433)
Interest and Other Fiscal Charges	<u>(44,297)</u>
<i>Total Non-Operating Disbursements</i>	<u>(489,759)</u>
<i>Income before Transfers</i>	(337,511)
Transfers In	125,894
Transfers Out	<u>(285,725)</u>
<i>Net Change in Fund Cash Balances</i>	(497,342)
<i>Fund Cash Balances, January 1</i>	<u>2,949,644</u>
<i>Fund Cash Balances, December 31</i>	<u>\$2,452,302</u>

See accompanying notes to the basic financial statements

Village of Whitehouse
Lucas County
*Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)*
All Fiduciary Fund Types
For the Year Ended December 31, 2024

	Fiduciary Fund Type
	Other Custodial
Additions	
Property and Other Local Taxes Collected for Distribution	<u>\$3,093,882</u>
Deductions	
Distributions as Fiscal Agent	<u>3,071,510</u>
<i>Net Change in Fund Balances</i>	<i>22,372</i>
<i>Fund Cash Balances, January 1</i>	<u>1,429,595</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$1,451,967</u></u>

See accompanying notes to the basic financial statements

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 - Reporting Entity

The Village of Whitehouse (the Village), Lucas County, Ohio, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police, fire, and life squad services.

Jointly Governed Organizations

The Village participates in jointly governed organizations. Notes 12 and 13 to the financial statements provide additional information for these entities.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Life Squad This fund receives revenue from Lucas County for life squad services.

Fire Levy This fund receives revenue from property taxes and Waterville Township to provide fire services.

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 Funds:

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

General Obligation Bond Fund This fund receives Income Tax Fund proceeds to repay debt incurred for the construction and equipping of a new municipal building.

Note Retirement Fund This fund receives transfers from the Income Tax A Fund to repay debt incurred for the construction of the State Route 64/Finzel Road Roundabout.

Fire Debt Retirement Fund This fund receives transfers from the Income Tax A Fund to repay debt incurred for the lease of a new fire truck.

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:

STR SR 64 Multiuse Trail Fund This fund receives intergovernmental revenue for capital projects.

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 The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Sewer Fund The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Fiduciary Funds Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial funds account for income tax receipts collected by the Village and the related distributions for the Monclova Township-Village of Whitehouse JEDD and the Spencer Township-Village of Whitehouse JEDZ.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions, and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

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 (C). 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).

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

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 (C) permit.

Budgetary Process

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

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

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

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

A summary of 2024 budgetary activity appears in Note 3.

Deposits and Investments

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

The Village values U.S. Treasury Notes at cost. Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Capital Assets

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

Accumulated Leave

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

Leases

The Village is the lessee in a lease (as defined by GASB 87) related to other equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Fund Balance

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

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 14.

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2024 follows:

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

2024 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$7,295,050	\$5,245,099	(\$2,049,951)
Special Revenue	1,732,455	2,154,761	422,306
Debt Service	316,073	294,350	(21,723)
Capital Projects	5,569,447	2,793,890	(2,775,557)
Enterprise	2,019,886	2,446,520	426,634
Total	\$16,932,911	\$12,934,620	(\$3,998,291)

2024 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$6,667,487	\$3,906,399	\$2,761,088
Special Revenue	32,217,733	2,207,331	10,402
Debt Service	303,555	301,613	1,942
Capital Projects	6,125,100	5,757,852	367,248
Enterprise	3,166,285	2,943,862	222,423
Total	\$18,480,160	\$15,117,057	\$3,363,103

Note 4 - Deposits and Investments

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Village's deposit and investment accounts are as follows:

	2024
<i>Cash Management Pool:</i>	
Demand deposits	\$9,352,512
U.S. Treasury Notes	2,628,385
STAR Ohio	793,710
Special Assessment Bonds	9,848
Total investments	3,431,943
Total Deposits and Investments	\$12,784,455

The Village has a payroll clearing account that is held outside of the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statement reflect gross payroll. The balance in the Village's payroll clearing account represent unremitted employee payroll withholdings.

The Village also has accounts held outside of the deposit pool for retainage related to construction contracts and for monies held in accordance with debt agreements.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village; 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.

Investments

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.

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 - 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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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 Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Note 6 - Risk Management

Risk Pool Membership

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

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

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

<u>2024</u>	
Cash and investments	\$ 48,150,572
Actuarial liabilities	\$ 22,652,556

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village 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 health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

Ohio Police and Fire Retirement System

The Village's certified Fire Fighters and full-time Police Officers belong to the Ohio 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 health care and survivor and disability benefits.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages and 24 percent of full-time fire fighters' wages. The Village has paid all contributions required through December 31, 2024.

Social Security

Other Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

Note 8 - 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 OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2024. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2024. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

Note 9 – Debt

Debt outstanding at December 31, 2024, was as follows:

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

	Principal	Interest Rate
2013 General Obligation Bonds, Series	\$390,000	1.00%
Ohio Water Development Authority Loan, #5533	113,102	2.75%
Ohio Water Development Authority Loan, #9230	2,357,679	0.30%
Ohio Public Works Commission Loan #CT45N	156,390	0.00%
Ohio Public Works Commission Loan #CL06V	49,513	0.00%
Ohio Public Works Commission Loan #CT23Q	2,710	0.00%
Ohio Public Works Commission Loan #CL17T	69,650	0.00%
Ohio Public Works Commission Loan #CL26V	46,874	0.00%
Ohio Public Works Commission Loan #CL05Y	17,906	0.00%
Ohio Public Works Commission Loan #CL22Z	161,786	0.00%
Ohio Public Works Commission Loan #CL14AA	151,029	0.00%
PNC Equipment Financing	425,136	2.94%
State Infrastructure Bank	585,213	3.00%
Special Assessment Bond, S. Berkey-South Sewer	1,523	3.75%
Special Assessment Bond, S. Berkey-South Water	1,874	3.75%
Special Assessment Bond, Waterville St Recon	6,371	3.75%
Total	\$4,536,756	

The 2013 General Obligation Bonds relate to the refinancing of bonds originally issued in 2002 for the construction and equipping of a new municipal building. The refinanced bonds were issued for \$1,720,000 at a variable rate not to exceed 3.00 percent interest, payable semiannually over 15 years.

The Ohio Water Development Authority (OWDA) loan #5533 relates to a sewer utility construction project on Dutch Road. OWDA approved a \$273,544 loan to the Village for this project. The loan will be repaid in semiannual installments over 20 years, including interest of 2.75 percent. The loan is collateralized by water and sewer receipts.

The Ohio Water Development Authority (OWDA) loan #9230 relates to a sewer line upgrade project for the entire Village \$826,084 was issued during 2022. As of December 31, 2022, the loan has not been closed and a final amortization schedule is unavailable..

