

**VILLAGE OF THURSTON**  
**FAIRFIELD COUNTY, OHIO**

**Financial Statements**  
**(Audited)**

**For the Years Ended**  
**December 31, 2019 and 2018**



OHIO AUDITOR OF STATE  
KEITH FABER



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Members of Council  
Village of Thurston  
2215 Main Street  
Thurston, Ohio 43157

We have reviewed the *Independent Auditor's Report* of the Village of Thurston, Fairfield County, prepared by Julian & Grube, Inc., for the audit period January 1, 2018 through December 31, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Thurston is responsible for compliance with these laws and regulations

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

May 11, 2020

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**VILLAGE OF THURSTON  
FAIRFIELD COUNTY, OHIO**

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## Independent Auditor's Report

Village of Thurston  
Fairfield County  
2215 Main Street  
Thurston, Ohio 43157

To the Members of Council and Mayor:

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Village of Thurston, Fairfield County, Ohio as of and for the years ended December 31, 2019 and December 31, 2018.

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

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

### *Auditor's Responsibility*

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

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

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

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

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

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

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

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village of Thurston as of December 31, 2019 and December 31, 2018, and the respective changes in financial position or cash flows thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Village of Thurston, Fairfield County as of December 31, 2019 and December 31, 2018, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

***Emphasis of Matter***

As discussed in Note 13 to the financial statements for the year ended December 31, 2019, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village of Thurston. We did not modify our opinion regarding this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2020, on our consideration of the Village of Thurston's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Thurston's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
March 25, 2020

**Village of Thurston, Ohio**  
**Fairfield County**

*Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)  
All Governmental Fund Types  
For the Year Ended December 31, 2019*

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 12,395	\$ -	\$ 12,395
Municipal Income Tax	100,374	-	100,374
Intergovernmental	14,629	91,082	105,711
Charges for Services	-	411,148	411,148
Fines, Licenses and Permits	3,649	-	3,649
Earnings on Investments	2,886	247	3,133
Miscellaneous	4,646	8,669	13,315
<i>Total Cash Receipts</i>	<u>138,579</u>	<u>511,146</u>	<u>649,725</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	3,084	138,515	141,599
Public Health Services	2,622	450	3,072
Community Environment	151	-	151
Basic Utility Services	8,871	12,275	21,146
Transportation	-	7,921	7,921
General Government	56,696	1,320	58,016
Capital Outlay	40,527	358,744	399,271
<i>Total Cash Disbursements</i>	<u>111,951</u>	<u>519,225</u>	<u>631,176</u>
<i>Net Change in Fund Cash Balances</i>	26,628	(8,079)	18,549
<i>Fund Cash Balances, January 1</i>	<u>146,204</u>	<u>293,988</u>	<u>440,192</u>
<b>Fund Cash Balances, December 31</b>			
Restricted	-	285,909	285,909
Assigned	47,660	-	47,660
Unassigned	125,172	-	125,172
<i>Fund Cash Balances, December 31</i>	<u>\$ 172,832</u>	<u>\$ 285,909</u>	<u>\$ 458,741</u>

*See accompanying notes to the financial statements*

**Village of Thurston, Ohio**  
**Fairfield County**

*Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)  
Proprietary and Fiduciary Fund Types  
For the Year Ended December 31, 2019*

