

Village Notes Training

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Getting Started

- Shells are available on the Auditor of State website as a word document.
- Contact the auditors who did your last audit; they may be able to send you their notes file to be used as a starting point.
- Look at prior audit reports on the Auditor of State website for your entity.
- We will go over each note and give tips on how to fill it in
- Remember to customize every note for your entity – if it doesn't apply to you, delete it out!

Note Shells

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

Note Shells - continued

- Choose OCBOA or Regulatory, then find your entity type
- Click on Notes and save the file on your computer in an easy to find place
- Consider naming the file with the year you're working on, so that you can go back to it in future years
- These shells are updated about once a year, so check back for updates and incorporate them into your file each year
- The OCBOA shells include the most common note disclosures

Note Shells - continued

- The shells have colors to help guide you
 - Yellow highlights are helpful guidance
 - Green highlights are generic information; modify to fit your entity
- The shells use CY for current year and PY for prior year
 - You can use "find and replace" to make them 16 and 15, or whatever year you are in
- The shells include a header that if modified on the first page, will carry your entity name, county, and year through all pages of the report

Ready to Dive Into Notes?



Note 1 – Reporting Entity

- Describe the services that your village/township provides
- If your village/township contracts a major service with another entity, then describe that as well. For example:
 - Village – Paying the County Sheriff for specific police protection
 - Township – Paying a village for fire and emergency medical services protection
- Fiscal distress – If your village/township is in fiscal caution, watch, or emergency, you'll need an extra paragraph
- Other organizations – We'll come back to this when we look at Notes 14 through 17

Note 2 - SSAP

- Most of this note is standard language that you will just leave as-is
- Fund types – delete those that don't apply; list significant funds under each type with a brief description
- Budgetary process – update certain sentences if you had no encumbrances at year-end; yellow highlights will guide you
- Deposits and investments – modify to fit your investments, if you have any (we will go into more detail on this in Note 5)

Note 3 - Compliance

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

Note 4 – Budgetary Activity

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

Note 5 – Deposits and Investments

- Regulatory notes have a chart that lists all the cash/investment accounts by type
 - All accounts of one type are added together, you don't have to list out each bank or account separately
- OCBOA notes describe the amount of deposits and what portion was uninsured by FDIC
- OCBOA notes provide more detail on investments, including information from the village's/township's investment policy

Note 6 – Property Taxes

- Regulatory notes – if you don't have any public utility taxpayers, delete the 2nd paragraph
- OCBOA – you will need the full tax rate and assessed values; these can be obtained from your County Auditor

Note 6 – Income Taxes

- If your village levies an income tax, include this note
- If you do not have a municipal income tax, delete this portion of the note
- Describe what types of income are taxed and include the tax percentage
- Look at your most recent income tax ordinance and/or the ballot language if some of the tax was approved by voters; if a portion of the tax is required to be used for a specific purpose, say that in the note

Note 7 – Interfund Transfers

- OCBOA – also describe transfers made during the year and their purpose; the shell includes a chart but if you only have one or two funds with transfers, you could just describe them in a sentence

Note 7 – Interfund Advances

- Regulatory – describe any material outstanding advance(s) not repaid at year end, including what the purpose of the advance was
- OCBOA – describe any outstanding advance(s) not repaid at year end and their purpose; the shell includes a chart but if you only have one or two funds with advances, you could just describe them in a sentence

Note 8 – Risk Management

- Regulatory – in the list of types of insurance, only include those that your village/township has
- If participating in a risk pool for insurance, use and update that section with the name of pool and what it covers
- If self insured for a type of insurance, use and update that section
- OCBOA – fill in chart with each type of insurance your village/township has, including amount of coverage and deductibles
- If participating in a group rating plan or self insured, use and update those paragraphs

Note 9 – Defined Benefit Pension Plans

- Include notes for Ohio Public Employees Retirement System and/or Ohio Police and Fire Pension Fund, and/or Social Security, depending on what your employees participate in
- Update the percentages for the current year
- OCBOA – include the amount of your village's/township's contractually required contribution to OPERS and OPF in each note
 - There is a worksheet to help calculate this included in the handout

Note 10 – Postemployment Benefits

- Include notes for Ohio Public Employees Retirement System and/or Ohio Police and Fire Pension Fund, depending on what your employees participate in
- Update the percentages for the current year
- OCBOA – include the amounts contributed for health care for the current year and two prior years
 - There is a worksheet to help calculate this included in the handout

Hope You're Staying Awake...



Halfway There!



Note 11 - Debt

- Describe the various debt obligations your village/township has, including bonds, notes, loans, and leases
- Regulatory – in the first chart, include amount of each debt outstanding at 12/31/CY and the interest rate
- OCBOA – in the charts, include amount of each debt outstanding at 12/31/PY, new debts issued, amounts retired during the current year, and then the amount outstanding at 12/31/CY will calculate automatically
- Both – fill in the chart with principal and interest payments remaining to be made on each type of debt; first 5 years separately and then remaining in 5 year pieces

Note 12 – Construction and Contractual Commitments

- List any significant construction or other contractual commitments.
- Example – At December 31, 2016, the Township had \$81,145 in outstanding contractual commitments related to the construction of new fire station.
- OCBOA – List encumbrances, since those dollars are set aside for a particular use in the future.

Note 13 – Contingent Liabilities

- These are items that could impact the village's/township's financial position in the future
- Examples:
 - Lawsuits the village/township is involved in
 - Grants subject to audit
- We suggest you ask the Village Solicitor/Township's legal counsel to write a letter indicating if there are any legal issues that could impact the Township's financial position

Notes 14 through 17

- All these notes relate to organizations that the village/township may be involved with
- Each organization will need to be analyzed to see if it fits the definition of one of the types in Notes 14 through 17
- The definition of each type is listed in the shell to help get you started
- Look at prior audit reports to see if anything was listed
- Also look at audit reports of other entities in your area – larger city, county, or school district reports may include some of these organizations that the village/township is involved with too

Note 18 – Related Party Transactions

- List any transactions that meet the definition listed in the shells; the opposite of an arm's length transaction
- There are a couple of examples in the shells but if you aren't sure if your situation applies, please consult with your solicitor/legal counsel, call LGS, or ask your auditors

Note 19 – Fund Balances (OCBOA)

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

Note 20 – Subsequent Events

- Significant financial event that happens after 12/31/CY
- Examples:
 - Issuance of debt
 - New levy or other major revenue
 - Major expenditures known after year-end

Note 21 – AMP Ohio – Revenue Coverage

- Villages – This note will only apply to villages who are a member of the Ohio Municipal Electric Generation Agency joint ventures.
- Townships – This will not apply to townships.

Note 22 – Change in Basis of Accounting and Restatement of Net Position/Fund Equity (OCBOA)

- This note would be included if your village/township would change from reporting on a Regulatory Basis one year to reporting on an OCBOA Basis in the following year.

Note 23 and Beyond (OCBOA)

- Notes 23 and beyond in the OCBOA shell will not apply to many villages/townships, but please let us know if you would like to discuss them

Any Questions on Notes???



Hinkle System

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

Hinkle System

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

Creating a PDF File

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

Creating a PDF File

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

MD&A

- For villages/townships choosing to do OCBOA, the annual financial report will include financial statements, notes, and the Management’s Discussion & Analysis (MD&A)
- The MD&A is a document that goes at the front of the report and gives an overview of the village’s/township’s financial picture for the year
- It includes tables and narratives; the tables compare the CY to the PY and the narratives describe any significant changes from year to year

MD&A

- The MD&A is unaudited, but your auditors will still read it and offer suggestions or changes. This is to make sure that it doesn’t contradict the financial statements or notes
- At the end, there is a current issues section; this should only include items that have an impact on the village’s/township’s financial position and should be known facts; do not include things that may or may not happen

Frequently Asked Questions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Sample Village Regulatory Report

Financial Statements

Notes

Village of Happy, Ohio				
<i>Silly County</i>				
<i>Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory - Cash Basis)</i>				
<i>All Governmental Fund Types</i>				
<i>For the Year Ended December 31, 2015</i>				
To be submitted.				Totals
		Special	Capital	(Memorandum
	General	Revenue	Projects	Only)
Cash Receipts				
Property and Other Local Taxes	\$159,426	\$28,324	\$0	\$187,750
Municipal Income Tax	949,640	473,033	0	1,422,673
Intergovernmental	136,988	240,051	170	377,209
Charges for Services	368	71,114	0	71,482
Fines, Licenses and Permits	39,339	1,840	0	41,179
Earnings on Investments	0	1,316	0	1,316
Miscellaneous	20,911	17,985	5,700	44,596
<i>Total Cash Receipts</i>	1,306,672	833,663	5,870	2,146,205
Cash Disbursements				
Current:				
Security of Persons and Property	585,847	21,153	0	607,000
Public Health Services	873	66,676	0	67,549
Leisure Time Activities	0	46,243	5,912	52,155
Basic Utility Services	3,800	0	0	3,800
Transportation	0	544,388	0	544,388
General Government	270,966	0	0	270,966
Capital Outlay	0	0	42,847	42,847
Debt Service:				
Principal Retirement	0	20,007	0	20,007
<i>Total Cash Disbursements</i>	861,486	698,467	48,759	1,608,712
<i>Excess of Receipts Over (Under) Disbursements</i>	445,186	135,196	(42,889)	537,493
Other Financing Receipts (Disbursements)				
Transfers In	0	30,000	10,000	40,000
Transfers Out	(40,000)	0	0	(40,000)
<i>Total Other Financing Receipts (Disbursements)</i>	(40,000)	30,000	10,000	0
<i>Net Change in Fund Cash Balances</i>	405,186	165,196	(32,889)	537,493
<i>Fund Cash Balances, January 1</i>	768,729	897,875	59,638	1,726,242
Fund Cash Balances, December 31				
Restricted	0	1,054,052	0	1,054,052
Committed	0	9,006	26,749	35,755
Assigned	0	13	0	13
Unassigned (Deficit)	1,173,915	0	0	1,173,915
<i>Fund Cash Balances, December 31</i>	\$1,173,915	\$1,063,071	\$26,749	\$2,263,735

Village of Happy, Ohio				
<i>Silly County</i>				
<i>Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory - Cash Basis)</i>				
<i>All Governmental Fund Types</i>				
<i>For the Year Ended December 31, 2015</i>				
To be submitted.				Totals
	General	Special Revenue	Capital Projects	(Memorandum Only)
***** ***** Fund Balance Classification Worksheet ***** *****				
<i>Net Change in Fund Cash Balances</i>	\$405,186	\$165,196	(\$32,889)	\$537,493
<i>Fund Cash Balances, January 1</i>	768,729	897,875	59,638	1,726,242
<i>Fund Cash Balances, December 31</i>	\$1,173,915	\$1,063,071	\$26,749	\$2,263,735
Fund Balances				
Amounts identified as:				
Restricted for:				
Road Maintenance and Improvements	0	1,016,187	0	1,016,187
Police Operations	0	22,685	0	22,685
Drug and Alcohol Enforcement	0	4,590	0	4,590
Police Pension	0	2,008	0	2,008
Cemetery	0	8,582	0	8,582
Total Restricted	0	1,054,052	0	1,054,052
Committed to:				
Park Operations	0	9,006	0	9,006
Capital Improvements	0	0	26,749	26,749
Total Committed	0	9,006	26,749	35,755
Assigned to:				
Other Purposes	0	13	0	13
Total Assigned	0	13	0	13
Unassigned	1,173,915	0	0	1,173,915
<i>Total Fund Cash Balances, December 31</i>	\$1,173,915	\$1,063,071	\$26,749	\$2,263,735

The above Fund Balance Classification Worksheet (Worksheet) is not required to be submitted; however, it is to be completed and retained for audit. Although not required, this Worksheet can be submitted at the fiscal officer's discretion.

Village of Happy, Ohio			
<i>Silly County</i>			
<i>Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory - Cash Basis)</i>			
<i>All Proprietary and Fiduciary Fund Types</i>			
<i>For the Year Ended December 31, 2015</i>			
	Proprietary Fund Type	Fiduciary Fund Type	Totals
To be submitted.		Private Purpose	(Memorandum Only)
	Enterprise	Trust	
Operating Cash Receipts			
Charges for Services	\$1,060,549	\$1,492	\$1,062,041
Earnings on Investments (trust funds only)	0	282	282
Miscellaneous	4,956	1,000	5,956
<i>Total Operating Cash Receipts</i>	1,065,505	2,774	1,068,279
Operating Cash Disbursements			
Personal Services	344,171	0	344,171
Employee Fringe Benefits	173,328	0	173,328
Contractual Services	646,402	7,204	653,606
Supplies and Materials	95,878	0	95,878
<i>Total Operating Cash Disbursements</i>	1,259,779	7,204	1,266,983
<i>Operating Income (Loss)</i>	(194,274)	(4,430)	(198,704)
Non-Operating Receipts (Disbursements)			
Municipal Income Taxes	473,033	0	473,033
Earnings on Investments (proprietary funds only)	5,510	0	5,510
Other Debt Proceeds	195,385	0	195,385
Capital Outlay	(5,276)	0	(5,276)
Principal Retirement	(278,869)	0	(278,869)
Interest and Other Fiscal Charges	(41,502)	0	(41,502)
<i>Total Non-Operating Receipts (Disbursements)</i>	348,281	0	348,281
<i>Net Change in Fund Cash Balances</i>	154,007	(4,430)	149,577
<i>Fund Cash Balances, January 1</i>	1,311,537	52,524	1,364,061
<i>Fund Cash Balances, December 31</i>	\$1,465,544	\$48,094	\$1,513,638

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

Note 1 - Reporting Entity

The Village of Happy (the Village), Silly County, 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 services. The Village contracts with Happy Emergency Rescue Service to receive fire protection and emergency medical service.

Jointly Governed Organizations

The Village participates in two jointly governed organizations. Note 15 to the financial statements provides 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 (cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (cash basis) for all proprietary and fiduciary fund types which are organized on a fund type basis.

Fund Accounting

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

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

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

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

Street Levy Fund – The street levy special revenue fund accounts for and reports income tax monies restricted for constructing, repairing, and maintaining Village streets.

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 funds:

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

Capital Improvement Fund – The capital improvement capital projects fund accounts for and reports proceeds of general obligation bonds. The proceeds are restricted for construction of a new municipal building.

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.

Basis of Accounting

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

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

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the 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 2015 budgetary activity appears in Note 3.

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

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.

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

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

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

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

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

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

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

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

Note 3 – Compliance

(Village of Happy did not have any compliance issues, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 4 - Budgetary Activity See page 73

Budgetary activity for the year ending December 31, 2015 follows:

2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,062,662	\$1,306,672	\$244,010
Special Revenue	753,108	863,663	110,555
Capital Projects	12,500	15,870	3,370
Enterprise	1,629,398	1,739,433	110,035
Trust	6,000	2,774	(3,226)
Total	\$3,463,668	\$3,928,412	\$464,744

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,059,255	\$901,486	\$157,769
Special Revenue	795,118	698,467	96,651
Capital Projects	49,500	48,759	741
Enterprise	1,612,164	1,585,426	26,738
Trust	7,293	7,204	89
Total	\$3,523,330	\$3,241,342	\$281,988

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

Note 5 – Deposits and Investments See page 93

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

	2015
Demand deposits	\$2,541,359
Certificates of deposit	1,281,400
Total deposits	3,822,759
Petty Cash	715
Adjustment for NSF Checks	417
Outstanding Checks	(46,518)
Total Carrying Amount	\$3,777,373

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

Note 6 - Taxes

Property Taxes

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

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

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

Income Taxes See page 107

The Village levies a municipal income tax of 2 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. Income tax revenue is credited to the general, street levy, and sewer funds.

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

Note 7 – Interfund Balances

(Village of Happy did not have any material outstanding advance(s) not repaid by the end of the year, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 8 - Risk Management***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Employment practices;
- Liability of public officials
- Liability of law enforcement; and
- Vehicles.

Note 9 - Defined Benefit Pension Plans***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2015.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2015</i>	<i>10%</i>	<i>14%</i>

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 % of their wages. The Village contributed to OP&F an amount equal to 19.5 % of full-time police members' wages. The Village has paid all contributions required through December 31, 2015.

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OP&F- full time police</i>	<i>July 1, 2013- June 30, 2014</i>	<i>10.75%</i>	<i>19.5%</i>
<i>OP&F- full time police</i>	<i>July 1, 2014- June 30, 2015</i>	<i>11.5%</i>	<i>19.5%</i>
<i>OP&F- full time police</i>	<i>July 1, 2015- June 30, 2016</i>	<i>12.25%</i>	<i>19.5%</i>

Social Security

Several of the Village's employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participant.

Employees contributed 6.2 % of their gross salaries. The Village contributed an amount equal to 6.2 % of participants' gross salaries. The Village has paid all contributions required through December 31, 2015.

Note 10 - Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

Note 11 - Debt See page 121

Debt outstanding at December 31, 2015 was as follows:

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

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

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

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

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

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

Note 12 – Construction and Contractual Commitments

(Village of Happy did not have significant outstanding construction or other contractual commitments, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 13 – Contingent Liabilities

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 14 – Joint Ventures See page 150

(Village of Happy did not have any joint ventures, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

Note 15 – Jointly Governed Organizations***Silly County Regional Planning Commission***

The Village is associated with the Silly County Regional Planning Commission as a jointly governed organization. The Commission is a statutorily created political subdivision of the State. The Commission is jointly governed amount Silly County municipalities and townships. Each member’s control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County.

Silly County Tax Incentive Review Council

The Silly County Tax Incentive Review Council (Council) is a jointly governed organization, created as a regional council of governments pursuant to State statutes. The Council has 20 members, consisting of three members appointed by the Silly County Commissioners, four members appointed by municipal corporations, and six members appointed by boards of education located within the County. The Council reviews and evaluates the performance of each Enterprise Zone Agreement. This body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however, the Council can make a written recommendation to the legislative authority which approved the agreement. There is no cost associated with being a member of the Council. The continued existence of the Council is not dependent upon the Village’s continued participation and no measurable equity interests exist.