The Ohio Public Works Commission (OPWC) loan #CT45N relates to the Downtown Water and Storm Sewer project. OPWC loaned the Village \$390,974. The Village will repay the loan in semiannual installments of \$9,774 over 20 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CL06V relates to the Rupp Road and Technology Drive project. OPWC loaned the Village \$110,030. The Village will repay the loan in semiannual installments of \$11,003 over 10 years. The loan is collateralized by undivided local government funds.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

The Ohio Public Works Commission (OPWC) loan #CT23Q relates to the resurfacing of parts of Texas Street, Weckerly Drive, and Cable Avenue. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$54,191. The Village will repay the loan in semiannual installments of \$2,710 over 10 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CL17T relates to the Regional Pump Station Improvements. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$99,500. The Village will repay the loan in semiannual installments of \$2,486 over 20 years.

The Ohio Public Works Commission (OPWC) loan #CL26V relates to the Weckerly Road resurfacing. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$85,226. The Village will repay the loan in semiannual installments of \$4,261.

The Ohio Public Works Commission (OPWC) loan #CL05Y relates to the Industrial Parkway and Weckerly Road improvements. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$18,523. The Village will repay the loan in semiannual installments of \$309 over 30 years.

The Ohio Public Works Commission (OPWC) loan #CL22Z relates to the 2023 Street Resurfacing and Dutch Road improvements. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$179,761. The Village will repay the loan in semiannual installments of \$8,988 over 10 years.

The Ohio Public Works Commission (OPWC) loan #CL14AA relates to the Swanton Street and Neapolis-Waterville Road improvements. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$151,029. The Village will repay the loan in semiannual installments of \$7,551 over 10 years.

The Fire Truck Lease/Purchase agreement was entered into on September 2, 2016, with PNC Equipment Finance. This leased a fire engine for the Village. The total lease amount was \$776,052, due in semiannual installments of \$32,166 for 15 years.

The State Infrastructure Bank (SIB) loan #150006 relates to the roundabout at Finzel Road and State Route 64 and the land around it. SIB loaned the Village \$1,386,910 for this project. The Village will repay the loan in semiannual installments of \$32,642 over 20 years including interest of 3.00 percent.

The S. Berkey-Southern Sewer Extension Special Assessment Bonds were originally issued for \$15,232. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$381, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The S. Berkey-Southern Water Extension Special Assessment Bonds were originally issued for \$18,739. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$468, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The Waterville Street Reconstruction Special Assessment Bonds were originally issued for \$63,710. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$1,593, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Amortization

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

Year Ending December 31:	General				
	Obligation Bonds	OWDA Loan #5533	OPWC Loan #CL26V	OPWC Loan #CL06V	OPWC Loan #CT45N
2025	\$136,700	\$17,873	\$8,523	\$11,003	\$19,549
2026	137,950	17,873	8,523	11,003	19,549
2027	139,050	17,873	8,523	11,003	19,549
2028		17,873	8,523	11,003	19,549
2029		17,873	8,523	5,501	19,549
2030-2034		35,746	4,259		58,645
2035-2039					
2040-2043					
Total	\$413,700	\$125,111	\$46,874	\$49,513	\$156,390

Year Ending December 31:	PNC				
	OPWC Loan #CL05Y	OPWC Loan #CT23Q	OPWC Loan #CL17T	Equipment Finance	State Infrastructure Bank
2025	\$309	\$2,710	\$4,975	\$64,331	\$65,285
2026	617		4,975	64,331	65,285
2027	617		4,975	64,331	65,285
2028	617		4,975	64,331	65,285
2029	617		4,975	64,331	65,285
2030-2034	3,085		24,875	128,662	326,425
2035-2039	3,085		19,900		32,642
2040-2044	3,085				
2045-2049	3,085				
2050-2054	2,480				
Total	\$17,597	\$2,710	\$69,650	\$450,317	\$685,492

Year Ending December 31:	S. Berkey- Southern				
	Waterville Street	Water Extension	Sewer Extension	OPWC Loan #CL22Z	OPWC Loan #CL14AA
2025	\$3,365	\$990	\$804	\$17,976	\$7,551
2026	3,245	955	776	17,976	15,103
2027				17,976	15,103
2028				17,976	15,103
2029				17,976	15,103
2030-2034				71,906	75,515
2035-2039					7,551
Total	\$6,610	\$1,945	\$1,580	\$161,786	\$151,029

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Note 10 - Construction and Contractual Commitments

Maumee Wastewater Treatment Plant

In 2003, the plant was expanded. The Village is to pay 8.00 percent of the improvement costs of the plant to Lucas County over a period of 25 years. As of December 31, 2024, the Village owed Lucas County approximately \$342,813 (OWDA #3956). In addition, a 20 year loan was taken out with Ohio Public Works Commission. As of December 31, 2024, the Village owed approximately \$12,152 (OPWC Loan #CL02F). In 2010, the plant was expanded again. The Village is to pay a portion of the treatment plant's construction costs based on the quarterly consumption rates. The loan balance as of December 31, 2024 was \$288,481. Based on an average between quarterly consumption rates for 2024, the Village paid Lucas County approximately \$1,988 (OWDA #5113). Since the amount owed by the Village is variable, and based on consumption, there is no amortization schedule available.

In 2010-2011, further upgrades were made to the wastewater treatment plant. Various debt issues began amortizing in 2012. Once again, the Village is to pay a portion of the treatment plant's construction costs based on their quarterly consumption rate.

The loan balance as of December 31, 2024 was \$44,425. Based on an average between quarterly consumption rates for 2024, the Village paid Lucas County approximately \$5,044 (OPWC #CL27M). Since the amount owed by the Village is variable, and based on consumption, there is no amortization schedule available.

In 2015, capacity improvements were made. The Village is to pay a portion of the construction costs based on quarterly consumption rates. The Village paid approximately \$46 (OPWC #CL21Q). Since the amount owed by the Village is based on consumption, there is no amortization schedule available.

In 2019, more improvements were made. The Village is to pay 5.30 percent of the improvement costs of the plant to Lucas County over a period of 20 years. Multiple fixed loans (OWDA #7799, 8254, OPWC #CL16U, CL19T, CL21T, CL21U) at 0 % interest were taken. The loans are outlined below.

In 2021, more improvements were made. The Village is to pay 5.3 percent of the improvement costs of the plant to Lucas County over a period of 20 years. As of December 31, 2024, the Village owed Lucas County approximately \$24,327 (OPWC #CL13V). In addition, there is an annual Note Payment for these improvements. The Village is to pay 5.3 percent of this note payment over a period of 10 years. Since the amount owed by the Village is variable there is no amortization schedule available.