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Custodial	(Memorandum Only)
<b>Operating Cash Receipts</b>			
Charges for Services	\$ 272,037	\$ 139,577	\$ 411,614
Miscellaneous	470	-	470
<i>Total Operating Cash Receipts</i>	<u>272,507</u>	<u>139,577</u>	<u>412,084</u>
<b>Operating Cash Disbursements</b>			
Personal Services	27,795	-	27,795
Employee Fringe Benefits	4,618	-	4,618
Contractual Services	26,234	139,577	165,811
Supplies and Materials	14,709	-	14,709
Other	6,200	-	6,200
<i>Total Operating Cash Disbursements</i>	<u>79,556</u>	<u>139,577</u>	<u>219,133</u>
<i>Operating Income</i>	<u>192,951</u>	<u>-</u>	<u>192,951</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Capital Outlay	(4,687)	-	(4,687)
Principal Retirement	(94,999)	-	(94,999)
Interest and Other Fiscal Charges	(52,729)	-	(52,729)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(152,415)</u>	<u>-</u>	<u>(152,415)</u>
<i>Net Change in Fund Cash Balances</i>	40,536	-	40,536
<i>Fund Cash Balances, January 1</i>	<u>121,656</u>	<u>-</u>	<u>121,656</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 162,192</u>	<u>\$ -</u>	<u>\$ 162,192</u>

*See accompanying notes to the financial statements*

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 1 - Reporting Entity**

The Village of Thurston (the “Village”), Fairfield 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 (contracted through Walnut Creek Sewer District) utilities, street maintenance and repair, as well as general government services. The Village contracts with Fairfield County Sheriff’s department to provide police protection services. The Village contracts with Walnut Creek Sewer District (the “WCSD”) to provide sewer billing services.

***Jointly Governed Organization and Public Entity Risk Pool***

The Village participates in a jointly governed organization and a public entity risk pool. Notes 11 and 12 to the financial statements provide additional information for these entities. The Village’s management believes these financial statements present all activities for which the Village is financially accountable.

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

***Basis of Presentation***

The Village’s financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary 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 Fund:

***Fire Fund*** - This fund receives levy money from Walnut Township for providing fire protection and EMS services.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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

**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 Fund:

**Water Fund** - The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village. This fund receives charges for services from residents to cover water service costs.

**Fiduciary Funds** - Fiduciary funds include private purpose trust funds and custodial funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs.

Custodial funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's custodial fund accounts for the activity related to the Walnut Creek Sewer District.

***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 Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.

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

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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

**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 2019 budgetary activity appears in Note 3.

**Deposits and Investments**

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

**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.

**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 Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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

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

**Note 3 - Budgetary Activity**

Budgetary activity for the year ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 110,608	\$ 138,579	\$ 27,971
Special Revenue	430,775	511,146	80,371
Enterprise	260,775	272,507	11,732
Fiduciary	<u>140,000</u>	<u>139,577</u>	<u>(423)</u>
Total	<u>\$ 942,158</u>	<u>\$ 1,061,809</u>	<u>\$ 119,651</u>

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 154,016	\$ 121,611	\$ 32,405
Special Revenue	681,858	536,272	145,586
Enterprise	286,206	242,876	43,330
Fiduciary	<u>140,000</u>	<u>139,577</u>	<u>423</u>
Total	<u>\$ 1,262,080</u>	<u>\$ 1,040,336</u>	<u>\$ 221,744</u>

**Note 4 - Deposits and Investments**

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

	2019
Demand deposits	<u>\$ 620,933</u>

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 4 - Deposits and Investments - (Continued)**

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Note 5 - Taxes**

***Property Taxes***

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

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

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

***Income Taxes***

The Village levies a municipal income tax of one percent (1%) 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. There is no tax credit for taxes paid to other municipalities. The program is administered by the Regional Income Tax Agency (R.I.T.A.).

Earned income includes items such as wages, salaries, tips, bonuses, rental income, net profits from a business or profession, and distributions from partnerships. Examples of items that would be exempt from the income tax are interest, dividends, annuities, receipts from Social Security, pensions, military pay, unemployment compensation, alimony, and child support.

**Note 6 - Risk Management**

The Village belongs to the Ohio Municipal Joint Self-Insurance Pool, (the "Pool"), an unincorporated non-profit association available to municipal corporations and their instrumentalities. The Pool is a separate legal entity per Section 2744 of the Ohio Revised Code. The Pool provides property and casualty insurance for its members. The Pool pays judgments, settlements and other expenses resulting for covered claims that exceed the members' deductibles.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 6 - Risk Management - (Continued)**

The Pool cedes portions of its gross contribution written to a reinsurer under excess reinsurance agreements in order to limit its losses. Treaty basis excess-of-loss contracts in force protect the Pool against losses over the retention level; at March 31, 2019, retention levels are \$50,000 and \$100,000 for property and casualty coverages, respectively.