Note 16 – Public Entity Risk Pool

(Village of Happy did not have any public entity risk pools, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 17 – Related Organizations

(Village of Happy did not have any related organizations, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 18 – Related Party Transactions

(Village of Happy did not have any related party transactions, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Village of Happy, Ohio
Silly County
Notes to the Financial Statements
For the Year Ended December 31, 2015

Note 19 – Fund Balances

(This note is not required for regulatory filers and is not included in the regulatory shell on the Auditor of State website. We have left it here as a placeholder, so that the remaining note numbers match to the handout.)

Note 20 – Subsequent Events

(Village of Happy did not have any subsequent events, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 21 – AMP Ohio – Revenue Coverage

(Village of Happy did not participate in any OMEGA JVs, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it.)

Sample Village OCBOA Report

MD&A

Financial Statements

Notes

Village of Happy, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

This discussion and analysis of the Village of Happy's (the Village) financial performance provides an overall review of the Village's financial activities for the year ended December 31, 2015, within the limitations of the Village's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Village's financial performance.

Highlights

Key highlights for 2015 are as follows:

The total net position of the Village increased by \$687,070.

Net position of governmental activities increased \$533,063, which represents a 29.97 percent increase from 2014.

The Village's largest general receipts in governmental activities are income taxes of \$1,422,673 and property tax receipts of \$187,750. These receipts represent, respectively, 66.20 and 8.74 percent of the total receipts received for governmental activities during the year. Operating grants and contributions program receipts make up 11.58 percent of total receipts.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Village's cash basis of accounting.

Report Components

The statement of net position and the statement of activities provide information about the cash activities of the Village as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Village as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Village has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Village's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Village of Happy, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Reporting the Village as a Whole

The statement of net position and the statement of activities reflect how the Village did financially during 2015, within the limitations of cash basis accounting. The statement of net position presents the cash balances of the governmental and business-type activities of the Village at year end. The statement of activities compares cash disbursements with program receipts for each governmental program and business-type activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function or business-type activity draws from the Village's general receipts.

These statements report the Village's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Village's financial health. Over time, increases or decreases in the Village's cash position is one indicator of whether the Village's financial health is improving or deteriorating. When evaluating the Village's financial condition, you should also consider other non-financial factors as well, such as the Village's property tax base, the condition of the Village's capital assets and infrastructure, the extent of the Village's debt obligations, the reliance on non-local financial resources for operations, and the need for continued growth in the major local revenue sources such as property and income taxes.

In the statement of net position and the statement of activities, we divide the Village into two types of activities:

Governmental activities Most of the Village's basic services are reported here, including police, streets and parks. State and federal grants and income and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Business-type activities The Village has two business-type activities: the provision of water and sewer. Business-type activities are financed by a fee charged to the customers receiving the service.

Reporting the Village's Most Significant Funds

Fund financial statements provide detailed information about the Village's major funds – not the Village as a whole. The Village establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Village are split into two categories: governmental and proprietary.

Governmental Funds – Most of the Village's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Village's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Village's programs. The Village's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) are combined and presented in total in a single column. The Village's major governmental funds are the general fund, street maintenance fund, and the street levy fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

Village of Happy, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Proprietary Funds – When the Village charges customers for the services it provides, these services are generally reported in proprietary funds. When the services are provided to the general public, the activity is reported as an enterprise fund. The Village has two enterprise funds: water and sewer.

The Government as a Whole

Table 1 provides a summary of the Village's net position for 2015 compared to 2014 on a cash basis:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Cash and Cash Equivalents	\$2,311,829	\$1,778,766	\$1,465,544	\$1,311,537	\$3,777,373	\$3,090,303
Net Position						
Restricted:						
Capital Projects	\$14,984	\$44,661	\$0	\$0	\$14,984	\$44,661
Other Purposes	1,102,146	950,185	0	0	1,102,146	950,185
Unrestricted	1,194,699	783,920	1,465,544	1,311,537	2,660,243	2,095,457
<i>Total Net Position</i>	<u>\$2,311,829</u>	<u>\$1,778,766</u>	<u>\$1,465,544</u>	<u>\$1,311,537</u>	<u>\$3,777,373</u>	<u>\$3,090,303</u>

Net position of the governmental activities increased by \$533,063, or 29.97 percent, during 2015. The increase is due to receipts continuing to outpace disbursements. Despite a small increase in disbursements, receipts also increased, primarily income taxes, and the Village continued to closely monitor costs. The decrease in disbursements for transportation was offset by an increase in disbursements for security of persons and property during 2015.

Net position of the business-type activities increased during 2015 due to receipts outpacing disbursements with both increasing.

Village of Happy, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Table 2 reflects the changes in net position for 2015 compared to 2014 and corresponds to the Statement of Activities.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Receipts						
Program Receipts:						
Charges for Services and Operating Assessments	\$121,656	\$97,765	\$1,060,549	\$981,069	\$1,182,205	\$1,078,834
Operating Grants and Contributions	248,903	275,060	0	0	248,903	275,060
Capital Grants and Contributions	170	7,449	0	0	170	7,449
Total Program Receipts	370,729	380,274	1,060,549	981,069	1,431,278	1,361,343
General Receipts:						
Property Taxes	187,750	183,476	0	0	187,750	183,476
Income Taxes	1,422,673	1,225,544	473,033	408,141	1,895,706	1,633,685
Loan Proceeds	0	0	195,385	0	195,385	0
Intergovernmental	136,988	94,789	0	0	136,988	94,789
Interest	1,598	704	5,510	599	7,108	1,303
Other	29,241	51,397	4,956	44,041	34,197	95,438
Total General Receipts	1,778,250	1,555,910	678,884	452,781	2,457,134	2,008,691
Total Receipts	2,148,979	1,936,184	1,739,433	1,433,850	3,888,412	3,370,034
Program Disbursements						
General Government	270,966	318,903	0	0	270,966	318,903
Security of Persons and Property	607,000	535,800	0	0	607,000	535,800
Public Health Services	74,753	35,848	0	0	74,753	35,848
Leisure Time Activities	52,155	31,979	0	0	52,155	31,979
Basic Utility Services	3,800	1,700	0	0	3,800	1,700
Transportation	544,388	616,167	0	0	544,388	616,167
Capital Outlay	42,847	12,476	0	0	42,847	12,476
Principal Retirement	20,007	20,009	0	0	20,007	20,009
Water	0	0	532,910	581,486	532,910	581,486
Sewer	0	0	1,052,516	883,569	1,052,516	883,569
Total Disbursements	1,615,916	1,572,882	1,585,426	1,465,055	3,201,342	3,037,937
Change in Net Position	533,063	363,302	154,007	(31,205)	687,070	332,097
Net Position Beginning of Year	1,778,766	1,415,464	1,311,537	1,342,742	3,090,303	2,758,206
Net Position End of Year	\$2,311,829	\$1,778,766	\$1,465,544	\$1,311,537	\$3,777,373	\$3,090,303

Village of Happy, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Program receipts for governmental activities represent only 17.25 percent of total receipts and are primarily composed of operating grants and contributions.

General receipts for governmental activities represent 82.75 percent of the Village's total receipts, and of this amount, over 90 percent are local taxes. Grants and entitlements make up about 8 percent of the Village's general governmental receipts.

Disbursements for general government represent the overhead costs of running the Village and the support services provided for the other government activities. These include the costs of council, the fiscal officer and internal services such as purchasing. These costs do not represent direct services to residents and they have been limited to 16.77 percent of the total general governmental disbursements of the Village in 2015.

Governmental Activities

If you look at the Statement of Activities on pages 12 and 13, you will see that the first column lists the major services provided by the Village. The next column identifies the costs of providing these services. The major program disbursements for governmental activities were for security of persons and property and transportation, which account for 37.56 and 33.69 percent of all governmental disbursements, respectively. The next two columns of the Statement entitled Program Cash Receipts identify amounts paid by people who are directly charged for the service and grants received by the Village that must be used to provide a specific service. The Net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
General Government	\$270,966	\$318,903	(\$248,703)	(\$299,632)
Security of Persons and Property	607,000	535,800	(554,152)	(494,727)
Public Health Services	74,753	35,848	(33,075)	5,879
Leisure Time Activities	52,155	31,979	(36,656)	(5,273)
Basic Utility Services	3,800	1,700	(3,487)	(1,597)
Transportation	544,388	616,167	(306,260)	(364,773)
Capital Outlay	42,847	12,476	(42,847)	(12,476)
Principal Retirement	20,007	20,009	(20,007)	(20,009)
	<u>\$1,615,916</u>	<u>\$1,572,882</u>	<u>(\$1,245,187)</u>	<u>(\$1,192,608)</u>

Village of Happy, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Business-Type Activities

These activities represent 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 has two significant enterprise activities: water and sewer. The water fund had an increase in net position of \$41,714 due to an increase in receipts for charges for services. The sewer fund had an increase in net position of \$112,293 despite an increase in disbursements because of loan proceeds.

The Village's Funds

Information about the Village's governmental funds begins on page 14. These funds are accounted for by using the cash basis of accounting. All governmental funds had total receipts and other financing sources of \$2,188,979 and disbursements and other financing uses of \$1,655,916. The general fund had receipts of \$1,361,720 and disbursements and other financing uses of \$947,729, for an increase of \$413,991. The street maintenance fund had receipts of \$178,044 and disbursements of \$188,965, for a decrease of \$10,921. The street levy fund had receipts of \$490,349 and disbursements of \$335,509, for an increase of \$154,840.

General Fund Budgeting Highlights

The Village's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During 2015, the Village did not amend the budgeted receipts. The actual receipts were \$244,009 more than the budgeted receipts, due mainly to income tax receipts coming in much higher than budgeted receipts.

Original budgeted disbursements were \$50,112 less than the final budgeted disbursements. Actual disbursements were \$163,769 less than final budgeted disbursements due mainly to lower general government costs and lower security of persons and property costs than expected.

Debt Administration

At December 31, 2015, the Village had four OPWC loans outstanding in the amount of \$309,705 and four OWDA loans outstanding in the amount of \$3,058,905. See Note 9 for additional debt information.

Current Issues

The challenge for all governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases, shrinking funding. We rely heavily on local property taxes and income taxes. We reviewed our sources of revenue and determined that increases were unlikely. We then reviewed the disbursement history of the Village. We will continue to monitor the finances of the Village and reduce costs in areas which would have the least impact on services to Village residents. We are also looking at ways to increase revenue.

Village of Happy, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2015
Unaudited

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Village's finances and to reflect the Village's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Joy Laughter, Fiscal Officer, Village of Happy, 123 East Sunny Street, Happy, Ohio 54321. The Village phone number is (123) 456-7891.

Village of Happy, Ohio
Silly County
Statement of Net Position - Cash Basis
December 31, 2015

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

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2015

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

General Receipts

Property Taxes Levied for:

General Purposes

Other Purposes

Income Taxes Levied for:

General Purposes

Other Purposes

Loan Proceeds

Intergovernmental

Interest

Miscellaneous

Total General Receipts

Change in Net Position

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

See accompanying notes to the basic financial statements

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

Village of Happy, Ohio
Silly County
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2015

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

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County

Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds
For the Year Ended December 31, 2015

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

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Income Taxes	\$804,987	\$804,987	\$949,640	\$144,653
Property Taxes	135,400	135,400	166,657	31,257
Fines, Licenses and Permits	25,575	25,575	40,132	14,557
Intergovernmental	66,000	66,000	129,757	63,757
Contributions and Donations	0	0	1,000	1,000
Miscellaneous	30,700	30,700	19,485	(11,215)
<i>Total Receipts</i>	1,062,662	1,062,662	1,306,671	244,009
Disbursements				
Current:				
General Government	340,986	384,924	288,904	96,020
Security of Persons and Property	652,619	658,793	592,021	66,772
Public Health Services	1,800	1,800	873	927
Basic Utility Services	3,850	3,850	3,800	50
<i>Total Disbursements</i>	999,255	1,049,367	885,598	163,769
<i>Excess of Receipts Over Disbursements</i>	63,407	13,295	421,073	407,778
Other Financing Uses				
Transfers Out	(60,000)	(60,000)	(40,000)	20,000
<i>Net Change in Fund Balance</i>	3,407	(46,705)	381,073	427,778
<i>Fund Balance Beginning of Year</i>	756,355	756,355	756,355	0
Prior Year Encumbrances Appropriated	12,374	12,374	12,374	0
<i>Fund Balance End of Year</i>	\$772,136	\$722,024	\$1,149,802	\$427,778

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County

Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Street Maintenance Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$160,441	\$160,441	\$168,947	\$8,506
Miscellaneous	11,000	11,000	9,097	(1,903)
<i>Total Receipts</i>	171,441	171,441	178,044	6,603
Disbursements				
Current:				
Transportation	180,243	195,054	190,276	4,778
<i>Net Change in Fund Balance</i>	(8,802)	(23,613)	(12,232)	11,381
<i>Fund Balance Beginning of Year</i>	115,908	115,908	115,908	0
Prior Year Encumbrances Appropriated	2,487	2,487	2,487	0
<i>Fund Balance End of Year</i>	<u>\$109,593</u>	<u>\$94,782</u>	<u>\$106,163</u>	<u>\$11,381</u>

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County

*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Street Levy Fund
For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Income Tax	\$385,159	\$385,159	\$473,033	\$87,874
Intergovernmental	0	0	16,000	16,000
Interest	0	0	1,316	1,316
<i>Total Receipts</i>	385,159	385,159	490,349	105,190
Disbursements				
Current:				
Transportation	338,500	464,807	356,309	108,498
Debt Service:				
Principal Retirement	20,007	20,007	20,007	0
<i>Total Disbursements</i>	358,507	484,814	376,316	108,498
<i>Net Change in Fund Balance</i>	26,652	(99,655)	114,033	213,688
<i>Fund Balance Beginning of Year</i>	569,140	569,140	569,140	0
<i>Fund Balance End of Year</i>	\$595,792	\$469,485	\$683,173	\$213,688

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Fund Net Position - Cash Basis
Enterprise Funds
December 31, 2015

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

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Statement of Receipts,
Disbursements and Changes in Fund Net Position - Cash Basis
Enterprise Funds
For the Year Ended December 31, 2015

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

See accompanying notes to the basic financial statements

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 1 - Reporting Entity

The Village of Happy (the Village), Silly County, 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. The Village is directed by a six-member council elected at large for four year terms. The Mayor is elected to a four-year term, serves as the President of Council and votes only to break a tie.

The reporting entity is comprised of the primary government

Primary Government

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Village. The primary government of the Village of Happy provides the following services to its citizens: general government services, water and sewer utilities, maintenance of Village roads and bridges, park operations, police services and Mayor's Court.

Jointly Governed Organizations

The Village participates in two jointly governed organizations. Note 15 to the financial statements provides 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

As discussed further in the "Basis of Accounting" section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Village's accounting policies.

Basis of Presentation

The Village's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" receipts and disbursements. The statements distinguish between those activities of the Village that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net position presents the cash balance of the governmental and business-type activities of the Village at year end. The statement of activities compares disbursements with program receipts for each program or function of the Village's governmental activities and business-type activities.

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Village is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program or business activity is self-financing on a cash basis or draws from the general receipts of the Village.

Fund Financial Statements During the year, the Village segregates transactions related to certain Village functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Village at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating disbursements include costs of sales and services and administrative costs. The fund statements report all other receipts and disbursements as nonoperating.

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 in two categories: governmental and proprietary.

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

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

Street Maintenance The street maintenance fund accounts for and reports monies received from gasoline and motor vehicle taxes restricted for constructing, maintaining, and repairing Village streets.

Street Levy The street levy fund accounts for and reports income tax monies restricted for constructing, maintaining, and repairing Village streets.

The other governmental funds of the Village account for and report grants and other resources, whose use is restricted, committed or assigned to a particular purpose.

Proprietary Funds The Village classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise funds or internal service funds. The Village has no internal service funds.

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the Village's major 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.

Basis of Accounting

The Village's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Village's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Village Council may appropriate. The appropriations ordinance is Village Council's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by Village Council. The legal level of control has been established by Village Council at the department and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Village Clerk. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by Village Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Village Council during the year.

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Cash and Investments

To improve cash management, cash received by the Village is pooled and invested. Individual fund integrity is maintained through Village records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

The Village had no investments as of year end.

Interest earnings are allocated to Village funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the Sewer Fund during 2015 was \$3,938, which includes \$1,724 assigned from other Village funds.

See page 71

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Inventory and Prepaid Items

The Village reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Village’s cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The Village recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 9 and 10, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Long-Term Obligations

The Village's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid.

Net Position

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for street and state highway improvements and federal and state grants restricted to cash disbursements for specified purposes.

The Village's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

Enabling legislation authorizes the Village to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Village can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution, as both are equally binding) of Village Council. Those committed amounts cannot be used for any other purpose unless Village Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Village Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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.

Internal Activity

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general receipts.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Note 3 – Accountability and Compliance

(Village of Happy did not have any accountability or compliance issues, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 4 - Budgetary Basis of Accounting

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

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

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

See page 87

	General	Street Maintenance	Street Levy
Cash Basis	\$413,991	(\$10,921)	\$154,840
Perspective Difference:			
Park Fund	(8,805)	0	
Encumbrances	(24,113)	(1,311)	(40,807)
Budget Basis	\$381,073	(\$12,232)	\$114,033

Note 5 – Deposits and Investments

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

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

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

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

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Deposits See page 103

Custodial credit risk is the risk that in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$2,887,757 of the Village's bank balance of \$3,822,757 was exposed to custodial credit risk because those deposits were uninsured and collateralized. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the Village to a successful claim by the FDIC.

The Village has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Village or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Note 6 – Taxes

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Village. Property tax revenue received during 2015 for real and public utility property taxes represents collections of 2014 taxes.