The annual requirements to amortize the fixed commitments are as follows:

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Year ending December 31:	OWDA Loan #3956	OPWC Loan #CL02F	OWDA Loan #7799	OWDA Loan #8254
2025	\$ 76,029	\$ 4,861	\$ 41,238	\$ 10,374
2026	76,029	2,430	41,238	10,374
2027	76,029		41,238	10,374
2028	76,029		41,238	10,374
2029	76,029		41,238	10,374
2030-2034			206,190	51,870
2035-2039			164,951	51,870
Total	<u>\$380,145</u>	<u>\$7,291</u>	<u>\$577,331</u>	<u>\$155,610</u>

Year ending December 31:	OPWC Loan #CL16U	OPWC Loan #CL19T	OPWC Loan #CL21T	OPWC Loan #CL21U
2025	\$ 795	\$ 1,325	\$ 1,060	\$ 1,897
2026	795	1,325	1,060	1,897
2027	795	1,325	1,060	1,897
2028	795	1,325	1,060	1,897
2029	795	1,325	1,060	1,897
2030-2034	3,975	6,625	5,300	9,485
2035-2039	3,578	5,963	4,770	9,485
Total	<u>\$11,528</u>	<u>\$19,213</u>	<u>\$15,370</u>	<u>\$28,455</u>

Note 11 - Contingent Liabilities

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

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

Note 12 - Joint Governed Organization

The Village of Whitehouse entered into two separate joint economic development districts (JEDD) agreements and one Joint Economic Development Zone (JEDZ) agreement. One of the JEDD agreements is the Monclova Township and another JEDD agreement is with Waterville Township. The JEDZ agreement is with Spencer Township. Each of the JEDDs and the JEDZ is wholly situated within their respective township. The purpose of these agreements is to facilitate economic development by creating and preserving employment opportunities within the respective JEDD/JEDZ.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Note 13 - Regional Income Tax Agency

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collecting income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2024, the Village paid RITA \$53,274 for income tax collection services.

Note 14 - Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Capital Projects	Total
Outstanding Encumbrances	<u><u>\$20,436</u></u>	<u><u>\$56,460</u></u>	<u><u>\$2,873,265</u></u>	<u><u>\$2,950,161</u></u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted committed or assigned. These restricted, committed and assigned amounts in the special revenue, debt service, and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

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**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED-DECEMBER 31, 2024**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY			
<i>Passed Through Ohio Department of Treasury</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>\$265,473</u>
Total U.S. Department of Treasury			
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Passed Through Ohio Department of Transportation</i>			
Highway Planning and Construction	20.205	PID 111523	<u>723,840</u>
Total U.S. Department of Transportation			
Total Expenditures of Federal Awards			
<u>\$989,313</u>			

The accompanying notes are an integral part of this schedule.

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR § 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Village of Whitehouse, Lucas County, Ohio (the Village) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the fund balances or changes in fund balances of the Village.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Village has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D – MATCHING REQUIREMENTS

Certain Federal programs require the Village to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Village has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



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

Village of Whitehouse
Lucas County
P.O. Box 2476
6925 Providence Street
Whitehouse, Ohio 43571-2476

To the Village Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024 and the related notes to the financial statements of the Village of Whitehouse, Lucas County, Ohio (the Village) and have issued our report thereon dated November 17, 2025, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2024-001 that we consider to be a material weakness.

Village of Whitehouse
Lucas County
Independent Auditor's Report On Internal Control Over
Financial Reporting And On Compliance And Other Matters
Required By *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Village's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village's responses to the findings identified in our audit and described in the accompanying schedule of findings and corrective action plan. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 17, 2025



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Village of Whitehouse
Lucas County
P.O. Box 2476
6925 Providence Street
Whitehouse, Ohio 43571-2476

To the Village Council:

Report on Compliance for the Major Federal Program

Qualified Opinion

We have audited the Village of Whitehouse, Lucas County, Ohio's (the Village) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Village of Whitehouse's major federal program for the year ended December 31, 2024. The Village of Whitehouse's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

Qualified Opinion on Highway Planning and Construction

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion* section of our report, the Village of Whitehouse complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Highway Planning and Construction for the year ended December 31, 2024.

Basis for Qualified Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Village's compliance with the compliance requirements referred to above.

Village of Whitehouse
Lucas County
Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control Over
Compliance Required by the Uniform Guidance
Page 2

Matters Giving Rise to Qualified Opinion on Highway Planning and Construction

As described in findings 2024-002 through 2024-005 in the accompanying schedule of findings, the Village did not comply with requirements regarding the following:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2024-002 and 2024-003	20.205	Highway Planning and Construction	Procurement and Suspension and Debarment
2024-004 and 2024-005	20.205	Highway Planning and Construction	Special Test and Provisions – Quality Assurance

Compliance with such requirements is necessary, in our opinion, for the Village to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

The Village's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Village's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Village's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Village's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Village's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

Village of Whitehouse
Lucas County
Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control Over
Compliance Required by the Uniform Guidance
Page 3

- obtain an understanding of the Village's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the Village's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and corrective action plan. The Village's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 2024-002 through 2024-005, to be material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Village's responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and corrective action plan. The Village's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Village of Whitehouse
Lucas County
Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control Over
Compliance Required by the Uniform Guidance
Page 4

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 17, 2025

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Qualified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	Yes
(d)(1)(vii)	Major Programs (list):	Highway Planning and Construction – AL# 20.205
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

FINDING NUMBER 2024-001

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:

- Transfers in and Transfers out were overstated in the amount of \$2,921,369 in the General Fund; and
- Budgeted expenditures in the Budgetary Activity note to the financial statements were understated in the General, Special Revenue, Debt Service, and Capital Projects Funds in the amounts of \$500,000, \$ 1,556,496, \$30,954, and \$1,061,580, respectively.

These errors were not identified and corrected prior to the Village preparing its financial statements and notes to the financial statements due to deficiencies in the Village's internal controls over financial statement monitoring. Failing to prepare accurate financial statements and notes to the financial statements could lead the Village Council to make misinformed decisions. The accompanying financial statements have been adjusted to correct these errors. In addition to the adjustments noted above, we also identified additional misstatements ranging from \$166,232 to \$223,454, which we have brought to the Village's attention.

The Village should adopt policies and procedures over financial reporting, including a final review of the financial statements and notes to the financial statements by the Finance Director and Village Council to help identify and correct errors and omissions.

Officials' Response:

See corrective action plan.

3. FINDINGS FOR FEDERAL AWARDS

1. Procurement and Suspension and Debarment

Finding Number:	2024-002
Assistance Listing Number and Title:	AL # 20.205 - Highway Planning and Construction
Federal Award Identification Number / Year:	2024
Federal Agency:	U.S. Department of Transportation
Compliance Requirement:	Procurement and Suspension and Debarment
Pass-Through Entity:	Ohio Department of Transportation
Repeat Finding from Prior Audit?	No

Noncompliance and Material Weakness

2 CFR §1200.10 gives regulatory effect to the Department of Transportation for **2 CFR §180.305** which provides that participants are prohibited from entering into a covered transaction with parties that are excluded or disqualified and **2 CFR §180.315** prohibits participants from entering into covered transactions with parties whose principals are excluded or disqualified, unless the Federal agency responsible for the transaction grants an exception under **2 CFR §180.135**.