The Pool remains liable to the extent the reinsuring companies are unable to meet their contractual obligations under reinsurance agreements.

The Pool's financial statements (audited by other auditors) conform with generally accepted accounting principles, and reported the following assets, liabilities and accumulated surplus at March 31, 2019.

Assets	\$ 1,582,183
Liabilities	(1,087,219)
Accumulated Surplus	\$ <u>494,964</u>

**Note 7 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some of the Village's elected officials and 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 postemployment healthcare and survivor and disability benefits.

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, 2019.

***Social Security***

Several of the Village's elected officials and employees contributed to social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2019.

**Note 9 - Debt**

Debt outstanding at December 31, 2019 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loans	<u>\$2,979,070</u>	various

Account	Interest Rate	Term	Amount Financed	Balance
6543	2.00%	30 years	\$ 95,895	\$ 81,003
6707	1.5 - 3.49%	30 years	3,281,773	2,838,391
7399	1.08%	20 years	69,119	59,676
Total			\$ 3,446,787	\$ 2,979,070

The Ohio Water Development Authority (OWDA) loans relate to a water plant construction project and water system improvements for the Village. The OWDA approved up to \$3,500,000 in loans to the Village for these projects. The Village will repay the loans in semiannual installments of \$73,865, including interest, over 30 years. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 9 – Debt – (Continued)**

***Amortization***

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

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	98,316	49,414	\$ 147,730
2021	99,925	47,805	147,730
2022	101,563	46,167	147,730
2023	103,230	44,499	147,729
2024	104,927	42,802	147,729
2025-2029	551,196	187,450	738,646
2030-2034	598,527	140,119	738,646
2035-2039	638,696	88,394	727,090
2040-2044	<u>682,690</u>	<u>32,429</u>	<u>715,119</u>
Total	<u>\$ 2,979,070</u>	<u>\$ 679,079</u>	<u>\$ 3,658,149</u>

**Note 10 - Contingent Liabilities**

The Village is currently not involved in litigation that the Village’s legal counsel anticipates a loss.

**Note 11 - Jointly Governed Organizations**

The Village is 50/50 owner and manager of the Thurston-Walnut Township Fire Department.

**Note 12 - Public Entity Risk Pool**

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker’s compensation. The pool’s business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Note 13 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. The impact on the Village’s future operating costs, receipts, and any recovery from emergency funding, either federal or state, cannot be estimated.

On January 6, 2020, the Fire Chief and Assistant Fire Chief of the Thurston-Walnut Township Fire Department resigned. The Fire Chief of the Millersport Fire Department became acting chief.

**Village of Thurston, Ohio**  
**Fairfield County**

*Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)  
All Governmental Fund Types  
For the Year Ended December 31, 2018*

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 12,582	\$ -	\$ 12,582
Municipal Income Tax	114,140	-	114,140
Intergovernmental	15,754	43,021	58,775
Charges for Services	-	199,941	199,941
Fines, Licenses and Permits	3,177	-	3,177
Earnings on Investments	1,182	139	1,321
Miscellaneous	5,087	757	5,844
<i>Total Cash Receipts</i>	<u>151,922</u>	<u>243,858</u>	<u>395,780</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	3,218	69,259	72,477
Public Health Services	2,343	800	3,143
Leisure Time Activities	-	182	182
Community Environment	2,612	-	2,612
Basic Utility Services	7,640	13,642	21,282
Transportation	-	16,633	16,633
General Government	58,196	2,533	60,729
Capital Outlay	39,225	77,508	116,733
<i>Total Cash Disbursements</i>	<u>113,234</u>	<u>180,557</u>	<u>293,791</u>
<i>Net Change in Fund Cash Balances</i>	38,688	63,301	101,989
<i>Fund Cash Balances, January 1</i>	<u>107,516</u>	<u>230,687</u>	<u>338,203</u>
<b>Fund Cash Balances, December 31</b>			
Restricted	-	293,988	293,988
Assigned	29,408	-	29,408
Unassigned	116,796	-	116,796
<i>Fund Cash Balances, December 31</i>	<u>\$ 146,204</u>	<u>\$ 293,988</u>	<u>\$ 440,192</u>

