

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)  
All Governmental Fund Types**

For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>						
Property and Other Taxes	\$98,291	\$203,128	\$0	\$0	\$0	\$301,419
Municipal Income Tax	1,320,304	0	0	0	0	1,320,304
Intergovernmental	95,380	190,802	0	324,060	0	610,242
Special Assessments	2,845	0	0	108,771	0	111,616
Charges for Services	12,139	105,386	0	0	0	117,525
Fines, Licenses and Permits	35,936	19,083	0	0	0	55,019
Earnings on Investments	85,412	1,245	0	0	0	86,657
Miscellaneous	97,808	269,813	0	43,277	0	410,898
<i>Total Cash Receipts</i>	<u>1,748,115</u>	<u>789,457</u>	<u>0</u>	<u>476,108</u>	<u>0</u>	<u>3,013,680</u>
<b>Cash Disbursements</b>						
Current:						
Security of Persons & Property	680,693	455,228	0	47,095	0	1,183,016
Public Health Services	27,500	0	0	0	0	27,500
Leisure Time Activities	279,047	0	0	0	0	279,047
Community Environment	36,711	407,000	0	0	0	443,711
Basic Utility Services	0	25,278	0	0	0	25,278
Transportation	0	162,022	0	0	0	162,022
General Government	461,989	0	0	0	0	461,989
Capital Outlay	0	0	0	1,461,072	0	1,461,072
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Payment of Capital Appreciation Bond Accretion	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<i>Total Cash Disbursements</i>	<u>1,485,940</u>	<u>1,049,528</u>	<u>0</u>	<u>1,508,167</u>	<u>0</u>	<u>4,043,635</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>262,175</u>	<u>(260,071)</u>	<u>0</u>	<u>(1,032,059)</u>	<u>0</u>	<u>(1,029,955)</u>
<b>Other Financing Receipts (Disbursements)</b>						
Sale of Bonds	0	0	0	0	0	0
Sale of Refunding Bonds	0	0	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Loans Issued	0	0	0	536,886	0	536,886
Other Debt Proceeds	0	0	0	0	0	0
Premium and Accrued Interest on Debt	0	0	0	0	0	0
Discount on Debt	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)  
All Governmental Fund Types**

For the Year Ended December 31, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
Sale of Capital Assets	0	0	0	57,752	0	57,752
Transfers In	0	66,984	0	500,000	0	566,984
Transfers Out	(566,984)	0	0	0	0	(566,984)
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
Other Financing Sources	0	0	0	0	0	0
Other Financing Uses	(205)	0	0	0	0	(205)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(567,189)</u>	<u>66,984</u>	<u>0</u>	<u>1,094,638</u>	<u>0</u>	<u>594,433</u>
Special Item	0	0	0	0	0	0
Extraordinary Item	0	0	0	0	0	0
<i>Net Change in Fund Cash Balances</i>	<u>(305,014)</u>	<u>(193,087)</u>	<u>0</u>	<u>62,579</u>	<u>0</u>	<u>(435,522)</u>
<i>Fund Cash Balances, January 1</i>	<u>1,090,058</u>	<u>874,420</u>	<u>0</u>	<u>1,893,257</u>	<u>0</u>	<u>3,857,735</u>
<b>Fund Cash Balances, December 31</b>						
Nonspendable	0	0	0	0	0	0
Restricted	0	681,333	0	1,955,836	0	2,637,169
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned (Deficit)	785,044	0	0	0	0	785,044
<i>Fund Cash Balances, December 31</i>	<u>\$785,044</u>	<u>\$681,333</u>	<u>\$0</u>	<u>\$1,955,836</u>	<u>\$0</u>	<u>\$3,422,213</u>

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)  
All Governmental Fund Types**