2 CFR §1200.10 gives regulatory effect to the Department of Transportation for **2 CFR §180.200** and **2 CFR §180.220**. **2 CFR §180.200** identifies "covered transactions" as non-procurement or procurement transactions subject to the prohibitions of **2 CFR §180 subpart B**, and may be a transaction at the primary tier, between a Federal agency and a person; or at the lower tier, between a participant in a covered transaction and another person. Under **2 CFR §180.220**, procurement contracts for goods and services awarded by a participant in a non-procurement transaction (e.g., grant or cooperative agreement) are covered transactions if the contracts are expected to equal or exceed \$25,000 or meet certain other specified criteria. All non-procurement transactions (i.e., sub-awards to subrecipients), irrespective of award amount, are considered covered transactions, unless exempt under **2 CFR §180.215**.

2 CFR §1200.220 states, in part, in addition to the contracts covered under 2 CFR 180.220(b), this part applies to any contract, regardless of tier, that is awarded by a contractor, subcontractor, supplier, consultant, or its agent or representative in any transaction, if the contract is to be funded or provided by the Department of Transportation under a covered nonprocurement transaction and the amount of the contract is expected to equal or exceed \$25,000. This extends the coverage of the Department of Transportation nonprocurement suspension and debarment requirements to all lower tiers of subcontracts under covered nonprocurement transactions, as permitted under the OMB guidance at 2 CFR 180.220(c).

2 CFR §180.330 requires that before a participant enters into a covered transaction with another party, the participant must verify that the party the participant is seeking to do business with is not excluded or disqualified. This verification may be accomplished by checking SAM exclusions (<https://sam.gov>); collecting a certification from the entity, or adding a clause or condition to the covered transactions with that entity.

The Village did not have the proper internal controls in place to verify that all entities, with whom the Village had entered into covered transactions, had not been suspended or debarred. During testing of Highway Planning and Construction, we noted the Village entered into a contract (one of one tested) with a vendor for more than \$25,000 and there was no evidence the Village checked the SAM exclusions, collected a certification from the entity, or added a clause or condition to the covered transaction with the vendor. Due to the deficient internal control structure, the required verifications were not completed for the awarded contract during 2024.

Failing to have the appropriate controls in place may result in vendors receiving federal funds that are suspended or debarred.

Prior to contracting with vendors that will be paid with federal funds, the Village should verify the vendor is not suspended or debarred by checking the SAM exclusions, collecting a certification from the vendor, or adding a clause or condition to the covered transaction with the vendor.

Officials' Response:

See corrective action plan.

2. Procurement and Suspension and Debarment

Finding Number:	2024-003
Assistance Listing Number and Title:	AL # 20.205 - Highway Planning and Construction
Federal Award Identification Number / Year:	2024
Federal Agency:	U.S. Department of Transportation
Compliance Requirement:	Procurement and Suspension and Debarment
Pass-Through Entity:	Ohio Department of Transportation
Repeat Finding from Prior Audit?	No

Noncompliance and Material Weakness

2 CFR §1201.1 states, in part, the Department of Transportation adopts the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR part 200). **2 CFR §200.318(h)** states, in part, the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The Village's Local Public Agency LPA (LPA) Federal Local-Let Project Agreement between the Village and Ohio Department of Transportation (ODOT), section 7.8, states before awarding a contract to the selected contractor, the LPA shall verify that the contractor is not subject to a finding for recovery under ORC Section 9.24, that the contractor has taken the appropriate remedial steps required under ORC Section 9.24, or that the contractor otherwise qualifies under the exceptions to this section. Findings for recovery can be viewed on the Auditor of State's website at <https://ohioauditor.gov/findings.html>. If the LPA fails to verify, ODOT may immediately terminate this Agreement and release all Federal funding commitments.

The Village had one contract subject to bid for the Highway Planning and Construction program. The Village did not verify the contractor was not subject to a finding for recovery, that the contractor has taken the appropriate remedial steps, or that the contractor otherwise qualifies under the exceptions prior to entering into the contract.

This error was caused by a failure in controls related to the Terms and Conditions of the grant agreement. Failing to have the appropriate controls in place may result in vendors receiving federal funds that are unqualified to receive the funding.

The Village should ensure that it checks the Ohio Auditor of State's website for any Findings for Recovery related to the potential vendors prior to entering into a contract.

Officials' Response:

See corrective action plan.

3. Special Test and Provisions – Quality Assurance Program

Finding Number:	2024-004
Assistance Listing Number and Title:	AL # 20.205 - Highway Planning and Construction
Federal Award Identification Number / Year:	2024
Federal Agency:	U.S. Department of Transportation
Compliance Requirement:	Special Test and Provisions – Quality Assurance Program
Pass-Through Entity:	Ohio Department of Transportation
Repeat Finding from Prior Audit?	No

Noncompliance and Material Weakness

23 CFR §637.201 prescribes policies, procedures, and guidelines to assure the quality of materials and construction in all Federal-aid highway projects on the National Highway System. **23 CFR §637.205** states each Local Public Agency (LPA) shall develop a quality assurance program which will assure that the materials and workmanship incorporated into each Federal-aid highway construction project on the national highway system are in conformity with the requirements of the approved plans and specifications, including approved changes. The program must meet the criteria in § 637.207 and be approved by the Federal Highway Administration (FHWA).

The Village's Highway Planning and Construction program required the Village to have a Quality Assurance Program approved by FHWA. The Village did not have a Quality Assurance Program in place. In addition, due to not being able to provide the Quality Assurance Program, we could not verify quality assurance testing was completed in accordance with program requirements.

The error was caused by a failure in controls related to the Quality Assurance requirements of the grant agreement. Failing to have the appropriate controls in place may result in projects being completed by unapproved qualified personnel and failure to monitor materials and workmanship.

The Village should ensure a Quality Assurance Program is approved by FHWA and implemented to ensure testing was completed in accordance with the program requirements.

Officials' Response:

See corrective action plan.

4. Special Test and Provisions – Quality Assurance Program

Finding Number:	2024-005
Assistance Listing Number and Title:	AL # 20.205 - Highway Planning and Construction
Federal Award Identification Number / Year:	2024
Federal Agency:	U.S. Department of Transportation
Compliance Requirement:	Special Test and Provisions – Quality Assurance Program
Pass-Through Entity:	Ohio Department of Transportation
Repeat Finding from Prior Audit?	No

Noncompliance and Material Weakness

The Ohio Department of Transportation (ODOT) Local-Let Manual of Procedures: Construction Contract Administration, section 7.3, states at the pre-con, the Local Public Agency (LPA) must provide to Ohio Department of Transportation (ODOT) a testing and inspection implementation plan listing the individuals responsible for testing and inspection, their certifications, and an independent testing laboratory to be utilized. The LPA shall adhere to the requirements of the LPA Materials Management Process which outlines the processes for materials management. This process will assist LPAs in setting up controls to ensure materials meet ODOT specifications during construction management.