*See accompanying notes to the financial statements*

**Village of Thurston, Ohio**  
**Fairfield County**

*Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)  
Proprietary and Fiduciary Fund Types  
For the Year Ended December 31, 2018*

	Proprietary Fund Type	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
<b>Operating Cash Receipts</b>			
Charges for Services	\$ 254,744	\$ 133,547	\$ 388,291
Miscellaneous	1,533	-	1,533
<i>Total Operating Cash Receipts</i>	<u>256,277</u>	<u>133,547</u>	<u>389,824</u>
<b>Operating Cash Disbursements</b>			
Personal Services	17,089	-	17,089
Employee Fringe Benefits	2,873	-	2,873
Contractual Services	44,722	133,547	178,269
Supplies and Materials	29,388	-	29,388
Other	5,059	-	5,059
<i>Total Operating Cash Disbursements</i>	<u>99,131</u>	<u>133,547</u>	<u>232,678</u>
<i>Operating Income</i>	<u>157,146</u>	<u>-</u>	<u>157,146</u>
<b>Non-Operating Receipts (Disbursements)</b>			
Proceeds of Loans	12,761	-	12,761
Intergovernmental	5,971	-	5,971
Capital Outlay	(31,612)	-	(31,612)
Principal Retirement	(94,684)	-	(94,684)
Interest and Other Fiscal Charges	(52,547)	-	(52,547)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(160,111)</u>	<u>-</u>	<u>(160,111)</u>
<i>Net Change in Fund Cash Balances</i>	(2,965)	-	(2,965)
<i>Fund Cash Balances, January 1</i>	<u>124,621</u>	<u>-</u>	<u>124,621</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 121,656</u>	<u>\$ -</u>	<u>\$ 121,656</u>

*See accompanying notes to the financial statements*

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 1 - Reporting Entity**

The Village of Thurston (the “Village”), Fairfield 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 (contracted through Walnut Creek Sewer District) utilities, street maintenance and repair, as well as general government services. The Village contracts with Fairfield County Sheriff’s department to provide police protection services. The Village contracts with Walnut Creek Sewer District (the “WCSD”) to provide sewer billing services.

***Jointly Governed Organization and Public Entity Risk Pool***

The Village participates in a jointly governed organization and a public entity risk pool. Notes 11 and 12 to the financial statements provide additional information for these entities. The Village’s management believes these financial statements present all activities for which the Village is financially accountable.

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

***Basis of Presentation***

The Village’s financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary 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 Fund:

***Fire Fund*** - This fund receives levy money from Walnut Township for providing fire protection and EMS services.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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

**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 Fund:

**Water Fund** - The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village. This fund receives charges for services from residents to cover water service costs.

**Fiduciary Funds** - Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village's agency fund accounts for the activity related to the Walnut Creek Sewer District.