2015 real property taxes are levied after October 1, 2015, on the assessed value as of January 1, 2015, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2015 real property taxes are collected in and intended to finance 2016.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2015 public utility property taxes which became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes.

The full tax rate for all Village operations for the year ended December 31, 2015, was \$2.50 per \$1,000 of assessed value. The assessed values of real property and public utility personal property upon which 2015 property tax receipts were based are as follows:

See page 106	Real Property	\$45,187,920
	Public Utility Personal Property	2,758,540
	Total	\$47,946,460

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Village. The County Auditor periodically remits to the Village its portion of the taxes collected.

Village of Happy, Ohio
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For the Year Ended December 31, 2015

Income Taxes See page 107

The Village levies a 2 percent income tax on substantially all income earned in the Village. In addition, Village residents employed in municipalities having an income tax less than 2 percent must pay the difference to the Village. Additional increases in the income tax rate require voter approval. Employers within the Village withhold income tax on employee compensation and remit at least quarterly and file an annual declaration. In 2015, the receipts were allocated to the general fund, street levy fund, and sewer fund.

Note 7 – Interfund Transfers See page 108

During 2015, the general fund transferred \$40,000 to other governmental funds. This was to use unrestricted receipts collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 8 - Risk Management See page 111

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2015, the Village contracted with several companies for various types of insurance as follows:

Type of Coverage	Coverage
Scottsdale Indemnity Company	
Commercial Property	\$15,106,474
General Liability:	
Aggregate	2,000,000
Each Occurance	1,000,000
Employment Practices:	
Aggregate	2,000,000
Each Occurance	1,000,000
Public Officials Liability:	
Aggregate	2,000,000
Each Occurance	1,000,000
Law Enforcement Liability:	
Aggregate	2,000,000
Each Occurance	1,000,000
Commercial Automobile Liability	1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there was no significant reduction in coverage from the prior year.

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 9 - Defined Benefit Pension Plans

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - Village employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Village employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

Village of Happy, Ohio
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The Village's contractually required contribution was \$79,948 for year 2015.

See page 120

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description – Village full-time police participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

Village of Happy, Ohio
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For the Year Ended December 31, 2015

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police
2015 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee:	
January 1, 2015 through July 1, 2015	11.50 %
July 2, 2015 through December 31, 2015	12.25 %
2015 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	0.50
Total Employer	19.50 %
Employee:	
January 1, 2015 through July 1, 2015	11.50 %
July 2, 2015 through December 31, 2015	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The Village's contractually required contribution to OPF was \$39,665 for 2015.

See page 120

Village of Happy, Ohio
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 10 - Postemployment Benefits***Ohio Public Employees Retirement System***

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which fund 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 of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml> by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14.0 percent of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Village of Happy, Ohio
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OPERS maintains three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5 percent.

Substantially all of the Village's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2015, 2014, and 2013 was \$13,325, \$4,900, and \$5,597, respectively. The full amount has been contributed for all years.

See page 120

Ohio Police and Fire Pension Fund

Plan Description - The Village contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by OPF. OPF provides health care benefits including coverage for medical, prescription drug, dental, vision, Medicare Part B Premium, and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

The Ohio Revised Code allows, but does not mandate, OPF to provide OPEB benefits. Authority for the OPF Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 of covered payroll for police employer units. Active members do not make contributions to the OPEB Plan.

Village of Happy, Ohio
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For the Year Ended December 31, 2015

OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OPF Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.5 percent of covered payroll from January 1, 2015 through December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OPF Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Village's contribution to OPF for the years ended December 31, 2015, 2014, and 2013 were \$40,709, \$56,443, and \$35,185, respectively, of which \$1,044, \$8,249, and \$6,526, respectively, was allocated to the healthcare plan. The full amount has been contributed for all years.

See page 120

Note 11 – Long Term Obligations

See page 139

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

Village of Happy, Ohio
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Notes to the Basic Financial Statements
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The changes in the Village's long-term debt during 2015 were as follows:

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

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

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

A line of credit has been established with the Ohio Water Development Authority in the amount of \$900,947 for the County Road 15 Pump Station project; however, since this loan is not finalized, the repayment schedule is not included in the schedule of debt service payments. The Village has received the full amount of proceeds. Until a final repayment schedule is available, the Village is paying based on estimates.

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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

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

The Village has pledged future receipts, net of operating disbursements, to repay an OWDA loan in the Village water fund. The debt is payable solely from net receipts and is payable through 2022. Annual principal and interest payments on the debt issue are expected to require about 65 percent of net receipts and less than 14 percent of total receipts. The total principal and interest remaining to be paid on the debt is \$462,998, total net receipts were \$118,880, and total receipts were \$574,624. [See page 143](#)

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

[See page 144](#)

Note 12 – Construction and Contractual Commitments

[See page 145](#)

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 amount of encumbrances expected to be honored upon performance by the vendor in the next year or soon thereafter were as follows:

General	\$24,113	Water	\$12,439
Street Maintenance	1,311	Sewer	<u>20,695</u>
Street Levy	40,807		
Other Governmental Funds	<u>51,071</u>	Total Proprietary Funds	<u>\$33,134</u>
Total Governmental Funds	<u>\$117,302</u>		

Village of Happy, Ohio
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 13 – Contingent Liabilities

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. Grantors 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 14 – Joint Ventures

See page 150

(Village of Happy did not have any joint ventures, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 15 - Jointly Governed Organizations***Silly County Regional Planning Commission***

The Village is associated with the Silly County Regional Planning commission as a jointly governed organization. The Commission is a statutorily created political subdivision of the State. The Commission is jointly governed among Silly County municipalities and townships. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economical and governmental characteristics, functions and services of the County.

Silly County Tax Incentive Review Control

The Silly County Tax Incentive Review Control (Council) is a jointly governed organization, created as a regional council of governments pursuant to State statutes. The Council has 20 members, consisting of 3 members appointed by the Silly County Commissioners, 4 members appointed by municipal corporations and 6 members appointed by boards of education located within the County. The Council reviews and evaluates the performance of each Enterprise Zone Agreement. This body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however the Council can make a written recommendation to the legislative authority which approved the agreement. There is not cost associated with being a member of the Council. The continued existence of the Council is not dependent upon the Village's continued participation and no measurable equity interests exist.

Note 16 – Public Entity Risk Pool

(Village of Happy did not have any public entity risk pools, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Village of Happy, Ohio
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 17 – Related Organizations

(Village of Happy did not have any related organizations, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 18 – Related Party Transactions

(Village of Happy did not have any related party transactions, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 19 – Fund Balances See page 153

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

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

Village of Happy, Ohio
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 20 – Subsequent Events

(Village of Happy did not have any subsequent events, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 21 – AMP Ohio – Revenue Coverage

(Village of Happy did not participate in any OMEGA JVs, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 22 – Change in Basis of Accounting and Restatement of Net Position/Fund Equity

(Village of Happy did not have a change in basis of accounting and restatement of net position/fund equity, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 23 – Capital Assets

(Village of Happy did not report capital assets, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it and renumber the rest of your notes.)

Note 24 – Component Units

(Village of Happy did not have any component units, so this note was not needed. We have left it here as a placeholder, so that the remaining note numbers match to the handout. In the real world, you would delete it.)

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Cash and Cash Equivalents:

1. Calculate Sewer Fund's Percentage of Total Cash:

Governmental Activities Cash	2,311,829	From Statement of Net Position
Business-Type Activities Cash	1,465,544	From Statement of Net Position
A Total Cash	<u>3,777,373</u>	
B Sewer Fund Cash	1,176,437	From Statement of Fund Net Position - Enterprise Funds
A Total Cash	<u>3,777,373</u>	
C Sewer Fund Percentage of Total Cash	<u>31.14%</u>	C = B ÷ A

2. Calculate the Amount of Interest that belongs to the Sewer Fund:

D Total Interest Receipts	7,108	From Statement of Activities
C Sewer Fund Percentage (from #1)	31.14%	
E Interest Belonging to Sewer Fund	<u>2,214</u>	E = D * C

3. Calculate the Amount of Interest Assigned from Other Village Funds:

F Sewer Fund Actual Interest Receipts	3,938	From Statement of Receipts, Disbursements, and Changes in Fund Net Position - Enterprise Funds
E Interest Belonging to Sewer Fund (from #2)	2,214	
G Amount Assigned from Other Village Funds	<u>1,724</u>	G = F - E

Note: Typically, the general fund is used. In our example, the general fund had no interest receipts, so the sewer fund was used since it had the highest amount of interest receipts.

See page 50

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AMENDED OFFICIAL CERTIFICATE OF ESTIMATED RESOURCES

This is the last certificate for Village of Happy for 2015

CERTIFICATE # 3

OFFICE OF BUDGET COMMISSION, SILLY COUNTY, OHIO.
SEPTEMBER 18, 2015 FUNNY TOWN, OHIO.

TO THE TAXING AUTHORITY OF HAPPY VILLAGE

THE FOLLOWING IS THE AMENDED OFFICIAL CERTIFICATE OF ESTIMATED RESOURCES FOR THE FISCAL YEAR BEGINNING JANUARY 1ST, 2015, AS REVISED BY THE BUDGET COMMISSION OF SAID COUNTY, WHICH SHALL GOVERN THE TOTAL OF APPROPRIATIONS MADE AT ANY TIME DURING SUCH FISCAL YEAR:

	UNENCUMBERED BALANCE 1/1/15	TAXES	OTHER SOURCES	TOTAL
GENERAL FUND	\$768,729.35	\$102,900.00	\$959,762.41	\$1,831,391.76
SPECIAL REVENUE FUNDS	\$897,874.95	\$14,000.00	\$739,108.00	\$1,650,982.95
DEBT SERVICE FUNDS	\$0.00	\$0.00	\$0.00	\$0.00
CAPITAL PROJECTS FUNDS	\$59,636.93	\$0.00	\$12,500.00	\$72,136.93
SPECIAL ASSESSMENTS	\$0.00	\$0.00	\$0.00	\$0.00
ENTERPRISE FUNDS	\$1,311,536.52	\$0.00	\$1,629,397.90	\$2,940,934.42
INTERNAL SERVICE FUNDS	\$0.00	\$0.00	\$0.00	\$0.00
FIDUCIARY FUNDS	\$52,523.76	\$0.00	\$6,000.00	\$58,523.76
TOTAL	\$3,090,301.51	\$116,900.00	\$3,346,768.31	\$6,553,969.82

3,463,669.31

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

[Handwritten signatures and names]

- > BUDGET
- >
- > COMMISSION
- >

Record of Ordinances

Resolution No.: 22-14

Passed: December 1, 2014

2015 PERMANENT ANNUAL APPROPRIATIONS ORDINANCE

AN ORDINANCE TO MAKE PERMANENT APPROPRIATIONS FOR CURRENT EXPENSES AND EXPENDITURES OF THE VILLAGE OF HAPPY, STATE OF OHIO, DURING THE FISCAL YEAR ENDING DECEMBER 31, 2015

NOW, THEREFORE BE IT ORDAINED, by the Council of the Village of HAPPY, State of Ohio, that to provide for the current expense and other expenditures of the Village of HAPPY, Ohio, during the fiscal year ending December 31, 2015, the following sums be and are hereby set aside and appropriated as follows:

SECTIONS I:

General Fund-101

Security of Persons and Property

Police:

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

Total Police-101	380,776
-------------------------	---------

Fire: - 102

Contractual Services	65,000
----------------------	--------

Street Lighting: 103

Contractual Services	36,500
----------------------	--------

Other SPP (Dispatch): 199

Salaries	110,538
Benefits	56,348
Other	600

Total Other SPP - 199	167,486
------------------------------	---------

Total Security of Persons and Property

648,763

Public Health Services

Payment to County Health District:

Contractual Services	1,800
----------------------	-------

<i>Total Public Health Services</i>	1,800
-------------------------------------	-------

Basic Utility Services

Refuse Contract:

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

<i>Total Basic Utility Services</i>	3,850
-------------------------------------	-------

General Government

Mayor:

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

Total Mayor	14,073
--------------------	--------

Total of all Appropriation Ordinances for 2015 plus 2014 encumbrances equals "Appropriation Authority" in Note 4.

.....

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

See page 22

Record of Ordinances

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

← First Appropriation Ordinance

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

Ordinance No. 22-2015

PASSED: November 02, 2015

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

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

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

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

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

407.302.52400	SUPPLIES & MATERIALS – PARK CAP IMP	\$3,500.00
---------------	--	------------

This is for additional funds for the propeller pump at the pool.

Total Additional Appropriations all funds \$77,500.00

Second Appropriation Ordinance

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

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

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

PASSED THIS 2ND DAY OF November 20 15.

PAGE: 1

2014

FUND REPORT FOR MONTH 12

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



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Village of Happy
Budget to Cash
2015 Notes

General Fund and Major Special Revenue Funds

Governmental Funds:

	General	Street Maintenance	Street Levy	
Cash Basis change in fund balance	413,991	(10,921)	154,840	From Statement of Receipts, Disbursements, and Changes in Fund Balance - Cash Basis
Perspective Differences: (- Receipts + Expenditures) *	(8,805)	0	0	
Park	0	0	0	From Combining Statement of Receipts, Disbursements, and Changes in Fund Balances
Downtown Revitalization	(24,113)	(1,311)	(40,807)	
Adjustments for Encumbrances (-) **	381,073	(12,232)	114,033	From Cash Position Report
Budget Basis change in fund balance	<u>381,073</u>	<u>(12,232)</u>	<u>114,033</u>	
Tie to Budget Basis, Net change in fund balance	<u>381,073</u>	<u>(12,232)</u>	<u>114,033</u>	From Statements of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual - Budget Basis
	0	0	0	

*Subtract actual cash receipts and add actual cash expenditures for each perspective difference fund. (Do not include encumbrances.)
(Do not include encumbrances.)

**General fund encumbrances only, do not include encumbrances from perspective difference funds;
make sure this ties to the encumbrances note.

See page 53

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	Major			Major	Major
	101	204	212	201/804	208
	General	Park	Downtown Revitalization	Street Maintenance	Street Levy
	Total General				
Receipts					
Income Taxes	\$949,640	\$0	\$0	\$0	\$473,033
Property Taxes	159,426	15,000	0	0	0
Charges for Services	368	34,875	0	0	0
Fines, Licenses and Permits	39,339	0	0	0	0
Intergovernmental	136,988	0	0	168,947	16,000
Special Assessments	0	0	0	0	0
Rent	0	0	0	0	0
Contributions and Donations	1,000	5,000	0	0	0
Interest	0	0	0	0	1,316
Miscellaneous	19,911	173	0	9,097	0
<i>Total Receipts</i>	<u>1,306,672</u>	<u>55,048</u>	<u>0</u>	<u>178,044</u>	<u>490,349</u>
Disbursements					
Current:					
General Government	270,966	0	0	0	0
Security of Persons and Property	585,847	0	0	0	0
Public Health Services	873	0	0	0	0
Leisure Time Activities	0	46,243	0	0	0
Community Environment	0	0	0	0	0
Basic Utility Services	3,800	0	0	0	0
Transportation	0	0	0	188,965	315,502
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	20,007
<i>Total Disbursements</i>	<u>861,486</u>	<u>46,243</u>	<u>0</u>	<u>188,965</u>	<u>335,509</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>445,186</u>	<u>8,805</u>	<u>0</u>	<u>(10,921)</u>	<u>154,840</u>
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	0
Transfers Out	(40,000)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(40,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>405,186</u>	<u>8,805</u>	<u>0</u>	<u>(10,921)</u>	<u>154,840</u>
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>768,729</u>	<u>201</u>	<u>13</u>	<u>118,395</u>	<u>569,140</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$1,173,915</u>	<u>\$9,006</u>	<u>\$13</u>	<u>\$107,474</u>	<u>\$723,980</u>

7-Jan-16 PAGE: 1

YTD FUND REPORT FOR MONTH 12

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

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THE HUNTINGTON NATIONAL BANK 05 1W37LS
 PO BOX 1558 EA1W37
 COLUMBUS OH 43216-1558



Total of all demand deposit (checking and savings accounts) is \$2,541,359. These accounts have a rectangle around the ending balance.

Total of all certificates of deposit is \$1,281,400. These accounts have an oval around the ending balance.

Have a Question or Concern?

Stop by your nearest
 Huntington office or
 contact us at:

1-800-480-2001

www.huntington.com/
 businessresources

Huntington Public Funds Analyzed Checking

Account:

Statement Activity From:
 12/01/15 to 12/31/15

Days in Statement Period 31

Average Ledger Balance* 2,602,656.09
 Average Collected Balance* 2,592,310.19

* The above balances correspond to the
 service charge cycle for this account.

Beginning Balance	\$2,634,939.96
Credits (+)	514,120.16
Regular Deposits	339,631.35
Electronic Deposits	172,456.89
Other Credits	2,031.92
Debits (-)	679,004.29
Regular Checks Paid	599,486.25
Electronic Withdrawals	78,815.07
Return Deposited Items	398.90
Service Charges	304.07
Ending Balance	\$2,470,055.83

Deposits (+)

Account:

Date	Amount	Serial #	Type	Date	Amount	Serial #	Type
12/02	19,351.57		Brch/ATM	12/10	923.86		Brch/ATM
12/02	2,810.67		Brch/ATM	12/11	4,578.04		Brch/ATM
12/02	1,566.65		Brch/ATM	12/11	1,020.75		Brch/ATM
12/02	969.06		Brch/ATM	12/14	2,690.94		Brch/ATM
12/02	595.00		Brch/ATM	12/14	2,130.22		Brch/ATM
12/02	44.91		Brch/ATM	12/15	2,025.93		Brch/ATM
12/03	1,408.51		Brch/ATM	12/15	1,399.48		Brch/ATM
12/03	1,203.00		Brch/ATM	12/15	1,145.16		Brch/ATM
12/04	2,700.71		Brch/ATM	12/15	624.98		Brch/ATM
12/04	1,438.22		Brch/ATM	12/16	8,210.85		Brch/ATM
12/07	1,610.72		Brch/ATM	12/16	2,911.20		Brch/ATM
12/07	1,189.65		Brch/ATM	12/16	1,807.09		Brch/ATM
12/08	7,809.27		Brch/ATM	12/16	1,686.89		Brch/ATM
12/08	2,764.65		Brch/ATM	12/16	945.00		Brch/ATM
12/08	2,704.85		Brch/ATM	12/17	10,821.70		Brch/ATM
12/08	1,618.53		Brch/ATM	12/17	3,179.84		Brch/ATM
12/08	1,498.58		Brch/ATM	12/18	3,547.94		Brch/ATM
12/08	1,001.84		Brch/ATM	12/18	2,948.34		Brch/ATM
12/08	403.48		Brch/ATM	12/21	2,934.41		Brch/ATM
12/09	1,240.97		Brch/ATM	12/22	10,098.80		Brch/ATM
12/09	1,112.07		Brch/ATM	12/22	6,150.88		Brch/ATM
12/10	1,565.59		Brch/ATM	12/22	3,400.42		Brch/ATM

Investments are offered through the Huntington Investment Company, Registered Investment Advisor, member FINRA/SIPC, a wholly-owned subsidiary of Huntington Bancshares Inc.