The Village had one grant for which it was required to submit a testing and inspection implementation plan to ODOT. The Village was not able to provide a copy of the Implementation Test Plan. Therefore, we could not verify the Village complied with the requirement of the Highway Planning and Construction grant.

This error was caused by a failure in controls related to the requirements of the ODOT Local-Let Manual of Procedures. Failing to have the appropriate controls in place may result in testing and inspections not being completed as required or being completed by unqualified personnel.

The Village should ensure that requirements of the ODOT Local-Let Manual of Procedures are fulfilled to remain in compliance with the grant agreement.

Officials' Response:

See corrective action plan.

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Whitehouse

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
DECEMBER 31, 2024

Finding Number	Finding Summary	Status	Additional Information
2023-001	Finding was first issued in the 2010-2009 audit. Material weakness due to errors in financial reporting.	Not corrected and reissued as Finding 2024-001 in this report.	This finding reoccurred due to inadequate policies and procedures in reviewing the financial statements prior to filing the Village's annual report. The Village is implementing procedures to correct these errors for the future.

6925 Providence Street. PO Box 2476. Whitehouse, Ohio 43571
Phone 419-877-5383. Fax 419-877-5635
whitehouseoh.gov

Whitehouse

CORRECTIVE ACTION PLAN 2 CFR § 200.511(c) DECEMBER 31, 2024

Finding Number:	2024-001
Planned Corrective Action:	Finance staff will review all financial balances on a quarterly basis to ensure accuracy. Prior to submission of the financial statements, the Finance Director will perform a detailed review of all financial statements and accompanying note disclosures to verify accuracy and completeness. Internal procedure will be enhanced to ensure all transfers, budgetary information, and supporting documentation are reconciled to identify inconsistencies. The Finance Department will seek guidance and training to enhance the level of ability to pinpoint these discrepancies.
Anticipated Completion Date:	November 2025: Finance staff will review financials for compliance for the 2025 fiscal year. Thereafter, in accordance with the plan, staff will meet in January, April, July and October of each year to review. The search for training opportunities will start immediately and will be a continuous process.
Responsible Contact Person:	Jordan Daugherty
Finding Number:	2024-002
Planned Corrective Action:	The Village of Whitehouse will work with our outside Engineers to ensure that all compliance items are being addressed in all initial meetings for projects using Federal Funds. This will ensure that all policies and procedures are put into place prior to the start of the project. The Village will seek out training on federal procurement compliance requirements.
Anticipated Completion Date:	Date is dependent on the next federally funded project in which the process will begin during the preconstruction meeting. The search for training opportunities will start immediately and will be a continuous process.
Responsible Contact Person:	Jordan Daugherty
Finding Number:	2024-003
Planned Corrective Action:	The Village of Whitehouse will work with our outside Engineers to ensure that all compliance items are being addressed in all initial meetings for projects using Federal Funds. This will ensure that all policies and procedures are put into place prior to the start of the project. The Village will seek out training on federal procurement compliance requirements.

**6925 Providence Street. PO Box 2476. Whitehouse, Ohio 43571
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Anticipated Completion Date:	Date is dependent on the next federally funded project in which the process will begin during the preconstruction meeting. The search for training opportunities will start immediately and will be a continuous process.
Responsible Contact Person:	Jordan Daugherty
Finding Number:	2024-004
Planned Corrective Action:	The Village of Whitehouse will work with our outside Engineers to ensure that all compliance items are being addressed in all initial meetings for projects using Federal Funds. This will ensure that all policies and procedures are put into place prior to the start of the project. The Village will seek out training on federal procurement compliance requirements.
Anticipated Completion Date:	Date is dependent on the next federally funded project in which the process will begin during the preconstruction meeting. The search for training opportunities will start immediately and will be a continuous process.
Responsible Contact Person:	Jordan Daugherty
Finding Number:	2024-005
Planned Corrective Action:	The Village of Whitehouse will work with our outside Engineers to ensure that all compliance items are being addressed in all initial meetings for projects using Federal Funds. This will ensure that all policies and procedures are put into place prior to the start of the project. The Village will seek out training on federal procurement compliance requirements.
Anticipated Completion Date:	Date is dependent on the next federally funded project in which the process will begin during the preconstruction meeting. The search for training opportunities will start immediately and will be a continuous process.
Responsible Contact Person:	Jordan Daugherty

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OHIO AUDITOR OF STATE
KEITH FABER



**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor's Report	1
Prepared by Management:	
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis)	
All Governmental Fund Types	
For the Year Ended December 31, 2023.....	5
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis)	
All Proprietary Fund Types	
For the Year Ended December 31, 2023.....	6
Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis)	
All Fiduciary Fund Types	
For the Year Ended December 31, 2023.....	7
Notes to the Financial Statements	
For the Year Ended December 31, 2023	8
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	23
Schedule of Findings.....	25
Summary Schedule of Prior Audit Findings (prepared by management)	26

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INDEPENDENT AUDITOR'S REPORT

Village of Whitehouse
Lucas County
P.O. Box 2476
6925 Providence Street
Whitehouse, Ohio 43571-2476

To the Village Council:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Village of Whitehouse, Lucas County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2023, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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* section of our report, the accompanying financial statements 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, 2023, or the changes in financial position or, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Village on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's 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.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 17, 2025

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Village of Whitehouse
Lucas County
*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)*
All Governmental Fund Types
For the Year Ended December 31, 2023