***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 Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.

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

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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

**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 2018 budgetary activity appears in Note 3.

**Deposits and Investments**

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

**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.

**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 Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

**Note 3 - Budgetary Activity**

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 107,516	\$ 151,922	\$ 44,406
Special Revenue	174,605	243,858	69,253
Capital Projects	23,824	-	(23,824)
Enterprise	261,675	275,009	13,334
Fiduciary	<u>140,000</u>	<u>133,547</u>	<u>(6,453)</u>
Total	<u>\$ 707,620</u>	<u>\$ 804,336</u>	<u>\$ 96,716</u>

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 145,353	\$ 116,122	\$ 29,231
Special Revenue	303,191	200,494	102,697
Capital Projects	23,824	-	23,824
Enterprise	304,939	284,474	20,465
Fiduciary	<u>140,000</u>	<u>133,547</u>	<u>6,453</u>
Total	<u>\$ 917,307</u>	<u>\$ 734,637</u>	<u>\$ 182,670</u>

**Note 4 - Deposits and Investments**

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

	2018
Demand deposits	<u>\$ 561,848</u>

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 4 - Deposits and Investments - (Continued)**

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Note 5 - Taxes**

***Property Taxes***

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

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

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

***Income Taxes***

The Village levies a municipal income tax of one percent (1%) 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. There is no tax credit for taxes paid to other municipalities. The program is administered by the Regional Income Tax Agency (R.I.T.A.).

Earned income includes items such as wages, salaries, tips, bonuses, rental income, net profits from a business or profession, and distributions from partnerships. Examples of items that would be exempt from the income tax are interest, dividends, annuities, receipts from Social Security, pensions, military pay, unemployment compensation, alimony, and child support.

**Note 6 - Risk Management**

The Village belongs to the Ohio Municipal Joint Self-Insurance Pool, (the "Pool"), an unincorporated non-profit association available to municipal corporations and their instrumentalities. The Pool is a separate legal entity per Section 2744 of the Ohio Revised Code. The Pool provides property and casualty insurance for its members. The Pool pays judgments, settlements and other expenses resulting for covered claims that exceed the members' deductibles.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 6 - Risk Management - (Continued)**

The Pool cedes portions of its gross contribution written to a reinsurer under excess reinsurance agreements in order to limit its losses. Treaty basis excess-of-loss contracts in force protect the Pool against losses over the retention level; at March 31, 2018, retention levels are \$50,000 and \$100,000 for property and casualty coverages, respectively.

The Pool remains liable to the extent the reinsuring companies are unable to meet their contractual obligations under reinsurance agreements.

The Pool's financial statements (audited by other auditors) conform with generally accepted accounting principles, and reported the following assets, liabilities and accumulated surplus at March 31, 2018.

Assets	\$ 1,341,128
Liabilities	<u>(884,941)</u>
Accumulated Surplus	\$ <u>456,187</u>

**Note 7 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some of the Village's elected officials and 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 postemployment healthcare and survivor and disability benefits.

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, 2018.

***Social Security***

Several of the Village's elected officials and employees contributed to social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2018.

**Note 9 - Debt**

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loans	<u>\$3,075,805</u>	various

Account	Interest Rate	Term	Amount Financed	Balance
6543	2.00%	30 years	\$ 95,895	\$ 83,610
6707	1.5 - 3.49%	30 years	3,281,773	2,929,337
7399	1.08%	20 years	69,119	62,858
Total			\$ 3,446,787	\$ 3,075,805

The Ohio Water Development Authority (OWDA) loans relate to a water plant construction project and water system improvements for the Village. The OWDA approved up to \$3,500,000 in loans to the Village for these projects. The Village will repay the loans in semiannual installments of \$73,865, including interest, over 30 years. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**Village of Thurston, Ohio**  
**Fairfield County**

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 9 – Debt – (Continued)**

***Amortization***

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

Year ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 96,735	\$ 50,994	\$ 147,729
2020	98,316	49,414	147,730
2021	99,925	47,805	147,730
2022	101,563	46,167	147,730
2023	103,230	44,499	147,729
2024-2028	542,235	196,411	738,646
2029-2033	588,712	149,934	738,646
2034-2038	631,878	99,064	730,942
2039-2043	675,374	44,013	719,387
2044	<u>137,838</u>	<u>1,773</u>	<u>139,611</u>
Total	<u>\$ 3,075,806</u>	<u>\$ 730,074</u>	<u>\$ 3,805,880</u>

**Note 10 - Contingent Liabilities**

The Village is currently not involved in litigation that the Village’s legal counsel anticipates a loss.