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THE HUNTINGTON NATIONAL BANK 05 1W37LS
 PO BOX 1558 EA1W37
 COLUMBUS OH 43216-1558



Have a Question or Concern?

Stop by your nearest
 Huntington office or
 contact us at:

1-800-480-2001

www.huntington.com/
 businessresources

Huntington Public Funds Analyzed Checking

Account:

Statement Activity From:
 12/01/15 to 12/31/15

Days in Statement Period 31

Average Ledger Balance* 86,726.52
 Average Collected Balance* 86,726.52

* The above balances correspond to the
 service charge cycle for this account.

Beginning Balance	\$99,899.41
Credits (+)	72,400.77
Electronic Deposits	72,400.77
Debits (-)	108,057.13
Regular Checks Paid	18,709.56
Electronic Withdrawals	89,347.57
Ending Balance	\$64,243.05

Other Credits (+)

Account:

Date	Amount	Description
12/09	34,502.66	BUS ONL TFR FRM CHECKING
12/22	37,898.11	BUS ONL TFR FRM CHECKING

Checks (-)

Account:

Date	Amount	Check #	Date	Amount	Check #
12/03	381.70	27145	12/14	877.02	27310
12/18	47.23	27232*	12/11	608.03	27311
12/02	1,059.67	27235*	12/14	637.58	27312
12/04	608.47	27236	12/14	639.29	27313
12/04	697.29	27255*	12/14	811.58	27314
12/04	639.29	27271*	12/11	891.03	27315
12/02	45.82	27273*	12/11	160.13	27316
12/02	1,059.67	27274	12/14	108.55	27319*
12/18	47.23	27285*	12/14	150.81	27322*
12/16	622.11	27287*	12/23	250.35	27326*
12/02	45.82	27289*	12/23	757.76	27330*
12/02	108.55	27303*	12/23	605.47	27331
12/16	685.94	27305*	12/23	631.69	27332
12/02	150.81	27306	12/23	608.04	27333
12/21	45.82	27307	12/23	675.96	27334
12/11	774.71	27308	12/23	639.29	27335
12/11	605.46	27309	12/24	838.05	27336

Investments are offered through the Huntington Investment Company, Registered Investment Advisor, member FINRA/SIPC, a wholly-owned subsidiary of Huntington Bancshares Inc.

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B1

THE HUNTINGTON NATIONAL BANK
 PO BOX 1558 EA1W37
 COLUMBUS OH 43216-1558



Have a Question or Concern?

Stop by your nearest
 Huntington office or
 contact us at:

1-800-480-2001

www.huntington.com/
 businessresources

Huntington Public Fund Business Premier Savings Account:

Statement Activity From: 10/01/15 to 12/31/15	Beginning Balance	\$7,059.59
	Credits (+)	0.18
	Interest Earned	0.18
Days in Statement Period 92	Ending Balance	\$7,059.77

Average Percentage Yield Earned this period 0.010%

Other Credits (+)

Account:

Date	Amount	Description
12/31	0.18	INTEREST PAYMENT

Balance Activity

Account:

Date	Balance	Date	Balance
09/30	7,059.59	12/31	7,059.77

In the Event of Errors or Questions Concerning Electronic Fund Transfers (electronic deposits, withdrawals, transfers, payments, or purchases), please call either 1-614-480-2001 or call toll free 1-800-480-2001, or write to The Huntington National Bank Research - EA4W61, P.O. Box 1558, Columbus, Ohio 43216 as soon as you can, if you think your statement or receipt is wrong or if you need more information about an electronic fund transfer on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name, your business's name (if appropriate) and the Huntington account number (if any).
2. Describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
3. Tell us the dollar amount of the suspected error. We will investigate your complaint or question and will correct any error promptly.

Verification of Electronic Deposits If you authorized someone to make regular electronic fund transfers of money to your account at least once every sixty days, you can find out whether or not the deposit has been received by us, call either 1-614-480-2001 or call toll free 1-800-480-2001.

Balancing Your Statement - For your convenience, a balancing page is available on our web site <https://www.huntington.com/pdf/balancing.pdf> and also available on Huntington Business Online.

Investments are offered through the Huntington Investment Company, Registered Investment Advisor, member FINRA/SIPC, a wholly-owned subsidiary of Huntington Bancshares Inc.

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The Commercial & Savings Bank
Millersburg, OH 44654

INT TERM 30D
CD TYPE C1

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 182D
Account.....

Thank you for banking with us.

Maturity Balance.. 46,206.88
Maturity Date..... 10/19/15
New Maturity Date. 4/18/16

The Commercial & Savings Bank
Millersburg, OH 44654

9/28/15
INT TERM 30D
CD TYPE C1

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 182D
Account.....

Thank you for banking with us.

Maturity Balance.. 95,427.26
Maturity Date..... 10/17/15
New Maturity Date. 4/16/16

D

The Commercial & Savings Bank
Millersburg, OH 44654

INT TERM 1M
CD TYPE D2

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 12M
Account.....

#6

Thank you for banking with us.

Maturity Balance.. 100,702.3
Maturity Date..... 11/27/
New Maturity Date. 11/27/

The Commercial & Savings Bank
Millersburg, OH 44654

INT TERM 1M
CD TYPE D2
11/09/15

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 12M
Account.....

#5

Thank you for banking with us.

Maturity Balance.. 100,702.39
Maturity Date..... 11/27/1
New Maturity Date. 11/27/1

E

98
The Commercial & Savings Bank
Millersburg, OH 44654

INT TERM 1M
CD TYPE D2

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term.... 12M
Account....

#8

Thank you for banking with us.

Maturity Balance.. 100,702.39
Maturity Date..... 11/27/1
New Maturity Date. 11/27/1

The Commercial & Savings Bank
Millersburg, OH 44654

11/09/15
INT TERM 1M
CD TYPE D2

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 12M
Account....

#7

Thank you for banking with us.

Maturity Balance.. 100,702.39
Maturity Date..... 11/27/1
New Maturity Date. 11/27/1

4

The Commercial & Savings Bank
Millersburg, OH 44654

INT TERM 1M
CD TYPE D2

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 12M
Account.....

Sewer RTI

#9

Thank you for banking with us.

Maturity Balance... 100,652.07
Maturity Date..... 12/24/15
New Maturity Date. 12/24/16

Q

The Commercial & Savings Bank
Millersburg, OH 44654

INT TERM 1M
CD TYPE D2

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 12M
Account.....

Street Levy

#13

Thank you for banking with us.

Maturity Balance.. 100,652.07
Maturity Date..... 12/24/15
New Maturity Date. 12/24/16

The Commercial & Savings Bank
Millersburg, OH 44654

12/07/15
INT TERM 1M
CD TYPE D2

Your certificate will automatically renew on the date indicated. The interest rate and annual percentage yield have not yet been determined. To learn this information please call (330) 674-9015 the Thursday prior to the renewal of your CD. To cash your CD, please present it within the 10 day grace period after your maturity date. Note a substantial penalty is required for early withdrawal.

CD Term..... 12M
Account.....

Street Levy

#12

Thank you for banking with us.

Maturity Balance.. 100,652.07
Maturity Date..... 12/24/15
New Maturity Date. 12/24/16

#

The Huntington National Bank
PO Box 1558 EA4W07
Columbus, OH 43216-1558



Subject: CDARS® Customer Statement

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at 614-480-2265.

Summary of Accounts Reflecting Placements Through CDARS

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
	07/23/15	07/19/18	1.05%	\$100,000.00	\$100,000.00
	07/23/15	07/19/18	1.05%	\$100,000.00	\$100,000.00
	07/23/15	07/19/18	1.05%	\$100,000.00	\$100,000.00
	07/23/15	07/19/18	1.05%	\$100,000.00	\$100,000.00
	07/23/15	07/19/18	1.05%	\$35,000.00	\$35,000.00
TOTAL				\$435,000.00	\$435,000.00

VILLAGE OF HAPPY
DECEMBER RECONCILIATION

FUND BALANCE	
101 GENERAL	1,173,914.11
201 STREET MAINTENANCE	105,027.12
202 STATE HIGHWAY	71,318.96
203 CEMETERY	8,583.49
204 PARK	9,005.78
205 PERMISSIVE MOT VEH FUND	115,860.76
208 STREET LEVY	723,982.18
209 POLICE PENSION	2,007.13
210 POLICE TRAINING	21,619.88
212 DOWNTOWN REVITALIZATION FUND	12.50
215 DRUG LAW ENFORCEMENT	4,590.05
216 COMPUTER FUND	1,065.02
401 CAPITAL IMPROVEMENT	14,983.57
407 CY YOUNG PARK IMPROVEMENTS	11,764.35
601 WATER	219,409.01
602 SEWAGE	85,174.18
609 WATER R & I	69,457.87
610 SEWAGE R & I	1,091,262.97
613 WATER WELL FIELD	239.96
804 STREET OPEN TRUST	2,447.00
807 CEMETERY EXPENDABLE TRUST	45,646.62
TOTAL FUND BALANCE	<u><u>3,777,372.51</u></u>

Reconciling Items:

NSF	<u>115.00</u>
	<u>0.00</u>
	<u>170.00</u>
	<u>2.00</u>
	<u>16.00</u>
	<u>113.90</u>
	<u><u>416.90</u></u>

Outstanding Checks	
General Outstanding	35,381.87
Payroll Outstanding	11,136.08
	<u><u>46,517.95</u></u>

TOTAL FUND BALANCE

Statements:	Beginning Bal	Credits	Debits	Ending Balance
Hunting National Bank Account General	2,634,939.96	514,120.16	679,004.29	2,470,055.83
Huntington Bank Cemetery Trust Account	7,059.59	0.18	0.00	7,059.77
Huntington Bank Payroll Account	99,899.41	72,400.77	108,057.13	64,243.05
CD Accounts	1,480,682.15	1,619.72	200,901.96	1,281,399.91
Petty Cash	715.00	0.00	0.00	715.00
TOTAL BANK BALANCE	4,223,296.11	74,020.49	308,959.09	3,823,473.56
		NSF Checks	416.90	416.90
		Outstanding Checks	(46,517.95)	(46,517.95)
		Adjusted Bank Balances		<u><u>3,777,372.51</u></u>
		Adjusted YTD Fund Balances		<u><u>3,777,372.51</u></u>
		Differences		<u><u>0.00</u></u>

Highlighted amounts are presented in the table in Note 5 as reconciling items.

See page 23

Village of Happy
 GASB 40
 12/31/15

12/31/15 ending
 balances from the
 bank statements

total demand deposit
 accounts are insured
 up to \$250,000 at each
 bank (not per account)

	Account Identification	Purpose	Bank Balance	FDIC	Uninsured
Bank Accounts					
Huntington	xxxx	General	2,470,056	250,000	2,220,056
Huntington	xxxx	Payroll	64,243	0	64,243
Huntington	xxxx	Cemetery Trust	7,060	0	7,060
			<u>2,541,359</u>	<u>250,000</u>	<u>2,291,359</u>
Certificates of Deposit					
Huntington	xxxx	CDARS	100,000	100,000	0
Huntington	xxxx	CDARS	100,000	100,000	0
Huntington	xxxx	CDARS	100,000	100,000	0
Huntington	xxxx	CDARS	100,000	100,000	0
Huntington	xxxx	CDARS	35,000	35,000	0
Commercial Savings	xxxx	CD	100,702	100,702	0
Commercial Savings	xxxx	CD	100,702	100,702	0
Commercial Savings	xxxx	CD	100,702	48,596	52,106
Commercial Savings	xxxx	CD	100,702	0	100,702
Commercial Savings	xxxx	CD	100,652	0	100,652
Commercial Savings	xxxx	CD	46,207	0	46,207
Commercial Savings	xxxx	CD	95,427	0	95,427
Commercial Savings	xxxx	CD	100,652	0	100,652
Commercial Savings	xxxx	CD	100,652	0	100,652
			<u>1,281,398</u>	<u>685,000</u>	<u>596,398</u>
			<u>3,822,757</u>	<u>935,000</u>	<u>2,887,757</u>

\$250,000

Bank Balance	3,822,757
Amount covered by FDIC	<u>935,000</u>
Amount uncollateralized and uninsured	2,887,757

CDARS accounts should be fully
 FDIC-insured, since they are split
 up among various banks in
 amounts that are under the
 \$250,000 limit at each bank.

the total of regular
 CD's (time and
 savings deposit
 accounts) are only
 insured up to
 \$250,000 at each
 separate bank.

See page 55

Federal Deposit Insurance Corporation

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

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

Deposit Insurance for Accounts Held by Government Depositors

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

Permanent Rule

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

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

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

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

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

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

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

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

Collateralization of Public Unit Deposits

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

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

Special Rule for Public Bonds

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

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

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

Last Updated 01/01/2013

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Tax year 2014 = collection year 2015



I hereby certify that the valuations as set forth in this certificate are correct and in accordance with the abstract of the Duplicate of Real and Public Utility Property for tax year 2014.

Jimmy Chuckles , Silly

COUNTY AUDITOR

	PUBLIC UTILITY RAILROAD	AGRICULTURAL	RESIDENTIAL	INDUSTRIAL	COMMERCIAL	MINERAL	TOTAL REAL ESTATE	PUBLIC UTILITY PERSONAL	TOTAL TAXABLE VALUE
CORPORATIONS									
	10,000	27,610	5,982,170	182,950	1,293,630	0	7,496,360	493,090	7,989,450
	0	140,160	2,228,320	0	30,020	10	2,398,510	245,560	2,644,070
	2,790	96,740	11,467,530	93,090	2,608,260	0	14,268,410	497,010	14,765,420
	43,750	107,890	20,347,120	750,640	2,329,980	3,220	23,582,600	2,121,820	25,704,420
	11,460	74,370	15,306,010	856,350	978,910	450	17,227,550	958,990	18,186,540
	0	560	5,763,970	1,900,950	1,041,970	3,810	8,711,260	415,250	9,126,510
	0	185,830	5,319,090	128,440	279,010	0	5,912,370	360,230	6,272,600
Happy	36,520	409,870	29,297,370	6,758,100	8,683,660	2,400	45,187,920	2,758,540	47,946,460
	0	13,330	2,955,410	6,470	667,420	0	3,642,630	106,980	3,749,610
	18,470	38,610	4,576,830	162,800	822,300	540	5,619,550	271,360	5,890,910
	0	91,300	1,337,830	220,960	68,840	350	1,719,280	117,850	1,837,130
	0	52,070	1,638,460	86,880	165,230	0	1,942,640	182,780	2,125,420
	14,870	38,960	37,876,780	3,018,710	5,920,990	2,210	46,872,520	2,753,360	49,625,880
	30,410	858,860	32,725,800	9,795,160	15,618,520	1,050	59,029,800	3,212,840	62,242,640
	430	31,580	11,714,450	60,960	922,550	0	12,729,970	399,440	13,129,410
	0	133,250	3,531,030	0	367,190	690	4,032,160	142,920	4,175,080
	339,940	461,210	171,237,880	12,986,300	52,244,010	8,290	237,277,630	661,820	237,939,450
	42,380	520,180	216,479,410	10,934,430	79,928,770	25,510	307,930,680	9,740,300	317,670,980
	63,690	242,020	37,878,150	2,020,570	11,605,200	8,180	51,817,810	2,499,780	54,317,590
Total	614,710	3,524,400	617,663,610	49,963,760	185,576,460	56,710	857,399,650	27,939,920	885,339,570

See page 55

The Village of Happy INCOME TAX ORDINANCE

Effective January 1, 2016

Chapter No. 181

181.01 AUTHORITY TO LEVY TAX; PURPOSE OF TAX.

Tax Rate

(A) To provide funds for the purposes of general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements, the Village of Happy (the "Village") levies an annual municipal income tax on income, qualifying wages, commissions and other compensation, and on net profits as hereinafter provided.

(B) The annual tax is levied at a rate of 2% (two percent). The tax is levied at a uniform rate on all persons residing in or earning or receiving income in the Village. The tax is levied on income, qualifying wages, commissions and other compensation, and on net profits as hereinafter provided in Section 3 of this Chapter and other sections as they may apply.

(C) The tax on income and the withholding tax established by this Ordinance are authorized by Article XVIII, Section 3 of the Ohio Constitution. The tax is levied in accordance with, and is intended to be consistent with, the provisions and limitations of Ohio Revised Code Chapter 718. The provision of Ordinance 20-2015 do not repeal the existing sections of Chapter 181 for any taxable year prior to 2016 but rather amends Chapter 181 effective January 1, 2016. For municipal taxable years beginning on or before December 31, 2015, the Village shall continue to administer, audit, and enforce the income of the Village under ORC 718 and ordinance and resolutions of the Village as that chapter and those ordinances and resolutions existed before January 1, 2016.