	General	Special Revenue	Debt Service	Capital Projects	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$472,231	\$469,068			\$941,299
Municipal Income Tax	2,633,864			\$1,128,798	3,762,662
Intergovernmental	867,045	354,777		615,553	1,837,375
Special Assessments			\$45,067		45,067
Charges for Services	684,577	968,865			1,653,442
Licenses, Permits and Fees	103,700				103,700
Earnings on Investments	357,457	38			357,495
Miscellaneous	133,955	20,849			154,804
<i>Total Cash Receipts</i>	<i>5,252,829</i>	<i>1,813,597</i>	<i>45,067</i>	<i>1,744,351</i>	<i>8,855,844</i>
Cash Disbursements					
Current:					
Security of Persons and Property	2,462,837	1,497,929			3,960,766
Leisure Time Activities	91,577				91,577
Community Environment	154,813				154,813
Basic Utility Services	343,094				343,094
Transportation		165,457			165,457
General Government	550,956	42,994	38,307	270,738	902,995
Capital Outlay				1,551,378	1,551,378
Debt Service:					
Principal Retirement		29,350	225,289		254,639
Interest and Fiscal Charges			54,433		54,433
<i>Total Cash Disbursements</i>	<i>3,603,277</i>	<i>1,735,730</i>	<i>318,029</i>	<i>1,822,116</i>	<i>7,479,152</i>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>1,649,552</i>	<i>77,867</i>	<i>(272,962)</i>	<i>(77,765)</i>	<i>1,376,692</i>
Other Financing Receipts (Disbursements)					
Loans Issued				164,973	164,973
Sale of Capital Assets				1,845	1,845
Transfers In		355,197	276,245	810,205	1,441,647
Transfers Out	(359,358)			(564,150)	(923,508)
<i>Total Other Financing Receipts (Disbursements)</i>	<i>(359,358)</i>	<i>355,197</i>	<i>276,245</i>	<i>412,873</i>	<i>684,957</i>
<i>Net Change in Fund Cash Balances</i>	<i>1,290,194</i>	<i>433,064</i>	<i>3,283</i>	<i>335,108</i>	<i>2,061,649</i>
<i>Fund Cash Balances, January 1</i>	<i>1,947,287</i>	<i>1,950,752</i>	<i>56,596</i>	<i>1,565,079</i>	<i>5,519,714</i>
<i>Fund Cash Balances, December 31</i>	<i>\$3,237,481</i>	<i>\$2,383,816</i>	<i>\$59,879</i>	<i>\$1,900,187</i>	<i>\$7,581,363</i>

See accompanying notes to the basic financial statements

Village of Whitehouse
Lucas County
*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)*
All Proprietary Fund Types
For the Year Ended December 31, 2023

	<u>Proprietary Fund Types</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$2,622,522
Miscellaneous	500
	<u>2,623,022</u>
<i>Total Operating Cash Receipts</i>	<u>2,623,022</u>
Operating Cash Disbursements	
Personal Services	520,220
Employee Fringe Benefits	191,138
Contractual Services	1,263,716
Supplies and Materials	79,197
Other	1,311
	<u>2,055,582</u>
<i>Total Operating Cash Disbursements</i>	<u>2,055,582</u>
Operating Income	<u>567,440</u>
Non-Operating Disbursements	
Capital Outlay	(75,014)
Principal Retirement	(244,295)
Interest and Other Fiscal Charges	(48,202)
	<u>(367,511)</u>
<i>Total Non-Operating Disbursements</i>	<u>(367,511)</u>
Income before Loans Issued and Transfers	199,929
Loans Issued	33,757
Transfers In	124,000
Transfers Out	(642,139)
	<u>(284,453)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(284,453)</u>
Fund Cash Balances, January 1	<u>3,267,854</u>
Fund Cash Balances, December 31	<u>\$2,983,401</u>

See accompanying notes to the basic financial statements

Village of Whitehouse
Lucas County
*Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)*
All Fiduciary Fund Types
For the Year Ended December 31, 2023

	Fiduciary Fund Type
	Other Custodial
Additions	
Property and Other Local Taxes Collected for Distribution	<u>\$3,099,586</u>
Deductions	
Distributions as Fiscal Agent	<u>3,977,955</u>
<i>Net Change in Fund Balances</i>	<i>(878,369)</i>
<i>Fund Cash Balances, January 1</i>	<u>2,307,964</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$1,429,595</u></u>

See accompanying notes to the basic financial statements

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 - Reporting Entity

The Village of Whitehouse (the Village), Lucas County, Ohio, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police, fire, and life squad services.

Jointly Governed Organizations

The Village participates in jointly governed organizations. Notes 12 and 13 to the financial statements provide additional information for these entities.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Life Squad This fund receives revenue from Lucas County for life squad services.

Fire Levy This fund receives revenue from property taxes and Waterville Township to provide fire services.

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 Funds:

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

General Obligation Bond Fund This fund receives Income Tax Fund proceeds to repay debt incurred for the construction and equipping of a new municipal building.

Note Retirement Fund This fund receives transfers from the Income Tax A Fund to repay debt incurred for the construction of the State Route 64/Finzel Road Roundabout.

Fire Debt Retirement Fund This fund receives transfers from the Income Tax A Fund to repay debt incurred for the lease of a new fire truck.

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:

Income Tax A Fund This fund receives local income tax revenue for capital projects.

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 The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Sewer Fund The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Fiduciary Funds Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial funds account for income tax receipts collected by the Village and the related distributions for the Monclova Township-Village of Whitehouse JEDD and the Spencer Township-Village of Whitehouse JEDZ.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions, and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

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 (C). 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).

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

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 (C) permit.

Budgetary Process

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

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

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

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

A summary of 2023 budgetary activity appears in Note 3.

Deposits and Investments

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

The Village values U.S. Treasury Notes at cost. Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Capital Assets

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

Accumulated Leave

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

Leases

The Village is the lessee in a lease (as defined by GASB 87) related to other equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Fund Balance

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

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 14.

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2023 follows:

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

2023 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$7,222,000	\$5,252,829	(\$1,969,171)
Special Revenue	2,015,400	2,259,346	243,946
Debt Service	375,292	321,312	(53,980)
Capital Projects	5,033,463	2,630,822	(2,402,641)
Enterprise	2,753,500	2,780,779	27,279
Total	\$17,399,655	\$13,245,088	(\$4,154,567)

2023 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$6,995,035	\$3,993,313	\$3,001,722
Special Revenue	3,228,980	1,855,896	1,373,084
Debt Service	321,122	318,029	3,093
Capital Projects	5,500,361	3,571,089	1,929,272
Enterprise	3,295,351	3,065,232	230,119
Total	\$19,306,428	\$12,803,559	\$6,537,290

Note 4 - Deposits and Investments

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Village's deposit and investment accounts are as follows:

	2023
Cash Management Pool:	
Demand deposits	\$8,653,992
U.S. Treasury Notes	2,572,880
STAR Ohio	752,755
Special Assessment Bonds	14,732
Total investments	3,340,367
Total Deposits and Investments	\$11,994,359

The Village has a payroll clearing account that is held outside of the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statement reflect gross payroll. The balance in the Village's payroll clearing account represent unremitted employee payroll withholdings.

The Village also has accounts held outside of the deposit pool for retainage related to construction contracts and for monies held in accordance with debt agreements.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village; 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.

Investments

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.

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 - 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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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 Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Note 6 - Risk Management

Risk Pool Membership

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

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

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

<u>2023</u>	
Cash and investments	\$ 43,996,442
Actuarial liabilities	\$ 19,743,401

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village 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 health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

Ohio Police and Fire Retirement System

The Village's certified Fire Fighters and full-time Police Officers belong to the Ohio 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 health care and survivor and disability benefits.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages and 24 percent of full-time fire fighters' wages. The Village has paid all contributions required through December 31, 2023.