For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
<b>GASB 54 Worksheet/Note Disclosure</b>						
<i>Net Change in Fund Cash Balances</i>	(\$305,014)	(\$193,087)	\$0	\$62,579	\$0	(\$435,522)
<i>Fund Cash Balances, January 1</i>	1,090,058	874,420	0	1,893,257	0	3,857,735
<i>Fund Cash Balances, December 31</i>	<u>\$785,044</u>	<u>\$681,333</u>	<u>\$0</u>	<u>\$1,955,836</u>	<u>\$0</u>	<u>\$3,422,213</u>
<b>Fund Balances</b>						
Amounts identified as:						
Nonspendable						
<i>Total Nonspendable</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Restricted for:						
Community Development	\$0	\$267,279	\$0	\$1,571,688	\$0	\$1,838,967
Emergency Medical Services	0	159,312	0	0	0	159,312
Issue II Projects	0	0	0	208,976	0	208,976
Police and Fire Pension	0	14,470	0	0	0	14,470
Police Operations	0	24,245	0	0	0	24,245
Road Maintenance and Improvements	0	216,027	0	175,172	0	391,199
<i>Total Restricted</i>	<u>0</u>	<u>681,333</u>	<u>0</u>	<u>1,955,836</u>	<u>0</u>	<u>2,637,169</u>
Committed to:						
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Assigned to:						
<i>Total Assigned</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unassigned</i>	785,044	0	0	0	0	785,044
<i>Total Fund Cash Balances, December 31</i>	<u>\$785,044</u>	<u>\$681,333</u>	<u>\$0</u>	<u>\$1,955,836</u>	<u>\$0</u>	<u>\$3,422,213</u>

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

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Agency</u>	<u>Investment Trust</u>	<u>Private Purpose Trust</u>	<u>Totals (Memorandum Only)</u>
<b>Operating Cash Receipts</b>						
Charges for Services	\$1,978,913	\$0	\$0	\$0	\$0	\$1,978,913
Fines, Licenses and Permits	0	0	0	0	0	0
Earnings on Investments (trust funds only)	0	0	0	0	0	0
Miscellaneous	46,830	0	0	0	0	46,830
<i>Total Operating Cash Receipts</i>	<u>2,025,743</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,025,743</u>
<b>Operating Cash Disbursements</b>						
Personal Services	326,547	0	0	0	0	326,547
Fringe Benefits	112,763	0	0	0	0	112,763
Contractual Services	533,933	0	0	0	0	533,933
Supplies and Materials	509,445	0	0	0	0	509,445
Claims	0	0	0	0	0	0
Other	0	0	0	0	0	0
<i>Total Operating Cash Disbursements</i>	<u>1,482,688</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,482,688</u>
<i>Operating Income (Loss)</i>	<u>543,055</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>543,055</u>
<b>Non-Operating Receipts (Disbursements)</b>						
Property and Other Local Taxes	0	0	692	0	0	692
Intergovernmental	0	0	0	0	0	0
Special Assessments	0	0	0	0	0	0
Earnings on Investments (proprietary funds only)	0	0	0	0	0	0
Sale of Bonds	0	0	0	0	0	0
Sale of Refunding Bonds	0	0	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Loans Issued	0	0	0	0	0	0
Other Debt Proceeds	0	0	0	0	0	0
Premium and Accrued Interest on Debt	0	0	0	0	0	0
Sale of Fixed Assets	0	0	0	0	0	0
Miscellaneous Receipts	1,000	0	0	0	0	1,000
Capital Outlay	0	0	0	0	0	0
Excise Tax Payment - Electric	0	0	0	0	0	0
Principal Retirement	0	0	0	0	0	0
Payment of Capital Appreciation Bond Accretion	0	0	0	0	0	0
Interest and Other Fiscal Charges	(385,046)	0	0	0	0	(385,046)
Discount on Debt	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Other Financing Sources	0	0	0	0	0	0