181.02 DEFINITIONS.

(A) Any term used in this chapter/ordinance that is not otherwise defined in this chapter/ordinance has the same meaning as when used in a comparable context in laws of the United States relating to federal income taxation or in Title LVII of the ORC, unless a different meaning is clearly required. If a term used in this chapter/ordinance that is not otherwise defined in this chapter/ordinance is used in a comparable context in both the laws of the United States relating to federal income tax and in Title LVII of the ORC and the use is not consistent, then the use of the term in the laws of the United States relating to federal income tax shall control over the use of the term in Title LVII of the ORC.

(B) The singular shall include the plural, and the masculine shall include the feminine and the gender-neutral.

(C) As used in this chapter/ordinance:

(1) "**Adjusted federal taxable income**," for a person required to file as a C corporation, or for a person that has elected to be taxed as a C corporation under (C)(24)(d) of this division, means a C corporation's federal taxable income before net operating losses and special deductions as determined under the Internal Revenue Code, adjusted as follows:

See page 56

See page 23

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	Major			Total General	Major	Major
	101 General	204 Park	212 Downtown Revitalization		201/804 Street Maintenance	208 Street Levy
Receipts						
Income Taxes	\$949,640	\$0	\$0	\$949,640	\$0	\$473,033
Property Taxes	159,426	15,000	0	174,426	0	0
Charges for Services	368	34,875	0	35,243	0	0
Fines, Licenses and Permits	39,339	0	0	39,339	0	0
Intergovernmental	136,988	0	0	136,988	168,947	16,000
Special Assessments	0	0	0	0	0	0
Rent	0	0	0	0	0	0
Contributions and Donations	1,000	5,000	0	6,000	0	0
Interest	0	0	0	0	0	1,316
Miscellaneous	19,911	173	0	20,084	9,097	0
Total Receipts	1,306,672	55,048	0	1,361,720	178,044	490,349
Disbursements						
Current:						
General Government	270,966	0	0	270,966	0	0
Security of Persons and Property	585,847	0	0	585,847	0	0
Public Health Services	873	0	0	873	0	0
Leisure Time Activities	0	46,243	0	46,243	0	0
Community Environment	0	0	0	0	0	0
Basic Utility Services	3,800	0	0	3,800	0	0
Transportation	0	0	0	0	188,965	315,502
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	20,007
Total Disbursements	861,486	46,243	0	907,729	188,965	335,509
Excess of Receipts Over (Under) Disbursements	445,186	8,805	0	453,991	(10,921)	154,840
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	(40,000)	0	0	(40,000)	0	0
Total Other Financing Sources (Uses)	(40,000)	0	0	(40,000)	0	0
Net Change in Fund Balances	405,186	8,805	0	413,991	(10,921)	154,840
Fund Balance (Deficit) Beginning of Year	768,729	201	13	768,943	118,395	569,140
Fund Balance (Deficit) End of Year	\$1,173,915	\$9,006	\$13	\$1,182,934	\$107,474	\$723,980

(continued)



The transfers in and out will be described in Note 7. If the Village had advances in and out, those would also go to Note 7.

See page 56

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds (continued)
For the Year Ended December 31, 2015

	202 State Highway	203 Cemetery	205 Permissive	209 Police Pension	210 Police Training	215 Drug Law Enforcement
Receipts						
Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes	0	0	0	13,324	0	0
Charges for Services	0	35,399	0	0	840	0
Fines, Licenses and Permits	0	0	0	0	0	0
Intergovernmental	13,317	0	39,694	0	2,033	0
Special Assessments	0	0	0	0	0	0
Rent	0	3,715	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Miscellaneous	0	0	0	0	60	0
<i>Total Receipts</i>	<u>13,317</u>	<u>39,114</u>	<u>39,694</u>	<u>13,324</u>	<u>2,933</u>	<u>0</u>
Disbursements						
Current:						
General Government	0	0	0	0	0	0
Security of Persons and Property	0	0	0	13,983	6,370	0
Public Health Services	0	66,676	0	0	0	0
Leisure Time Activities	0	0	0	0	0	0
Community Environment	0	0	0	0	0	0
Basic Utility Services	0	0	0	0	0	0
Transportation	8,971	0	30,950	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
<i>Total Disbursements</i>	<u>8,971</u>	<u>66,676</u>	<u>30,950</u>	<u>13,983</u>	<u>6,370</u>	<u>0</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>4,346</u>	<u>(27,562)</u>	<u>8,744</u>	<u>(659)</u>	<u>(3,437)</u>	<u>0</u>
Other Financing Sources (Uses)						
Transfers In	0	30,000	0	0	0	0
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>30,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>4,346</u>	<u>2,438</u>	<u>8,744</u>	<u>(659)</u>	<u>(3,437)</u>	<u>0</u>
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>66,973</u>	<u>6,145</u>	<u>107,116</u>	<u>2,667</u>	<u>25,057</u>	<u>4,590</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$71,319</u>	<u>\$8,583</u>	<u>\$115,860</u>	<u>\$2,008</u>	<u>\$21,620</u>	<u>\$4,590</u>

(continued)

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds (continued)
For the Year Ended December 31, 2015

	<u>216</u>	<u>807</u>	<u>401</u>	<u>407</u>	Total	Non-Major
	Computer Fund	Cemetery Expendable Trust	Capital Improvement	Cy Young Park	Governmental Funds	Funds
Receipts						
Income Taxes	\$0	\$0	\$0	\$0	\$1,422,673	\$0
Property Taxes	0	0	0	0	187,750	13,324
Charges for Services	0	1,492	0	0	72,974	37,731
Fines, Licenses and Permits	1,840	0	0	0	41,179	1,840
Intergovernmental	0	0	170	0	377,149	55,214
Special Assessments	0	0	0	0	0	0
Rent	0	1,000	0	2,788	7,503	7,503
Contributions and Donations	0	0	0	2,912	8,912	2,912
Interest	0	282	0	0	1,598	282
Miscellaneous	0	0	0	0	29,241	60
<i>Total Receipts</i>	<u>1,840</u>	<u>2,774</u>	<u>170</u>	<u>5,700</u>	<u>2,148,979</u>	<u>118,866</u>
Disbursements						
Current:						
General Government	0	0	0	0	270,966	0
Security of Persons and Property	800	0	0	0	607,000	21,153
Public Health Services	0	7,204	0	0	74,753	73,880
Leisure Time Activities	0	0	0	5,912	52,155	5,912
Community Environment	0	0	0	0	0	0
Basic Utility Services	0	0	0	0	3,800	0
Transportation	0	0	0	0	544,388	39,921
Capital Outlay	0	0	39,847	3,000	42,847	42,847
Debt Service:						
Principal Retirement	0	0	0	0	20,007	0
<i>Total Disbursements</i>	<u>800</u>	<u>7,204</u>	<u>39,847</u>	<u>8,912</u>	<u>1,615,916</u>	<u>183,713</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,040</u>	<u>(4,430)</u>	<u>(39,677)</u>	<u>(3,212)</u>	<u>533,063</u>	<u>(64,847)</u>
Other Financing Sources (Uses)						
Transfers In	0	0	10,000	0	40,000	40,000
Transfers Out	0	0	0	0	(40,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>40,000</u>
<i>Net Change in Fund Balances</i>	<u>1,040</u>	<u>(4,430)</u>	<u>(29,677)</u>	<u>(3,212)</u>	<u>533,063</u>	<u>(24,847)</u>
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>25</u>	<u>50,077</u>	<u>44,661</u>	<u>14,977</u>	<u>1,778,766</u>	<u>322,288</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$1,065</u>	<u>\$45,647</u>	<u>\$14,984</u>	<u>\$11,765</u>	<u>\$2,311,829</u>	<u>\$297,441</u>

SUMMARY OF INSURANCE

Prepared: 10/5/2015

For Village of Happy

Coverage	Amount	Company	Policy No	Eff...	Exp	Premium
Commercial Application		Scottsdale Indemnity Company	123456	10/07/15	10/07/16	
Property		Scottsdale Indemnity Company	123456	10/07/15	10/07/16	
Policy Level Information						
TOTAL BLANKET LIMIT						
Limit 1	15,106,474					
Deductible	2,500					
Premise 001 Building 001						
BLANKET PROP -						
Coins %	100					
Valuation	R/C					
Cause of Loss	SPECIAL					
Inflation Guard %	4					
Deductible	2500					
EQUIP BRKDOWN -						
Deductible	2500					
Forms #	INCLUDED					
General Liability		Scottsdale Indemnity Company	123456	10/07/15	10/07/16	
Occurrence						
GL/IncEmply Benefits						
General Aggregate	2,000,000					
Products/Completed Oper. Aggr.	2,000,000					
Personal & Advertising Injury	1,000,000					
Each Occurrence	1,000,000					
Damage to Rented Premises	500,000					
Medical Expense (Any One Person)	Excluded					
Employee Benefits	1,000,000					
Crime		Scottsdale Indemnity Company	123456	10/07/15	10/07/16	
Location Building						
Forgery or Alteration	10,000					
Deductible	0					
Inside Premises						

SUMMARY OF INSURANCE

Prepared: 10/5/2015

Page 2

For Village of Happy

Coverage	Amount	Company	Policy No	Eff	Exp	Premium
Crime (Continued)						
Theft of Money and Securities	20,000					
Deductible	\$0					
Outside the Premises						
Money and Securities	20,000					
Deductible	\$0					
Computer Fraud	100,000					
Deductible	1,000					
Funds Transfer Fraud	100,000					
Deductible	1,000					
Equipment Floater		Scottsdale Indemnity Company	123456	10/07/15	10/07/16	
Coverage/Deductible						
CONTRACTORS EQUIPMENT \$629,584						
including in above blanket						
limit. \$1,000 Deductible						
Unscheduled Equipment						
Electronic Data Processing		Scottsdale Indemnity Company	123456	10/07/15	10/07/16	
Location 001 Building 001						
Incl in Blanket Limit Above						
Equipment (HDW) Owned	67,900					
Valuation Replacement Cost						
Deductible 1,000						
Included in						
Media/Data	50,000					
(\$25k in form &						
Extra Expense	10,000					
Additional Coverages						
Business Auto		Scottsdale Indemnity Company	123456	10/07/15	10/07/16	
Liability						
CSL	1,000,000					
Any Auto						

SUMMARY OF INSURANCE

Prepared: 10/5/2015

For Village of Happy

Coverage	Amount	Company	Policy No	Eff	Exp	Premium
Business Auto (Continued)						
Medical Payments Ea Per All Owned Autos Comprehensive Autos Specified on Schedule Collision Autos Specified on Schedule Hired Auto Physical Damage Comprehensive Deductible Collision Deductible	5,000 250 500					
* See Attached Vehicle Schedule						
General Liability Claims Made		Scottsdale Indemnity Company		10/07/15	10/07/16	
PUBLIC OFFICIAL						
General Aggregate Each Occurrence	2,000,000 1,000,000					
Per Claim Other Deductible Deductible	5,000					
General Liability Occurrence		Scottsdale Indemnity Company		10/07/15	10/07/16	
LAW ENFORCEMENT						
General Aggregate Each Occurrence	2,000,000 1,000,000					
Per Occurrence Other Deductible Deductible	2,500					
General Liability Claims Made		Scottsdale Indemnity Company		10/07/15	10/07/16	
EMP PRACTICES LIAB						
General Aggregate Each Occurrence	2,000,000 1,000,000					
Per Claim						

SUMMARY OF INSURANCE

Prepared: 10/5/2015

Page 4

For Village of Happy

Coverage	Amount	Company	Policy No	Eff	Exp	Premium
General Liability (Continued)						
Other Deductible Deductible	5,000					

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Village of Happy

2015 Notes

Note Disclosure - Defined Benefit Pension Plans

Total Payroll

PERS Payroll	666,230
Police Payroll	208,764

Total pensionable payroll for the year for OPERS employees, OPF Police, and you would have a section for OPF Firefighters if that applied to your village

PERS Note:

14.00% Payroll x Percent = Total

Pension	666,230	12.00%	79,948
Health Care	666,230	2.00%	13,325
Total Employer portion		14.00%	93,272

See page 58

See page 61

Police Note:

19.50% Payroll x Percent = Total

Pension	208,764	19.00%	39,665
Health Care	208,764	0.50%	1,044
Total Employer portion		19.50%	40,709

These percentages should be checked each year and updated if necessary

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See page 62



Public Works Commission
Disbursements - Active and Recently Closed Projects
Disbursements through May 31, 2016
Happy Village (123-45678)

Date Payee Amount

CD78Z	Sewage Collection System Improvements			
		03/12/2015	Precision Pipeline LLC	195,384.83
				195,384.83

The amount disbursed during 2015 is an addition to the loan balance.



State of Ohio
Public Works Commission
Loan Principal Paydown Report
Happy Village

Note 11

Loan Nbr: CD78Z Sewage Collection System Improvements

Loan Amount: \$195,384.83 Interest Rate (percent): 0.0 Payments through: 05/31/2016
BiAnnual Payment: \$3,256.41 Loan Term (years): 30.0 Balance as of: 12/31/2015 \$192,128.42

Period	Payment Date	Principal	Interest	Late Fee	Payment	Balance
Loan Initialization						195,384.83
1 Jan 2016	12/14/2015	3,256.41	0.00	0.00	3,256.41	192,128.42

deletions of principal for 2015

ties to the amount outstanding at 12/31/15



Public Works Commission
Loan Amortization Schedule
 Happy Village

Loan Nbr: CD78Z **Sewage Collection System Improvements**
Loan Amount: 195,384.83 **Interest Rate (percent):** 0.0
BiAnnual Payment: 3,256.41 **Loan Term (years):** 30.0
 Schedule CN28Q-0-00

amt. outstanding
 at 12/31/15

Year	Month - Per	Per Start	Principal	Interest	Payment	Balance	Month - Per	Per Start	Principal	Interest	Payment	Balance
2015	Jan 1	195,384.83	3,256.41	0.00	3,256.41	192,128.42	Loan Initialization					
2016	Jan 3	188,872.01	3,256.41	0.00	3,256.41	185,615.60	Jul 2	192,128.42	3,256.41	0.00	3,256.41	195,384.83
2017	Jan 5	182,359.19	3,256.41	0.00	3,256.41	179,102.78	Jul 4	185,615.60	3,256.41	0.00	3,256.41	188,872.01
2018	Jan 7	175,846.37	3,256.41	0.00	3,256.41	172,589.96	Jul 6	179,102.78	3,256.41	0.00	3,256.41	182,359.19
2019	Jan 9	169,333.55	3,256.41	0.00	3,256.41	166,077.14	Jul 8	172,589.96	3,256.41	0.00	3,256.41	175,846.37
2020	Jan 11	162,820.73	3,256.41	0.00	3,256.41	159,564.32	Jul 10	166,077.14	3,256.41	0.00	3,256.41	169,333.55
2021	Jan 13	156,307.91	3,256.41	0.00	3,256.41	153,051.50	Jul 12	159,564.32	3,256.41	0.00	3,256.41	162,820.73
2022	Jan 15	149,795.09	3,256.41	0.00	3,256.41	146,538.68	Jul 14	153,051.50	3,256.41	0.00	3,256.41	156,307.91
2023	Jan 17	143,282.27	3,256.41	0.00	3,256.41	140,025.86	Jul 16	146,538.68	3,256.41	0.00	3,256.41	149,795.09
2024	Jan 19	136,769.45	3,256.41	0.00	3,256.41	133,513.04	Jul 18	140,025.86	3,256.41	0.00	3,256.41	143,282.27
2025	Jan 21	130,256.63	3,256.41	0.00	3,256.41	127,000.22	Jul 20	133,513.04	3,256.41	0.00	3,256.41	136,769.45
2026	Jan 23	123,743.81	3,256.41	0.00	3,256.41	120,487.40	Jul 22	127,000.22	3,256.41	0.00	3,256.41	130,256.63
2027	Jan 25	117,230.99	3,256.41	0.00	3,256.41	113,974.58	Jul 24	120,487.40	3,256.41	0.00	3,256.41	123,743.81
2028	Jan 27	110,718.17	3,256.41	0.00	3,256.41	107,461.76	Jul 26	113,974.58	3,256.41	0.00	3,256.41	127,000.22
2029	Jan 29	104,205.35	3,256.41	0.00	3,256.41	100,948.94	Jul 28	107,461.76	3,256.41	0.00	3,256.41	110,718.17
2030	Jan 31	97,692.53	3,256.41	0.00	3,256.41	94,436.12	Jul 30	100,948.94	3,256.41	0.00	3,256.41	104,205.35
2031	Jan 33	91,179.71	3,256.41	0.00	3,256.41	87,923.30	Jul 32	94,436.12	3,256.41	0.00	3,256.41	97,692.53
2032	Jan 35	84,666.89	3,256.41	0.00	3,256.41	81,410.48	Jul 34	87,923.30	3,256.41	0.00	3,256.41	91,179.71
2033	Jan 37	78,154.07	3,256.41	0.00	3,256.41	74,897.66	Jul 36	81,410.48	3,256.41	0.00	3,256.41	84,666.89
2034	Jan 39	71,641.25	3,256.41	0.00	3,256.41	68,384.84	Jul 38	74,897.66	3,256.41	0.00	3,256.41	78,154.07
2035	Jan 41	65,128.43	3,256.41	0.00	3,256.41	61,872.02	Jul 40	68,384.84	3,256.41	0.00	3,256.41	71,641.25
2036	Jan 43	58,615.61	3,256.41	0.00	3,256.41	55,359.20	Jul 42	61,872.02	3,256.41	0.00	3,256.41	65,128.43
2037	Jan 45	52,102.79	3,256.41	0.00	3,256.41	48,846.38	Jul 44	55,359.20	3,256.41	0.00	3,256.41	58,615.61
2038	Jan 47	45,589.97	3,256.41	0.00	3,256.41	42,333.56	Jul 46	48,846.38	3,256.41	0.00	3,256.41	52,102.79
2039	Jan 49	39,077.15	3,256.41	0.00	3,256.41	35,820.74	Jul 48	42,333.56	3,256.41	0.00	3,256.41	45,589.97
2040	Jan 51	32,564.33	3,256.41	0.00	3,256.41	29,307.92	Jul 50	35,820.74	3,256.41	0.00	3,256.41	39,077.15
2041	Jan 53	26,051.51	3,256.41	0.00	3,256.41	22,795.10	Jul 52	29,307.92	3,256.41	0.00	3,256.41	32,564.33
2042	Jan 55	19,538.69	3,256.41	0.00	3,256.41	16,282.28	Jul 54	22,795.10	3,256.41	0.00	3,256.41	26,051.51
2043	Jan 57	13,025.87	3,256.41	0.00	3,256.41	9,769.46	Jul 56	16,282.28	3,256.41	0.00	3,256.41	19,538.69
2044	Jan 59	6,513.05	3,256.41	0.00	3,256.41	0.00	Jul 58	9,769.46	3,256.41	0.00	3,256.41	13,025.87
2045	Jan 59	6,513.05	3,256.41	0.00	3,256.41	0.00	Jul 58	0.00	3,256.41	0.00	3,256.41	6,513.05