**Note 11 - Jointly Governed Organizations**

The Village is 50/50 owner and manager of the Thurston-Walnut Township Fire Department.

**Note 12 - Public Entity Risk Pool**

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker’s compensation. The pool’s business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Note 13 - Related Party Transactions**

The Village Clerk/Treasurer, Aaron Reedy, was also on the Board of Trustees for Walnut Creek Sewer District until May 2018. Every three years a new contract is approved by the Village Council and the Board of Trustees of the Walnut Creek Sewer District.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Required by *Government Auditing Standards***

Village of Thurston  
Fairfield County  
2215 Main Street  
Thurston, Ohio 43157

To the Members of Council and Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Village of Thurston, Fairfield County, Ohio as of and for the years ended December 31, 2019 and December 31, 2018, and the related notes to the financial statements, and have issued our report thereon dated March 25, 2020, wherein we noted the Village of Thurston followed the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Furthermore, as discussed in Note 13 to the financial statements for the year ended December 31, 2019, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider a significant deficiency. We consider finding 2019-001 to be a significant deficiency.

***Compliance and Other Matters***

As part of reasonably assuring whether the Village of Thurston's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Village of Thurston's Response to Finding***

The Village of Thurston's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not subject the Village of Thurston's response to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***Purpose of this Report***

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



Julian & Grube, Inc.  
March 25, 2020

**VILLAGE OF THURSTON  
FAIRFIELD COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2019 AND DECEMBER 31, 2018**

<b>FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2019-001

Significant Deficiency – Financial Statement Presentation

Management is responsible for preparing complete and accurate financial statements in accordance with the applicable financial reporting framework. Control and monitoring activities typically associated with the period-end financial reporting process include reviewing and approving manual journal entries, consolidating entries, and any entries that are recorded directly to the financial statements. For the Village, this could also include reviewing the fiscal year-end UAN reports to ensure activity is reported in the correct line items and fund balances are properly classified.

The following adjustments were made to properly state the financial statements and notes:

Year ended December 31, 2018:

- \$12,480 was reclassified from Contributions and Donations Receipts to Intergovernmental Receipts in the Special Revenue Funds to properly present grants received from the State of Ohio.
- \$12,761 was recorded to Proceeds of Loans, \$5,971 was recorded to Intergovernmental Receipts and \$18,732 was recorded to Capital Outlay in the Enterprise Funds to properly present an onbehalf payment on an Ohio Water Development Authority loan.
- Risk Management was updated from Ohio Plan Risk Management, Inc. to report participation in the Ohio Municipal Joint Self-Insurance Pool.

Year ended December 31, 2019:

- \$54,499 was reclassified from Miscellaneous Receipts to Intergovernmental Receipts in the Special Revenue Funds to properly present grants received from the State of Ohio.
- \$47,660 was reclassified from Unassigned Fund Balance to Assigned Fund Balance in the General Fund to properly present subsequent year appropriations in excess of estimated receipts and carry over encumbrances.
- Risk Management was updated from Ohio Plan Risk Management, Inc. to report participation in the Ohio Municipal Joint Self-Insurance Pool.

A lack of proper policies and procedures for control and monitoring activities associated with the period-end financial reporting process could lead to financial statement and note disclosure adjustments, which if uncorrected, could lead to a misrepresentation of the Village’s activity.

We recommend the Township consult with their auditors and the Ohio Village Officer’s Handbook, to help ensure accurate financial reporting. The Village may want to consider additional financial statement reviews prior to submission of their annual reports on the Hinkle System.

Client Response: The Fiscal Officer will continue to work to provide a sound fiscal environment for the Village and has implemented additional policies and procedures to help with financial statement presentation.

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OHIO AUDITOR OF STATE  
**KEITH FABER**



**VILLAGE OF THURSTON**

**FAIRFIELD COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MAY 21, 2020**