Social Security

Other Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

Note 8 - 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 OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2023. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2023. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Note 9 - Debt

Debt outstanding at December 31, 2023, was as follows:

	Principal	Interest Rate
2013 General Obligation Bonds, Series	\$515,000	1.00%
Ohio Water Development Authority Loan, #5533	127,566	2.75%
Ohio Water Development Authority Loan, #9230	2,454,977	0.30%
Ohio Public Works Commission Loan #CT45N	175,938	0.00%
Ohio Public Works Commission Loan #CL06V	60,516	0.00%
Ohio Public Works Commission Loan #CT56P	4,406	0.00%
Ohio Public Works Commission Loan #CT23Q	8,129	0.00%
Ohio Public Works Commission Loan #CL17T	74,625	0.00%
Ohio Public Works Commission Loan #CL26V	55,397	0.00%
Ohio Public Works Commission Loan #CL22Z	90,552	0.00%
Ohio Public Works Commission Loan #CL05Y	18,523	0.00%
PNC Equipment Financing	476,466	2.94%
State Infrastructure Bank	631,004	3.00%
Special Assessment Bond, S. Berkey-South Sewer	2,285	3.75%
Special Assessment Bond, S. Berkey-South Water	2,811	3.75%
Special Assessment Bond, Waterville St Recon	9,556	3.75%
Total	\$4,707,751	

The 2013 General Obligation Bonds relate to the refinancing of bonds originally issued in 2002 for the construction and equipping of a new municipal building. The refinanced bonds were issued for \$1,720,000 at a variable rate not to exceed 3.00 percent interest, payable semiannually over 15 years.

The Ohio Water Development Authority (OWDA) loan #5533 relates to a sewer utility construction project on Dutch Road. OWDA approved a \$273,544 loan to the Village for this project. The loan will be repaid in semiannual installments over 20 years, including interest of 2.75 percent. The loan is collateralized by water and sewer receipts.

The Ohio Water Development Authority (OWDA) loan #9230 relates to a sewer line upgrade project for the entire Village \$826,084 was issued during 2022. As of December 31, 2023, this loan has not been closed and a final amortization schedule is unavailable..

The Ohio Public Works Commission (OPWC) loan #CT45N relates to the Downtown Water and Storm Sewer project. OPWC loaned the Village \$390,974. The Village will repay the loan in semiannual installments of \$9,774 over 20 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CL06V relates to the Rupp Road and Technology Drive project. OPWC loaned the Village \$110,030. The Village will repay the loan in semiannual installments of \$11,003 over 10 years. The loan is collateralized by undivided local government funds.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

The Ohio Public Works Commission (OPWC)16 loan #CL17T relates to the Regional Pump Station Improvements. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$99,500. The Village will repay the loan in semiannual installments of \$2,486 over 20 years.

The Ohio Public Works Commission (OPWC) loan #CT56P relates to the Texas Street Phase I reconstruction project. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$44,059. The Village will repay the loan in semiannual installments of \$2,203 over 10 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CT23Q relates to the resurfacing of parts of Texas Street, Weckerly Drive, and Cable Avenue. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$54,191. The Village will repay the loan in semiannual installments of \$2,710 over 10 years. The loan is collateralized by undivided local government funds.

The Ohio Public Works Commission (OPWC) loan #CL26V relates to the Weckerly Road resurfacing. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$85,226. The Village will repay the loan in semiannual installments of \$4,261.

The Ohio Public Works Commission (OPWC) loan #CL05Y relates to the Industrial Parkway and Weckerly Road improvements. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$18,523. The Village will repay the loan in semiannual installments of \$617 for 30 years.

The Ohio Public Works Commission (OPWC) loan #CL22Z relates to the 2023 Street Resurfacing and Dutch Road improvements. OPWC loaned money to the Village and Whitehouse's principal portion of the loan was \$90,552. As of December 31, 2023, this project is not closed.

The Fire Truck Lease/Purchase agreement was entered into on September 2, 2016, with PNC Equipment Finance. This leased a fire engine for the Village. The total lease amount was \$776,052, due in semiannual installments of \$32,166 for 15 years.

The State Infrastructure Bank (SIB) loan #150006 relates to the roundabout at Finzel Road and State Route 64 and the land around it. SIB loaned the Village \$1,386,910 for this project. The Village will repay the loan in semiannual installments of \$32,642 over 20 years including interest of 3.00 percent.

The S. Berkey-Southern Sewer Extension Special Assessment Bonds were originally issued for \$15,232. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$381, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The S. Berkey-Southern Water Extension Special Assessment Bonds were originally issued for \$18,739. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$468, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

The Waterville Street Reconstruction Special Assessment Bonds were originally issued for \$63,710. The bonds are payable from the proceeds of tax assessments against individual property owners in semiannual installments of \$1,593, including interest of 3.75 percent over 20 years. The Village purchased these bonds as an investment.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Amortization

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

Year Ending December 31:	General Obligation Bonds	OWDA Loan #5533	OPWC Loan #CL26V	OPWC Loan #CL06V	OPWC Loan #CT45N	OPWC Loan #CL05Y
2024	\$140,138	\$17,873	\$8,523	\$11,003	\$19,549	\$309
2025	136,700	17,873	8,523	11,003	19,549	617
2026	137,950	17,873	8,523	11,003	19,549	617
2027	139,050	17,873	8,523	11,003	19,549	617
2028		17,873	8,523	11,003	19,549	617
2029-2033		53,619	12,782	5,501	78,193	3,087
2034-2038						3,087
2039-2043						3,087
2044-2048						3,087
2049-2053						3,088
2054						310
Total	\$553,838	\$142,984	\$55,397	\$60,516	\$175,938	\$18,523

Year Ending December 31:	OPWC Loan #CT56P	OPWC Loan #CT23Q	OPWC Loan #CL17T	State Infrastructure Bank	PNC Equipment Finance
2024	\$4,406	\$5,419	\$4,975	\$65,285	\$64,331
2025		2,710	4,975	65,285	64,331
2026			4,975	65,285	64,331
2027			4,975	65,285	64,331
2028			4,975	326,425	64,331
2029-2033			24,875	97,927	192,993
2034-2038			24,875		
Total	\$4,406	\$8,129	\$74,625	\$685,492	\$514,648

Year Ending December 31:	Waterville Street	S. Berkey- Southern Water Extension	S. Berkey- Southern Sewer Extension
2024	\$3,484	\$1,025	\$833
2025	3,365	990	804
2026	3,245	954	776
Total	\$10,094	\$2,969	\$2,413

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Note 10 - Construction and Contractual Commitments

Maumee Wastewater Treatment Plant

In 2003, the plant was expanded. The Village is to pay 8.00 percent of the improvement costs of the plant to Lucas County over a period of 25 years. As of December 31, 2023, the Village owed Lucas County approximately \$403,876 (OWDA #3956). In addition, a 20 year loan was taken out with Ohio Public Works Commission. As of December 31, 2023, the Village owed approximately \$17,012 (OPWC Loan #CL02F). In 2010, the plant was expanded again. The Village is to pay a portion of the treatment plant's construction costs based on the quarterly consumption rates. The loan balance as of December 31, 2023 was \$333,968. Based on an average between quarterly consumption rates for 2023, the Village paid Lucas County approximately \$1,848 (OWDA #5113). Since the amount owed by the Village is variable, and based on consumption, there is no amortization schedule available.