County	Subdivision	Loan Nbr	Project	Status	Principal *	Term	Rate	Payment *	First Period	Final Period	Most Recent Payment	Balance
Silly County												
	Other Village			Active	350,000.00	20.0	0.0	8,750.00	Jan 2011	Jul 2030	12/14/2015	253,750.00
				Active	30,000.00	20.0	0.0	750.00	Jul 2007	Jan 2027	12/14/2015	15,750.00
				Active	76,697.69	20.0	0.0	1,917.44	Jan 2015	Jul 2034	12/14/2015	70,945.37
				Paid In Full	50,558.22	20.0	0.0					
	Other Village			Paid In Full	26,555.90	20.0	0.0					
	Some City			Active	100,000.00	10.0	0.0	5,000.00	Jul 2012	Jan 2022	06/01/2016	55,000.00
				Pending	66,000.00	5.0	0.0	13,200.00				
	Other Village			Active	204,347.00	20.0	0.0	5,108.67	Jul 2000	Jan 2020	12/17/2015	40,869.26
	Other Village			Active	20,348.28	10.0	0.0	1,017.41	Jul 2016	Jan 2026		20,348.28
	Happy Village	AB12Q	State Street & Goodrich Street Improvement	Active	183,391.13	15.0	0.0	6,113.04	Jul 2005	Jan 2020	12/14/2015	48,904.25
		CD78Z	Sewage Collection System Improvements	Active	195,384.83	30.0	0.0	3,256.41	Jan 2016	Jul 2045	12/14/2015	192,128.42
		AB34R	Canal Street Improvements	Active	124,500.00	16.0	0.0	3,890.63	Jan 2006	Jul 2021	12/14/2015	42,796.77
		CD56Y	County Road 15 Pump Station Improvements	Active	45,000.00	20.0	0.0	1,125.00	Jan 2008	Jul 2027	12/14/2015	25,875.00
	Some City			Active	100,000.00	20.0	0.0	2,500.00	Jan 2006	Jul 2025	06/08/2016	45,000.00
				Active	60,591.00	15.0	0.0	2,019.70	Jul 2009	Jan 2024	06/08/2016	30,295.50
				Active	350,000.00	20.0	0.0	8,750.00	Jul 2004	Jan 2024	06/08/2016	131,250.00
				Paid In Full	200,000.00	20.0	0.0					
				Paid In Full	1,792.00	20.0	0.0					
	Other Village			Active	17,000.00	10.0	0.0	850.00	Jan 2010	Jul 2019	12/22/2015	5,950.00
	Other Village			Active	82,549.79	30.0	0.0	1,375.83	Jan 2016	Jul 2045	05/26/2016	79,798.13
				Active	384,555.36	20.0	0.0	9,613.88	Jul 2003	Jan 2023	05/26/2016	124,980.60

This Loan Summary report gives a nice summarization of all the OPWC loans, including maturity dates, years of repayment, and the balance of the loans

* Loans in Pending status: Loan Principal and Payment are Estimated based on maximum amount of assistance

Tuesday July 05, 2016

Re: Audit Confirmation of Village of Happy Loan # 1234

Dear Sir/Madam:

Loan information for the 12 month period ending 12/31/2015;

	Community Assistance Fund	Totals
Original date of loan agreement:	12/14/1995	
Length of loan agreement:	25	
Maturity date of loan:	01/01/2022	
Annual interest rate:	2.00%	
Principal amount of original loan:	\$1,506,552.73	\$1,506,552.73
Amount of principal paid during year:	\$67,177.90	\$67,177.90
Principal amount outstanding at 12/31/2015:	\$432,241.35	\$432,241.35
Amount of interest	\$9,988.38	\$9,988.38

Deletions

Tie to Ending Balance

paid during
year:

Interest
and/or
principal
payment
dates:

July 1 and
January 1

The information furnished to you with this letter in regards to the loan held by Village of Happy with the Ohio Water Development Authority has been auto generated by the Ohio Water Development Authority web site on 07/05/2016. If you should have questions or need additional information, please contact Chris Buckner at cbuckner@owda.org or 614.466.0294.

Amortization Schedule

Project: Village of Happy Water Treatment Plant
Account Number: 1234

	Community Assistance Fund at 2.000% for 25 Years From 07/01/1997 to 01/01/2022	Totals
Cash Disbursed:	1,492,021.11	1,492,021.11
Capitalized Interest:	14,544.12	14,544.12
Loan Adj. Commitments:	-12.50	-12.50
Financed Amount:	1,506,552.73	1,506,552.73

Payment Date	Interest	Principal	Total Payment	Principal Balance Outstanding
01/01/2002	\$13,126.92	\$25,456.22	\$38,583.14	\$1,261,779.11
07/01/2002	\$12,617.79	\$25,965.35	\$38,583.14	\$1,235,813.76
01/01/2003	\$12,617.79	\$25,965.35	\$38,583.14	\$1,209,848.41
07/01/2003	\$12,098.49	\$26,484.65	\$38,583.14	\$1,183,363.76
01/01/2004	\$12,098.49	\$26,484.65	\$38,583.14	\$1,156,879.11
07/01/2004	\$11,568.79	\$27,014.35	\$38,583.14	\$1,129,864.76
01/01/2005	\$11,568.79	\$27,014.35	\$38,583.14	\$1,102,850.41
07/01/2005	\$11,028.50	\$27,554.64	\$38,583.14	\$1,075,295.77
01/01/2006	\$11,028.50	\$27,554.64	\$38,583.14	\$1,047,741.13
07/01/2006	\$10,477.41	\$28,105.73	\$38,583.14	\$1,019,635.40
01/01/2007	\$10,477.41	\$28,105.73	\$38,583.14	\$991,529.67
07/01/2007	\$9,915.30	\$28,667.84	\$38,583.14	\$962,861.83
01/01/2008	\$9,915.30	\$28,667.84	\$38,583.14	\$934,193.99
07/01/2008	\$9,341.94	\$29,241.20	\$38,583.14	\$904,952.79
01/01/2009	\$9,341.94	\$29,241.20	\$38,583.14	\$875,711.59
07/01/2009	\$8,757.11	\$29,826.03	\$38,583.14	\$845,885.56
01/01/2010	\$8,757.11	\$29,826.03	\$38,583.14	\$816,059.53
07/01/2010	\$8,160.60	\$30,422.54	\$38,583.14	\$785,636.99
01/01/2011	\$8,160.60	\$30,422.54	\$38,583.14	\$755,214.45
07/01/2011	\$7,552.15	\$31,030.99	\$38,583.14	\$724,183.46
01/01/2012	\$7,552.15	\$31,030.99	\$38,583.14	\$693,152.47
07/01/2012	\$6,931.52	\$31,651.62	\$38,583.14	\$661,500.85
01/01/2013	\$6,931.52	\$31,651.62	\$38,583.14	\$629,849.23
07/01/2013	\$6,298.49	\$32,284.65	\$38,583.14	\$597,564.58
01/01/2014	\$6,298.49	\$32,284.65	\$38,583.14	\$565,279.93
07/01/2014	\$5,652.80	\$32,930.34	\$38,583.14	\$532,349.59
01/01/2015	\$5,652.80	\$32,930.34	\$38,583.14	\$499,419.25
07/01/2015	\$4,994.19	\$33,588.95	\$38,583.14	\$465,830.30
01/01/2016	\$4,994.19	\$33,588.95	\$38,583.14	\$432,241.35
07/01/2016	\$4,322.41	\$34,260.73	\$38,583.14	\$397,980.62
01/01/2017	\$4,322.41	\$34,260.73	\$38,583.14	\$363,719.89
07/01/2017	\$3,637.20	\$34,945.94	\$38,583.14	\$328,773.95
01/01/2018	\$3,637.20	\$34,945.94	\$38,583.14	\$293,828.01

\$68,522 Due in One Year

\$432,241.35

payments will be made in 2016

12/31/15 balance

07/01/2018	\$2,938.28	\$35,644.86	\$38,583.14	\$258,183.15
01/01/2019	\$2,938.28	\$35,644.86	\$38,583.14	\$222,538.29
07/01/2019	\$2,225.39	\$36,357.75	\$38,583.14	\$186,180.54
01/01/2020	\$2,225.39	\$36,357.75	\$38,583.14	\$149,822.79
07/01/2020	\$1,498.23	\$37,084.91	\$38,583.14	\$112,737.88
01/01/2021	\$1,498.23	\$37,084.91	\$38,583.14	\$75,652.97
07/01/2021	\$756.53	\$37,826.61	\$38,583.14	\$37,826.36
01/01/2022	\$756.78	\$37,826.36	\$38,583.14	\$0.00

Tuesday July 05, 2016

Re: Audit Confirmation of Village of Happy Loan # 5678

Dear Sir/Madam:

Loan information for the 12 month period ending 12/31/2015;

	Community Assistance Fund	Totals
Original date of loan agreement:	08/30/2001	
Length of loan agreement:	25	
Maturity date of loan:	07/01/2027	
Annual interest rate:	2.00%	
Principal amount of original loan:	\$1,166,794.92	\$1,166,794.92
		Deletions
Amount of principal paid during year:	\$46,656.60	\$46,656.60
Principal amount outstanding at 12/31/2015:	\$608,931.59	\$608,931.59
		Tie to Ending Balance
Amount of interest	\$12,879.64	\$12,879.64

paid during
year:

Interest
and/or
principal
payment
dates:

January 1 and
July 1

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Amortization Schedule

Project: Village of Happy Wastewater Treatment Plant Improvements
Account Number: 5678

	Community Assistance Fund at 2.000% for 25 Years From 01/01/2003 to 07/01/2027	Totals
Cash Disbursed:	1,162,000.00	1,162,000.00
Capitalized Interest:	4,794.92	4,794.92
Loan Adj. Commitments:	0.00	0.00
Financed Amount:	1,166,794.92	1,166,794.92

Payment Date	Interest	Principal	Total Payment	Principal Balance Outstanding
01/01/2003	\$11,667.95	\$18,100.17	\$29,768.12	\$1,148,694.75
07/01/2003	\$11,486.95	\$18,281.17	\$29,768.12	\$1,130,413.58
01/01/2004	\$11,304.14	\$18,463.98	\$29,768.12	\$1,111,949.60
07/01/2004	\$11,119.50	\$18,648.62	\$29,768.12	\$1,093,300.98
01/01/2005	\$10,933.01	\$18,835.11	\$29,768.12	\$1,074,465.87
07/01/2005	\$10,744.66	\$19,023.46	\$29,768.12	\$1,055,442.41
01/01/2006	\$10,554.42	\$19,213.70	\$29,768.12	\$1,036,228.71
07/01/2006	\$10,362.28	\$19,405.84	\$29,768.12	\$1,016,822.87
01/01/2007	\$10,168.23	\$19,599.89	\$29,768.12	\$997,222.98
07/01/2007	\$9,972.23	\$19,795.89	\$29,768.12	\$977,427.09
01/01/2008	\$9,774.27	\$19,993.85	\$29,768.12	\$957,433.24
07/01/2008	\$9,574.33	\$20,193.79	\$29,768.12	\$937,239.45
01/01/2009	\$9,372.40	\$20,395.72	\$29,768.12	\$916,843.73
07/01/2009	\$9,168.43	\$20,599.69	\$29,768.12	\$896,244.04
01/01/2010	\$8,962.44	\$20,805.68	\$29,768.12	\$875,438.36
07/01/2010	\$8,754.39	\$21,013.73	\$29,768.12	\$854,424.63
01/01/2011	\$8,544.25	\$21,223.87	\$29,768.12	\$833,200.76
07/01/2011	\$8,332.01	\$21,436.11	\$29,768.12	\$811,764.65
01/01/2012	\$8,117.65	\$21,650.47	\$29,768.12	\$790,114.18
07/01/2012	\$7,901.14	\$21,866.98	\$29,768.12	\$768,247.20
01/01/2013	\$7,682.47	\$22,085.65	\$29,768.12	\$746,161.55
07/01/2013	\$7,461.61	\$22,306.51	\$29,768.12	\$723,855.04
01/01/2014	\$7,238.55	\$22,529.57	\$29,768.12	\$701,325.47
07/01/2014	\$7,013.26	\$22,754.86	\$29,768.12	\$678,570.61
01/01/2015	\$6,785.70	\$22,982.42	\$29,768.12	\$655,588.19
07/01/2015	\$6,555.88	\$23,212.24	\$29,768.12	\$632,375.95
01/01/2016	\$6,323.76	\$23,444.36	\$29,768.12	\$608,931.59
07/01/2016	\$6,089.31	\$23,678.81	\$29,768.12	\$585,252.78
01/01/2017	\$5,852.53	\$23,915.59	\$29,768.12	\$561,337.19
07/01/2017	\$5,613.37	\$24,154.75	\$29,768.12	\$537,182.44
01/01/2018	\$5,371.82	\$24,396.30	\$29,768.12	\$512,786.14
07/01/2018	\$5,127.86	\$24,640.26	\$29,768.12	\$488,145.88
01/01/2019	\$4,881.46	\$24,886.66	\$29,768.12	\$463,259.22

12/31/15
balance

payments will be made in 2016

\$47,594 Due in
One Year



07/01/2019	\$4,632.59	\$25,135.53	\$29,768.12	\$438,123.69
01/01/2020	\$4,381.23	\$25,386.89	\$29,768.12	\$412,736.80
07/01/2020	\$4,127.37	\$25,640.75	\$29,768.12	\$387,096.05
01/01/2021	\$3,870.96	\$25,897.16	\$29,768.12	\$361,198.89
07/01/2021	\$3,611.99	\$26,156.13	\$29,768.12	\$335,042.76
01/01/2022	\$3,350.43	\$26,417.69	\$29,768.12	\$308,625.07
07/01/2022	\$3,086.25	\$26,681.87	\$29,768.12	\$281,943.20
01/01/2023	\$2,819.43	\$26,948.69	\$29,768.12	\$254,994.51
07/01/2023	\$2,549.95	\$27,218.17	\$29,768.12	\$227,776.34
01/01/2024	\$2,277.76	\$27,490.36	\$29,768.12	\$200,285.98
07/01/2024	\$2,002.86	\$27,765.26	\$29,768.12	\$172,520.72
01/01/2025	\$1,725.20	\$28,042.92	\$29,768.12	\$144,477.80
07/01/2025	\$1,444.78	\$28,323.34	\$29,768.12	\$116,154.46
01/01/2026	\$1,161.55	\$28,606.57	\$29,768.12	\$87,547.89
07/01/2026	\$875.48	\$28,892.64	\$29,768.12	\$58,655.25
01/01/2027	\$586.55	\$29,181.57	\$29,768.12	\$29,473.68
07/01/2027	\$294.44	\$29,473.68	\$29,768.12	\$0.00

Tuesday July 05, 2016

Re: Audit Confirmation of Village of Happy Loan # 4321

Dear Sir/Madam:


Loan information for the 12 month period ending 12/31/2015;

	Water Pollution Control Loan Fund		Totals
Original date of loan agreement:	10/30/2003		
Length of loan agreement:	20		
Maturity date of loan:	01/01/2025		
Annual interest rate:	1.00%		
Principal amount of original loan:	\$3,066,360.88	Deletions	\$3,066,360.88
Amount of principal paid during year:	\$153,830.03		\$153,830.03
Principal amount outstanding at 12/31/2015:	\$1,455,755.05	Tie to Ending Balance	\$1,455,755.05
	\$15,712.25		\$15,712.25

Amount of
interest
paid during
year:

Interest
and/or
principal
payment
dates:

July 1 and
January 1

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Amortization Schedule

Project: Village of Happy Wastewater Treatment Plant Improvements
Account Number: 4321

	Water Pollution Control Loan Fund at 1.000% for 20 Years From 07/01/2005 to 01/01/2025	Totals
Cash Disbursed:	3,055,801.15	3,055,801.15
Capitalized Interest:	10,559.73	10,559.73
Loan Adj. Commitments:	0.00	0.00
Financed Amount:	3,066,360.88	3,066,360.88