In 2010-2011, further upgrades were made to the wastewater treatment plant. Various debt issues began amortizing in 2012. Once again, the Village is to pay a portion of the treatment plant's construction costs based on their quarterly consumption rate.

The loan balance as of December 31, 2023 was \$50,348. Based on an average between quarterly consumption rates for 2023, the Village paid Lucas County approximately \$4,704 (OPWC #CL27M). Since the amount owed by the Village is variable, and based on consumption, there is no amortization schedule available.

In 2015, capacity improvements were made. The Village is to pay a portion of the construction costs based on quarterly consumption rates. The Village paid approximately \$229 (OPWC #CL21Q). Since the amount owed by the Village is based on consumption, there is no amortization schedule available.

In 2019, more improvements were made. The Village is to pay 5.30 percent of the improvement costs of the plant to Lucas County over a period of 20 years. Multiple fixed loans (OWDA #7799, 8254, OPWC #CL16U, CL19T, CL21T, CL21U) at 0% interest were taken. The loans are outlined below.

The annual requirements to amortize the fixed commitments are as follows:

Year ending December 31:	OWDA Loan #3956	OPWC Loan #CL02F	OWDA Loan #7799	OWDA Loan #8254
2024	\$ 76,029	\$ 4,861	\$ 41,238	\$ 10,374
2025	76,029	4,861	41,238	10,374
2026	76,029	2,430	41,238	10,374
2027	76,029		41,238	10,374
2028	76,029		41,238	10,374
2029-2033	76,029		206,190	51,870
2034-2038			206,190	51,870
2039-2043				10,374
Total	<u>\$456,174</u>	<u>\$12,152</u>	<u>\$618,570</u>	<u>\$165,984</u>

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Year ending December 31:	OPWC Loan #CL16U	OPWC Loan #CL19T	OPWC Loan #CL21T	OPWC Loan #CL21U
2024	\$ 795	\$ 1,325	\$ 1,060	\$ 1,897
2025	795	1,325	1,060	1,897
2026	795	1,325	1,060	1,897
2027	795	1,325	1,060	1,897
2028	795	1,325	1,060	1,897
2029-2033	3,975	6,625	5,300	9,485
2034-2038	3,975	6,625	5,300	9,485
2039-2043	795	1,325	1,060	1,897
Total	\$12,720	\$21,200	\$16,960	\$30,352

Note 11 - Contingent Liabilities

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

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

Note 12 - Joint Governed Organization

The Village of Whitehouse entered into two separate joint economic development districts (JEDD) agreements and one Joint Economic Development Zone (JEDZ) agreement. One of the JEDD agreements is the Monclova Township and another JEDD agreement is with Waterville Township. The JEDZ agreement is with Spencer Township. Each of the JEDDs and the JEDZ is wholly situated within their respective township. The purpose of these agreements is to facilitate economic development by creating and preserving employment opportunities within the respective JEDD/JEDZ.

The Village of Whitehouse entered into a Fire Cooperation Agreement with the City of Waterville and Waterville Township. This agreement is to provide the necessary fire protection within the area. Funds for this protection come from property taxes.

Note 13 - Regional Income Tax Agency

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collecting income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2023, the Village paid RITA \$51,445 for income tax collection services.

Village of Whitehouse
Lucas County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Note 14 - Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Capital Projects	Total
Outstanding Encumbrances	<u>\$30,678</u>	<u>\$29,614</u>	<u>\$1,275,375</u>	<u>\$1,335,667</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted committed or assigned. These restricted, committed and assigned amounts in the special revenue, debt service, and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

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

Village of Whitehouse
Lucas County
P.O. Box 2476
6925 Providence Street
Whitehouse, Ohio 43571-2476

To the Village Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2023 and the related notes to the financial statements of the Village of Whitehouse, Lucas County, Ohio (the Village) and have issued our report thereon dated November 17, 2025, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a material weakness.

Village of Whitehouse
Lucas County
Independent Auditor's Report On Internal Control Over
Financial Reporting And On Compliance And Other Matters
Required By *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Village's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village's responses to the findings identified in our audit and described in the accompanying schedule of findings. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 17, 2025

**VILLAGE OF WHITEHOUSE
LUCAS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023**

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

FINDING NUMBER 2023-001

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:

- Transfers in and transfers out were overstated in the amount of \$3,194,204 in the General Fund;
- Budgeted expenditures in the Budgetary Activity note to the financial statements were understated in the General, Special Revenue, and Debt Service Funds in the amounts of \$600,000, \$ 1,311,000, and \$34,421, respectively;
- Capital Projects Funds OPWC grants issued in the amount of \$375,407 were not recorded by the Village in the financial statements as intergovernmental receipts and capital outlay expenditures; and
- Property & other local taxes collected for distribution and distribution as fiscal agent were understated in the amount of \$223,454 in the Custodial Fund.

These errors were not identified and corrected prior to the Village preparing its financial statements and notes to the financial statements due to deficiencies in the Village's internal controls over financial statement monitoring. Failing to prepare accurate financial statements and notes to the financial statements could lead the Village Council to make misinformed decisions. The accompanying financial statements have been adjusted to correct these errors. In addition to the adjustments noted above, we also identified additional misstatements ranging from \$26,170 to \$90,552, which we have brought to the Village's attention.

The Village should adopt policies and procedures over financial reporting, including a final review of the financial statements and notes to the financial statements by the Finance Director and Village Council to help identify and correct errors and omissions.

Officials' Response:

Finance staff will review all financial balances on a quarterly basis to ensure accuracy. Prior to submission of the financial statements, the Finance Director will perform a detailed review of all financial statements and accompanying note disclosures to verify accuracy and completeness. Internal procedure will be enhanced to ensure all transfers, budgetary information, and supporting documentation are reconciled to identify inconsistencies. The Finance Department will seek guidance and training to enhance the level of their ability to pinpoint these discrepancies.

Whitehouse

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	Finding was first issued in the 2010-2009 audit. Material weakness due to errors in financial reporting.	Not corrected and reissued as Finding 2023-001 in this report.	This finding reoccurred due to inadequate policies and procedures in reviewing the financial statements prior to filing the Village's annual report. The Village is implementing procedures to correct these errors for the future.

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF WHITEHOUSE

LUCAS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 12/4/2025

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

This report is a matter of public record and is available online at
www.ohioauditor.gov