Payment Date	Interest	Principal	Total Payment	Principal Balance Outstanding
01/01/2012	\$10,680.33	\$74,090.81	\$84,771.14	\$2,136,065.47
07/01/2012	\$10,309.87	\$74,461.27	\$84,771.14	\$1,987,513.39
01/01/2013	\$9,937.58	\$74,833.56	\$84,771.14	\$1,912,679.83
07/01/2013	\$9,563.39	\$75,207.75	\$84,771.14	\$1,837,472.08
01/01/2014	\$9,187.35	\$75,583.79	\$84,771.14	\$1,761,888.29
07/01/2014	\$8,809.44	\$75,961.70	\$84,771.14	\$1,685,926.59
01/01/2015	\$8,429.63	\$76,341.51	\$84,771.14	\$1,609,585.08
07/01/2015	\$8,047.93	\$76,723.21	\$84,771.14	\$1,532,861.87
01/01/2016	\$7,664.32	\$77,106.82	\$84,771.14	\$1,455,755.05
07/01/2016	\$7,278.77	\$77,492.37	\$84,771.14	\$1,378,262.68
01/01/2017	\$6,891.31	\$77,879.83	\$84,771.14	\$1,300,382.85
07/01/2017	\$6,501.91	\$78,269.23	\$84,771.14	\$1,222,113.62
01/01/2018	\$6,110.57	\$78,660.57	\$84,771.14	\$1,143,453.05
07/01/2018	\$5,717.27	\$79,053.87	\$84,771.14	\$1,064,399.18
01/01/2019	\$5,322.00	\$79,449.14	\$84,771.14	\$984,950.04
07/01/2019	\$4,924.76	\$79,846.38	\$84,771.14	\$905,103.66
01/01/2020	\$4,525.52	\$80,245.62	\$84,771.14	\$824,858.04
07/01/2020	\$4,124.29	\$80,646.85	\$84,771.14	\$744,211.19
01/01/2021	\$3,721.05	\$81,050.09	\$84,771.14	\$663,161.10
07/01/2021	\$3,315.82	\$81,455.32	\$84,771.14	\$581,705.78
01/01/2022	\$2,908.52	\$81,862.62	\$84,771.14	\$499,843.16
07/01/2022	\$2,499.21	\$82,271.93	\$84,771.14	\$417,571.23
01/01/2023	\$2,087.86	\$82,683.28	\$84,771.14	\$334,887.95
07/01/2023	\$1,674.44	\$83,096.70	\$84,771.14	\$251,791.25
01/01/2024	\$1,258.95	\$83,512.19	\$84,771.14	\$168,279.06
07/01/2024	\$841.40	\$83,929.74	\$84,771.14	\$84,349.32
01/01/2025	\$421.82	\$84,349.32	\$84,771.14	\$0.00

12/31/15
balance



07/01/2016
01/01/2017

payments
will be
made in
2016

\$155,372 Due in
One Year

Tuesday July 05, 2016

Re: Audit Confirmation of Village of Happy Loan #9876

Dear Sir/Madam:

Loan information for the 12 month period ending 12/31/2015;

	Water Pollution Control Loan Fund	Totals
Original date of loan agreement:	12/14/2006	
Length of loan agreement:	20	
Maturity date of loan:	01/01/2028	
Annual interest rate:	1.00%	
Principal amount of original loan:	\$900,946.97	\$900,946.97
Amount of principal paid during year:	(\$467.69)	(\$467.69)
Principal amount outstanding at 12/31/2015:	\$561,976.61	\$561,976.61
	\$9,087.00	\$9,087.00

Because this is a negative amount of principal, it cannot be used as a deletion from the loan balance; rather this is a net increase in the loan balance. See Loan Transactions Detail




Tie to Ending Balance



Amount of
interest
paid during
year:

Interest
and/or
principal
payment
dates:

July 1 and
January 1

The information furnished to you with this letter in regards to the loan held by Village of Happy with the Ohio Water Development Authority has been auto generated by the Ohio Water Development Authority web site on 07/05/2016. If you should have questions or need additional information, please contact Chris Buckner at cbuckner@owda.org or 614.466.0294 .

Loan Detail
For the Period 01/01/2015 to 12/31/2015

Agency: Village of Happy

Account ID: 9876

Project Description: County Road 15 Pump Station Improvements

Amount Financed Detail

Water Pollution Control Loan Fund
 at 1.000%
 for 20Years From
 07/01/2008
 01/01/2028

Date Type Amount Financed Balance as of 12/31/2014: \$900,946.97
 Sorry, No Data Available at this time.

Loan Balance Detail

Water Pollution Control Loan
 Fund
 at 1.000%
 for 20 Years From
 07/01/2008 to
 01/01/2028

Date	Type	Loan Balance as of 12/31/2014:	\$564,646.88
01/01/2015	Principal Payment		\$3,137.96
07/01/2015	Principal Payment		\$3,029.22
12/14/2015	Principal Payment		(\$5,699.49)
		Total Loan Balance as of 12/31/2015:	\$565,114.57

Payment History Detail

	Accumulated Payments as of 12/31/2014:	Interest	Principal	Late Fee
		(\$63,895.60)	(\$325,999.49)	(\$98.70)
01/01/2015	Interest Payment	(\$3,137.96)		
01/01/2015	Principal Payment		\$3,137.96	
07/01/2015	Interest Payment	(\$3,029.22)		
07/01/2015	Principal Payment		\$3,029.22	
12/14/2015	Admin Fee Payment	(\$567.68)		
12/14/2015	Interest Payment	(\$2,352.14)		
12/14/2015	Principal Payment		(\$5,699.49)	
	Balance as of 12/31/2015:	(\$72,982.60)	(\$325,531.80)	(\$98.70)

The first two "principal payment"s shown as positive adjustments are actually increasing the principal balance of the loan. Only the negative \$5,699.49 is a true payment of principal. The net effect on the principal balance is \$467.69 (increase in the balance of the loan). But this will be shown as an addition to the loan of \$6,167 and a decrease (principal payment) of \$5,699

See page 26

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

This information is available on the reports and schedules provided by OPWC and OWDA

Note 12 – Long Term Obligations

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

From prior year audit report

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

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

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

Village of Happy, Ohio
Silly County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

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

A line of credit has been established with the Ohio Water Development Authority in the amount of \$900,947 for the County Road 15 Pump Station project; however, since this loan is not finalized, the repayment schedule is not included in the schedule of debt service payments. The Village has received the full amount of proceeds. Until a final repayment schedule is available, the Village is paying based on estimates.

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

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

This one is not included in the table of future debt payments

From Amortization Summaries

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

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

See Pledged Revenue worksheets

	Street Levy OPWC State & Goodrich Principal	Street Levy OPWC Canal Street Principal	Total Governmental OPWC Principal	Note Disclosure Governmental OPWC Principal	Sewer OPWC County Road 15 Principal	Sewer OPWC Sewage Collection Principal	Total Business-Type OPWC Principal	Note Disclosure Business-Type OPWC Principal
2016	6,113.04	3,890.63			1,125.00	3,256.41		
2016	6,113.04	3,890.63	20,007	20,007	1,125.00	3,256.41	8,763	8,763
2017	6,113.04	3,890.63			1,125.00	3,256.41		
2017	6,113.04	3,890.63	20,007	20,007	1,125.00	3,256.41	8,763	8,763
2018	6,113.04	3,890.63			1,125.00	3,256.41		
2018	6,113.04	3,890.63	20,008	20,008	1,125.00	3,256.41	8,763	8,763
2019	6,113.04	3,890.63			1,125.00	3,256.41		
2019	6,112.97	3,890.63	20,007	20,007	1,125.00	3,256.41	8,763	8,763
2020		3,890.63			1,125.00	3,256.41		
2020		3,890.63	7,781	7,781	1,125.00	3,256.41	8,763	8,763
2021		3,890.47	3,891	3,891	1,125.00	3,256.41		
2021					1,125.00	3,256.41	8,763	
2022					1,125.00	3,256.41		
2022					1,125.00	3,256.41	8,763	
2023					1,125.00	3,256.41		
2023					1,125.00	3,256.41	8,763	
2024					1,125.00	3,256.41		
2024					1,125.00	3,256.41	8,763	
2025					1,125.00	3,256.41		
2025					1,125.00	3,256.41	8,762	43,814
2026					1,125.00	3,256.41		
2026					1,125.00	3,256.41	8,763	
2027					1,125.00	3,256.41		
2027						3,256.41	7,638	
2028						3,256.41		
2028						3,256.41	6,513	
2029						3,256.41		
2029						3,256.41	6,513	
2030						3,256.41		
2030						3,256.41	6,512	35,939
2031						3,256.41		
2031						3,256.41	6,513	
2032						3,256.41		
2032						3,256.41	6,513	
2033						3,256.41		
2033						3,256.41	6,513	
2034						3,256.41		
2034						3,256.41	6,513	
2035						3,256.41		
2035						3,256.41	6,512	32,564
2036						3,256.41		
2036						3,256.41	6,513	
2037						3,256.41		
2037						3,256.41	6,513	
2038						3,256.41		
2038						3,256.41	6,513	
2039						3,256.41		
2039						3,256.41	6,513	
2040						3,256.41		
2040						3,256.41	6,512	32,564
2041						3,256.41		
2041						3,256.41	6,513	
2042						3,256.41		
2042						3,256.41	6,513	
2043						3,256.41		
2043						3,256.41	6,513	
2044						3,256.41		
2044						3,256.41	6,513	
2045						3,256.41	3,256	29,308
	48,904.25	42,796.77	91,701	91,701	25,875.00	192,128.19	218,004	218,004

These should tie to the related amounts due in one year in the debt table

Detailed payments for each loan come from the amortization schedules provided by OPWC

Note disclosure: total payments for each of the next 5 years; then total payments for each group of 5 years after that

Be sure that the principal totals tie to the related totals of the amounts outstanding at 12/31/15 in the debt table, since rounding can throw it off.

Village of Happy
OWDA Debt Amortization Summary
2015 OCBOA

	Water OWDA		Sewer OWDA		Sewer OWDA		Total OWDA		Note Disclosure OWDA	
	Water Treatment Plant Principal	Water Treatment Plant Interest	Sewer Wastewater Principal	Sewer Wastewater Interest	Wastewater Principal	Wastewater Interest	Business-Type Activities Principal	Business-Type Activities Interest	Business-Type Activities Principal	Business-Type Activities Interest
2016	34,260.73	4,322.41	23,678.81	6,089.31	77,492.37	7,278.77	271,488	34,757	271,488	34,757
2016	34,260.73	4,322.41	23,915.59	5,852.53	77,879.83	6,891.31	271,488	34,757	271,488	34,757
2017	34,945.94	3,637.20	24,154.75	5,613.37	78,269.23	6,501.91	275,373	30,872	275,373	30,872
2017	34,945.94	3,637.20	24,396.30	5,371.82	78,660.57	6,110.57	275,373	30,872	275,373	30,872
2018	35,644.86	2,938.28	24,640.26	5,127.86	79,053.87	5,717.27	279,320	26,925	279,320	26,925
2018	35,644.86	2,938.28	24,886.66	4,881.46	79,449.14	5,322.00	279,320	26,925	279,320	26,925
2019	36,357.75	2,225.39	25,135.53	4,632.59	79,846.38	4,924.76	283,330	22,915	283,330	22,915
2019	36,357.75	2,225.39	25,386.89	4,381.23	80,245.62	4,525.52	283,330	22,915	283,330	22,915
2020	37,084.91	1,498.23	25,640.75	4,127.37	80,646.85	4,124.29	287,405	18,840	287,405	18,840
2020	37,084.91	1,498.23	25,897.16	3,870.96	81,050.09	3,721.05	287,405	18,840	287,405	18,840
2021	37,826.61	756.53	26,156.13	3,611.99	81,455.32	3,315.82	291,545	14,700	291,545	14,700
2021	37,826.61	756.53	26,417.69	3,350.43	81,862.62	2,908.52	291,545	14,700	291,545	14,700
2022			26,681.87	3,086.25	82,271.93	2,499.21	218,586	10,493	218,586	10,493
2022			26,948.69	2,819.43	82,683.28	2,087.86	218,586	10,493	218,586	10,493
2023			27,218.17	2,549.95	83,096.70	1,674.44	221,317	7,761	221,317	7,761
2023			27,490.36	2,277.76	83,512.19	1,258.95	221,317	7,761	221,317	7,761
2024			27,765.26	2,002.86	83,929.74	841.40	224,087	4,991	224,087	4,991
2024			28,042.92	1,725.20	84,349.32	421.82	224,087	4,991	224,087	4,991
2025			28,323.34	1,444.78			56,930	2,607	56,930	2,607
2025			28,606.57	1,161.55			58,074	1,462	58,074	1,462
2026			28,892.64	875.48			29,473	294	29,473	294
2026			29,181.57	586.55			2,496,928	176,617	2,496,928	176,617
2027			29,473.68	294.44			2,496,928	176,617	2,496,928	176,617
	432,241.35	30,756.33	608,931.59	75,735.17	1,455,755.05	70,125.47	2,496,928	176,617	2,496,928	176,617

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This should tie to the related amount due in one year in the debt table

Note disclosure: total payments for each of the next 5 years; then total payments for each group of 5 years after that

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Note 11 - OCBOA

Note: Since County Rd. 15 Pump Station Loan is not finalized, an amortization schedule is not available.

Be sure that the principal total ties to the related total of the amounts outstanding at 12/31/15 in the debt table, since rounding can throw it off.
In our example, note that the County Road 15 Pump Station loan, which is not finalized, does not have an amortization schedule included in the amortization summary, but the total principal ties to the total of the balances of the other 3 loans

The detailed debt payments from the amortization schedules provided by OWDA

A	Total Water Receipts	\$574,624	From Statement of Receipts, Disbursements and Changes in Fund Net Position - Enterprise Funds
	Less Water Operating Disbursements	(455,744)	From Statement of Receipts, Disbursements and Changes in Fund Net Position - Enterprise Funds
B	Net Available Receipts	<u>\$118,880</u>	
	2015 Debt Service: (1)		
	Principal	\$67,178	Amount of principal paid during the year for applicable debt
	Interest	9,988	Amount of interest paid during the year for applicable debt
C	Total Debt Service 2015	<u>\$77,166</u>	
	Annual Debt Service % of Total Receipts	13.43%	Equals C ÷ A
	Annual Debt Service % of Net Receipts	64.91%	Equals C ÷ B

(1) Revenue debt includes both OPWC and OWDA loans payable solely from net receipts in the water enterprise fund.

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Village of Happy
Pledged Revenue Coverage
Sewer

A	Total Sewer Receipts	\$969,424	From Statement of Receipts, Disbursements and Changes in Fund Net Position - Enterprise Funds
	Less Sewer Operating Disbursements	(809,311)	From Statement of Receipts, Disbursements and Changes in Fund Net Position - Enterprise Funds
B	Net Available Receipts	\$160,113	
	2015 Debt Service: (1)		
	Principal	\$211,691	Amount of principal paid during the year for applicable debt
	Interest	31,514	Amount of interest paid during the year for applicable debt
C	Total Debt Service 2015	\$243,205	
	Annual Debt Service % of Total Receipts:	25.09%	Equals C ÷ A
	Annual Debt Service % of Net Receipts	151.90%	Equals C ÷ B

(1) Pledged revenue debt includes both OPWC and OWDA loans payable solely from net receipts in the sewer enterprise fund.

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Fund	Description.....	Beg Yr Bal....	Ytd Receipts..	Ytd Expenses..	Unexp bal.....	Encumbrances..	Unenc bal.....
101	GENERAL	768,729.35	1,306,671.15	901,486.39	1,173,914.11	24,111.67	1,149,802.44
201	STREET MAINTENANCE	115,947.85	178,044.26	188,964.99	105,027.12	1,310.94	103,716.18
202	STATE HIGHWAY	66,973.53	13,316.92	8,971.49	71,318.96	15,477.84	55,841.12
203	CEMETERY	6,144.93	69,114.43	66,675.87	8,583.49	1,115.85	7,467.64
204	PARK	200.63	55,048.28	46,243.13	9,005.78	498.10	8,507.68
205	PERMISSIVE MOT VEH FUND	107,116.00	39,694.40	30,949.64	115,860.76	22,300.00	93,560.76
208	STREET LEVY	569,141.71	490,349.66	335,509.19	723,982.18	40,807.47	683,174.71
209	POLICE PENSION	2,665.88	13,323.96	13,982.71	2,007.13	0.00	2,007.13
210	POLICE TRAINING	25,056.85	2,932.53	6,369.50	21,619.88	0.00	21,619.88
211	SKATE PARK FUND	0	0	0	0	0	0
212	DOWNTOWN REVITALIZATION	12.5	0	0	12.5	0	12.5
215	DRUG LAW ENFORCEMENT	4,590.05	0	0.00	4,590.05	0.00	4,590.05
216	COMPUTER FUND	25.02	1,840.00	800	1,065.02	0	1,065.02
220	Police Fund	0	0	0.00	0	0.00	0
300	OWDA LOAN	0.00	0.00	0.00	0.00	0.00	0.00
401	CAPITAL IMPROVEMENT	44,660.60	10,169.69	39,846.72	14,983.57	5,000.00	9,983.57
405	WATER WORKS PROJECT	0.00	0.00	0.00	0.00	0.00	0.00
407	CY YOUNG PARK IMPROVEME	14,976.33	5,700.00	8,911.98	11,764.35	6,625.00	5,139.35
601	WATER	172,306.84	479,050.14	431,947.97	219,409.01	7,516.67	211,892.34
602	SEWAGE	45,370.63	490,768.32	450,964.77	85,174.18	4,278.16	80,896.02
609	WATER R & I	65,020.86	95,573.73	91,136.72	69,457.87	4,855.63	64,602.24
610	SEWAGE R & I	1,018,773.14	674,041.64	601,551.81	1,091,262.97	16,416.95	1,074,846.02
612	EPA SEWAGE	0.00	0.00	0.00	0.00	0.00	0
613	WATER WELL FIELD	10,065.05	0.00	9,825.09	239.96	66.96	173.00
804	STREET OPEN TRUST	2,447.00	0.00	0.00	2,447.00	0.00	2,447.00
807	CEMETERY EXPENDABLE TRU	50,076.76	2,773.86	7,204.00	45,646.62	55.00	45,591.62
		3,090,301.51	3,928,412.97	3,241,341.97	3,777,372.51	150,436.24	3,626,936.27

Encumbrances go to the chart in Note 12

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Silly County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Village of Happy participates in this, but for the Village, it is a jointly governed organization. This is because the continued existence of the Commission is dependent on Silly County participating, but not on Village of Happy participating.

Note 21 – Joint Ventures

Silly County Regional Planning Commission (Commission)

The County participates in the Silly County Regional Planning Commission which is a statutorily created political subdivision of the State. The Commission is jointly governed among Silly County, and certain municipalities and townships. Of the 59 members of the Commission board of trustees, the County appoints 10. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission has the purpose and duty to make studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services, and other aspects of the region or the County, respectively.

Continued existence of the Commission is dependent on the County's continued participation; however, the County does not have an equity interest in the Commission. The Commission is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the County. In 2014, the County contributed \$61,000 which represents 82 percent of total contributions. Complete financial statements can be obtained from the Regional Planning Commission, Silly County, Ohio.

Alcohol, Drug Addiction and Mental Health Services Board of Silly and Wacky Counties (ADAMHS Board)

The ADAMHS Board is responsible for developing, coordinating, modernizing, funding, monitoring and evaluating a community-based mental health and substance abuse program. The Board is managed by an eighteen member board of trustees, six appointed by the commissioners of Silly County, four by Wacky County, four by the Ohio Department of Alcohol and Drug Addiction Services and four appointed by the director of the State Department of Mental Health. The trustees exercise total control of the operation of the Board including budgeting, appropriating, contracting and designating management. Continued existence of the Board is dependent on the County's continued participation; however, the County does not have an equity interest in the Board. The Board is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the County. In 2014, the County made no contributions to the ADAMHS Board. Complete financial statements can be obtained from the ADAMHS Board, Silly County, Ohio.

Village of Happy doesn't participate in either of these, or most of the organizations on the next page, so no need to include in the Village's notes.

Note 22 – Jointly Governed Organizations

Silly County Family and Children First Council (Council)

The Council provides services to multi-need youths in Silly County. There are twenty-eight organizations which are members of the Council. The operations of the Council are controlled by a board consisting of representatives of the member organizations. Members refer cases to the Council which determines how the case is to be handled. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting and designating management. Each organization's degree of control is limited to its representation on the Board. In 2014, the County contributed \$10,000, which represents 49 percent of total contributions.

Silly County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Wacky-Silly-Crazy Joint Solid Waste Management District (District)

The District provides solid waste disposal, recycling opportunities, and other waste management services and is controlled by a Board of Directors consisting of nine members; three County Commissioners of each of the three member counties. The Board exercises total control over the operations of the District including budgeting, appropriating, contracting and designating management. Each County's degree of control is limited to its representation on the Board. In 2014, the District's revenues were received from haulers; no monies were contributed by the County.

Multi-County Juvenile Attention Center (Center)

The Center is jointly operated by Silly, Wacky, Crazy, Funny, Hilarious and Nutty Counties for the purpose of providing training, treatment and rehabilitation of delinquent, dependent, abused or neglected children. The operation of the Center is controlled by a joint board of commissioners whose membership consists of the three commissioners from each participating county. The Board exercises total control over the operation of the Center including budgeting, appropriating, contracting and designating management. Budgets are adopted by the governing board of commissioners. Each County's degree of control is limited to its representation on the Board. In 2014, the County contributed \$1,046,183, which represents 12.38 percent of total contributions.

Community Improvement Corporation of Silly County (Corporation)

The Corporation was formed to advance, encourage, and promote the industrial, economic, commercial and civic development and is operated by Silly County, and the following municipalities: Nice, Friendly, Pleasant, and Fine. It is controlled by 25 trustees consisting of the three County Commissioners, the mayor of each participating municipality and eighteen self-elected trustees. The Board exercises total control over the operations of the Corporation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. In 2014, \$25,000 were contributed by the County.

The Area Office on Aging (Council)

The Area Office on Aging is a regional council of governments that assist Silly County, in providing services to senior citizens in the Council's service area. The Council has a board of directors comprised of one representative appointed by each participating municipality. The Council has total control over budgeting, personnel and all other financial matters. The Council receives Title III monies to be used for programs within member Counties. The Council exercises total control over the operations of the Council including budgeting, appropriating, contracting and designating management. Each County's degree of control is limited to its representation on the Board. The Council has no outstanding debt. In 2014, no monies were received from the County.

Village of Happy participates in this, but do you notice any differences between this note and the Village's note? It may be time to update, or at least check with the Council or the County Auditor.

Silly County Tax Incentive Review Council (SCTIRC)

The SCTIRC is a jointly governed organization, created as a regional council of governments pursuant to State statutes. SCTIRC has 48 members, consisting of three members appointed by the County Commissioners, eighteen members appointed by municipal corporations, sixteen members appointed by township trustees, one member from the County Auditor's Office and ten members appointed by boards of education located within the County. The SCTIRC reviews and evaluates the performance of each Enterprise Zone Agreement. This body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however, the council can make written recommendations to the legislative authority that approved the agreement. There is no cost associated with being a member of this Council. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. The County did not make any contributions to this organization in 2014.

Silly County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

The Village doesn't participate in any of these organizations, but they are here as an example of some of the different types you may see.

Note 23 – Related Organizations

Silly County University Branch District (District)

The Silly County University Branch District was created to better serve the people of Silly County by providing higher education at the university level in the Silly County area. The County Commissioners are responsible for appointing the trustees of the Silly County University Branch District, but the County's accountability does not extend beyond making the appointments.

Silly County Public Library (Library)

The County appoints the governing board of the Library, however, the County cannot influence the Library's operation nor does the Library represent a potential financial benefit for or burden on the County. The County serves in a ministerial capacity as taxing authority for the Library. Once the Library Board determines to present a levy to the voters, including the determination of its rate and duration, the County must place the levy on the ballot. The Library determines its own budget.

Note 24 – Shared Risk Pool

Public Entity Risk Consortium (PERC) The County participates in PERC, a shared risk pool which is restricted to mid-size public entities including pools. PERC was formed as an Ohio not-for profit corporation as authorized by Ohio Revised Code Section 2744.081 and operates a property, crime, and liability insurance program. PERC members include Silly County, Wacky County, the City of Fine and the member participants of four pools: the Buckeye Ohio Risk Management Association, Incorporated (BORMA); the Midwest Pool Risk Management Agency, Incorporated (MPRMA); the Ohio Housing Authority Property and Casualty, Incorporated (OHAPCI); and the State Housing Authority Risk Pool Association, Incorporated (SHARP). Each member appoints one person to the Board of Trustees. The Board of Directors consists of five trustees as determined by the Board of Trustee vote. The Board of Directors governs and administers PERC. Each member's control over the budgeting and financing of PERC is limited to its voting authority and any representation it may have on the Board of Directors. Participation in PERC is by written application subject to approval of the Board of Directors and the payment of premiums. Members are required to remain members of PERC until the end of the PERC fiscal year (November 30). Any member may withdraw from PERC at the end of the PERC fiscal year upon providing at least three months prior notice. The withdrawing member agrees any distribution of surplus PERC funds allocable to the withdrawing member are forfeited by the withdrawing member and shall be distributed to the then remaining members in proportion to their interest in the surplus funds or other equitable manner as determined by the Board of Directors. In 2014, the County made payments in the amount of \$304,407 to PERC. Financial information may be obtained from Arthur J. Gallagher Risk Management Services, Incorporated, 2 Summit Park Drive, Suite 235, Fine, Ohio 44131.

Note 25 – Related Party Transactions

During 2014, the County provided facilities, certain equipment, transportation and salaries for administration, implementation and supervision of programs to the Workshop. Starlight Enterprise, Incorporated, a discretely presented component unit of the County, reported \$290,237 for such contributions. Starlight Enterprise, Incorporated, recorded support and revenues and expenses at cost or fair value as applicable, to the extent the contribution is related to the vocational purpose of the Workshop. Additional habilitation services provided directly to Workshop clients by the County were estimated to be \$1,716,379.

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Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	Major			Total General	Major	Major
	101	204	212		201/804	208
	General	Park	Downtown Revitalization		Street Maintenance	Street Levy
Receipts						
Income Taxes	\$949,640	\$0	\$0	\$949,640	\$0	\$473,033
Property Taxes	159,426	15,000	0	174,426	0	0
Charges for Services	368	34,875	0	35,243	0	0
Fines, Licenses and Permits	39,339	0	0	39,339	0	0
Intergovernmental	136,988	0	0	136,988	168,947	16,000
Special Assessments	0	0	0	0	0	0
Rent	0	0	0	0	0	0
Contributions and Donations	1,000	5,000	0	6,000	0	0
Interest	0	0	0	0	0	1,316
Miscellaneous	19,911	173	0	20,084	9,097	0
<i>Total Receipts</i>	<u>1,306,672</u>	<u>55,048</u>	<u>0</u>	<u>1,361,720</u>	<u>178,044</u>	<u>490,349</u>
Disbursements						
Current:						
General Government	270,966	0	0	270,966	0	0
Security of Persons and Property	585,847	0	0	585,847	0	0
Public Health Services	873	0	0	873	0	0
Leisure Time Activities	0	46,243	0	46,243	0	0
Community Environment	0	0	0	0	0	0
Basic Utility Services	3,800	0	0	3,800	0	0
Transportation	0	0	0	0	188,965	315,502
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	20,007
<i>Total Disbursements</i>	<u>861,486</u>	<u>46,243</u>	<u>0</u>	<u>907,729</u>	<u>188,965</u>	<u>335,509</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>445,186</u>	<u>8,805</u>	<u>0</u>	<u>453,991</u>	<u>(10,921)</u>	<u>154,840</u>
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	(40,000)	0	0	(40,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(40,000)</u>	<u>0</u>	<u>0</u>	<u>(40,000)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>405,186</u>	<u>8,805</u>	<u>0</u>	<u>413,991</u>	<u>(10,921)</u>	<u>154,840</u>
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>768,729</u>	<u>201</u>	<u>13</u>	<u>768,943</u>	<u>118,395</u>	<u>569,140</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$1,173,915</u>	<u>\$9,006</u>	<u>\$13</u>	<u>\$1,182,934</u>	<u>\$107,474</u>	<u>\$723,980</u>

(continued)

This information goes to Note 19. For more detail on the nonmajor funds, see following pages.

See the Statement of Assets and Fund Balances - Governmental funds for fund balance classifications of major funds

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds (continued)
For the Year Ended December 31, 2015

	202 State Highway	203 Cemetery	205 Permissive	209 Police Pension	210 Police Training	215 Drug Law Enforcement
Receipts						
Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes	0	0	0	13,324	0	0
Charges for Services	0	35,399	0	0	840	0
Fines, Licenses and Permits	0	0	0	0	0	0
Intergovernmental	13,317	0	39,694	0	2,033	0
Special Assessments	0	0	0	0	0	0
Rent	0	3,715	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Miscellaneous	0	0	0	0	60	0
Total Receipts	13,317	39,114	39,694	13,324	2,933	0
Disbursements						
Current:						
General Government	0	0	0	0	0	0
Security of Persons and Property	0	0	0	13,983	6,370	0
Public Health Services	0	66,676	0	0	0	0
Leisure Time Activities	0	0	0	0	0	0
Community Environment	0	0	0	0	0	0
Basic Utility Services	0	0	0	0	0	0
Transportation	8,971	0	30,950	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Total Disbursements	8,971	66,676	30,950	13,983	6,370	0
Excess of Receipts Over (Under) Disbursements	4,346	(27,562)	8,744	(659)	(3,437)	0
Other Financing Sources (Uses)						
Transfers In	0	30,000	0	0	0	0
Transfers Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	30,000	0	0	0	0
Net Change in Fund Balances	4,346	2,438	8,744	(659)	(3,437)	0
Fund Balance (Deficit) Beginning of Year	66,973	6,145	107,116	2,667	25,057	4,590
Fund Balance (Deficit) End of Year	\$71,319	\$8,583	\$115,860	\$2,008	\$21,620	\$4,590

(continued)

For Village of Happy, all non-major funds have restricted fund balances, except for the Cy Young Park fund, which has committed fund balance.

Each fund is listed separately on this worksheet, so that you can identify the purpose of each fund's balance. For example, funds like Street Maintenance, State Highway, Permissive MVL, and Street Levy would all be Restricted for Road Maintenance and Improvement.

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds (continued)
For the Year Ended December 31, 2015

	216 Computer Fund	807 Cemetery Expendable Trust	401 Capital Improvement	407 Cy Young Park	Total Governmental Funds	Non-Major Funds
Receipts						
Income Taxes	\$0	\$0	\$0	\$0	\$1,422,673	\$0
Property Taxes	0	0	0	0	187,750	13,324
Charges for Services	0	1,492	0	0	72,974	37,731
Fines, Licenses and Permits	1,840	0	0	0	41,179	1,840
Intergovernmental	0	0	170	0	377,149	55,214
Special Assessments	0	0	0	0	0	0
Rent	0	1,000	0	2,788	7,503	7,503
Contributions and Donations	0	0	0	2,912	8,912	2,912
Interest	0	282	0	0	1,598	282
Miscellaneous	0	0	0	0	29,241	60
Total Receipts	1,840	2,774	170	5,700	2,148,979	118,866
Disbursements						
Current:						
General Government	0	0	0	0	270,966	0
Security of Persons and Property	800	0	0	0	607,000	21,153
Public Health Services	0	7,204	0	0	74,753	73,880
Leisure Time Activities	0	0	0	5,912	52,155	5,912
Community Environment	0	0	0	0	0	0
Basic Utility Services	0	0	0	0	3,800	0
Transportation	0	0	0	0	544,388	39,921
Capital Outlay	0	0	39,847	3,000	42,847	42,847
Debt Service:						
Principal Retirement	0	0	0	0	20,007	0
Total Disbursements	800	7,204	39,847	8,912	1,615,916	183,713
Excess of Receipts Over (Under) Disbursements	1,040	(4,430)	(39,677)	(3,212)	533,063	(64,847)
Other Financing Sources (Uses)						
Transfers In	0	0	10,000	0	40,000	40,000
Transfers Out	0	0	0	0	(40,000)	0
Total Other Financing Sources (Uses)	0	0	10,000	0	0	40,000
Net Change in Fund Balances	1,040	(4,430)	(29,677)	(3,212)	533,063	(24,847)
Fund Balance (Deficit) Beginning of Year	25	50,077	44,661	14,977	1,778,766	322,288
Fund Balance (Deficit) End of Year	\$1,065	\$45,647	\$14,984	\$11,765	\$2,311,829	\$297,441



committed fund
balance

See page 66

Village Notes Training

Quicklist

- Decide whether you are filing Regulatory or OCBOA
- Obtain/Access a template for the notes
- Contact the prior auditors to obtain the prior year's notes file as a starting point. You can obtain a copy via the on-line audit search, but this file cannot be edited.
<http://www.ohioauditor.gov/auditsearch/Search.aspx>
- A note shell (template) can be obtained on the Auditor of State's website at: <http://www.ohioauditor.gov/references/shells.html> . The village no note shell will be updated annually by the Auditor of State's Office and will be the starting point for preparing notes specific to you village.
- Make sure you save the file on your computer in an easy place to find.
- Note 1 – Describe the services provided by the village. List any contracts for major services with another entity, such as paying the County Sheriff for specific police protection. If your village is in fiscal caution, watch, or emergency, an extra paragraph in the shell will need to be included.
- Note 2 – Summary of Significant Accounting Policies. Most of this note is standard language that will remain as is in the note shell. However, you need to modify this note for what you have at your village. The yellow and green highlights to guide you.
- Note 3 – Compliance. List any budgetary violations or deficit cash balance at year-end, if any. If none, then delete this note AND renumber the remaining notes and continue to the next note.
- Note 4 – Budgetary Activity. You will need to obtain the Certificate of Estimated Resources and Appropriations for the year (original, all amendments, and the final). You will also need a report that lists the year-end encumbrances.
- Note 5 – Deposits and Investments. You will need all December 31, 2016 bank and investment statements. If filing on an OCBOA basis, you will also need to determine what amounts are covered by FDIC.
- Note 6.
 - Property Taxes – If filing on and OCBOA basis, you will need to obtain the full tax rate and assessed values from your County Auditor.
 - Income Taxes – Only include if your village has an income tax and review the village's most recent tax ordinance and/or ballot language to assist in disclosing information in the note.

- Note 7 – Interfund Balances
 - Regulatory – Only include any material outstanding advance(s) not repaid by the end of the year.
 - OCBOA – Describe any transfers and/or advances that were made during the year and also any outstanding advance(s) not repaid at year end.
- Note 8 – Risk Management Note – you will need to obtain the detailed insurance policy that includes the amounts of coverages and deductibles.
- Note 9 – Defined Benefit Pension Plans – you will need to know the breakdown of total payroll between the individual retirement systems to be used in calculating the contractually required contribution.
- Note 10 – Postemployment Benefits - The same worksheet that you will use to calculate the contractually required contribution will be also used to calculate the amounts contributed for health care.
- Note 11 – Debt. You will need to obtain all amortization schedules for all village debt.
- Note 12 – Construction and Contractual Commitments. List any significant construction or other contractual commitments. For OCBOA filers, you will also list encumbrances since those dollars are set aside for a particular use in the future.
- Note 13 – Contingent Liabilities. Ask your Village Solicitor for to provide a letter indicating whether there are any legal issues that could impact the Village’s financial position.
- Notes 14-17. These notes relate to organizations that the village may be involved with. Look at prior audit reports to see if anything was listed and also look at audit reports of other entities in your area – larger city, county, or school district reports may include some of these organizations that the village is involved with as well.
- Note 18 – Related Party Transactions. Review the note shells and list any transactions that meet that definition.
- Note 19 – Fund Balances. This note only applies to OCBOA filers.
- Note 20 – Subsequent Events. List any significant financial event(s) that occur after the year-end such as the issuance of debt, new levy or other revenue source, or any major expenditures known after year-end.
- Note 21 – AMP Ohio. This will only apply to Villages who are a member.
- Note 22 – Restatement Note. This note would be included if your village would change from reporting on a Regulatory Basis one year to reporting on an OCBOA basis in the following year.
- If filing on an OCBOA basis, a Management’s Discussion and Analysis will need to be prepared.