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

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

	<b>Enterprise</b>	<b>Internal Service</b>	<b>Agency</b>	<b>Investment Trust</b>	<b>Private Purpose Trust</b>	<b>Totals (Memorandum Only)</b>
Other Financing Uses	0	0	(20,911)	0	0	(20,911)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(384,046)</u>	<u>0</u>	<u>(20,219)</u>	<u>0</u>	<u>0</u>	<u>(404,265)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	159,009	0	(20,219)	0	0	138,790
Capital Contributions	0	0	0	0	0	0
Special Item	0	0	39,073	0	0	39,073
Extraordinary Item	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
<i>Net Change in Fund Cash Balance</i>	<u>159,009</u>	<u>0</u>	<u>18,854</u>	<u>0</u>	<u>0</u>	<u>177,863</u>
<i>Fund Cash Balances, January 1</i>	<u>2,214,725</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,214,725</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$2,373,734</u></u>	<u><u>\$0</u></u>	<u><u>\$18,854</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$2,392,588</u></u>

VILLAGE OF HICKSVILLE, DEFIANCE COUNTY  
**Schedule Of Debt Service Requirements**  
 For the Year Ended December 31, 2018

1/24/2019 2:07:34 PM  
 UAN v2019.1

Fiscal Year Ending	Principal (A)	Interest (B)	Total Columns A & B (C)
2018	\$5,974,423.00	\$205,356.00	\$6,179,779.00
Total	\$5,974,423.00	\$205,356.00	\$6,179,779.00

VILLAGE OF HICKSVILLE, DEFIANCE COUNTY  
**Schedule Of Outstanding Debt**  
 For the Year Ended December 31, 2018

1/24/2019 3:18:53 PM  
 UAN v2019.1

Description of Issue	Year Issued	Interest Rate	Balance January 1	Amount Issued	Amount Retired	Balance December 31
OPWC CT10S	2018	0.00%	\$500,000.00	\$0.00	\$0.00	\$500,000.00
OWDA Loan 4373	2018	0.20%	3,029,867.00	0.00	0.00	3,029,867.00
OWDA Loan 7450	2018	0.20%	1,038,329.00	0.00	0.00	1,038,329.00
OWDA Loan 7619	2018	0.98%	1,406,227.00	0.00	0.00	1,406,227.00
		Total	\$5,974,423.00	\$0.00	\$0.00	\$5,974,423.00

## **Note 1 – Reporting Entity**

The Village of Hicksville (the Village), Defiance 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, refuse collection, park operations, and police, fire and emergency medical services.

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

The Village participates in a jointly governed organization, Hicksville Union Cemetery, and a public entity risk pool, the Ohio Plan Risk Management, Inc. Notes 9 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 to the general laws of Ohio.

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

Street Construction, Maintenance and Repair Fund – This fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair within the Village.

Community Development Fund – This fund receives principal and interest payments from revolving loans the Village distributes to local businesses to promote economic development.

Fire/EMS Fund – This fund receives fire and EMS tax levy money and payments from residents of the Village and surrounding areas who receive fire protection and emergency medical services.

**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:

Capital Projects Fund – This fund receives a portion of the Village income tax revenue. The revenue is used to make permanent improvements to the Village land and property. In addition, this fund receives grant proceeds from the Ohio Public Works Commission and loan proceeds from the Ohio Water Development Authority for various capital improvement projects throughout the Village.

Street Lights Fund – This fund receives special assessments paid by Village residents to cover street lighting expenses.

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



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

Sewer Fund – This fund accounts for the provision of sanitary sewer services to the residents.

**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 had the following significant Agency Fund:

Mayor's Court Fund – This fund receives fines, bonds, and costs generated by the Mayor's Court. Fine money is disbursed to the State Treasurer, the Village, and the City of Defiance.

Village of Sherwood Fund – This fund receives revenue generated by the collection of the Village of Sherwood Income Tax and is disbursed each month according to contract.

### ***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 Council 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) to be budgeted annually.

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

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

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

A summary of 2018 budgetary activity appears in Note 4.

### ***Deposits and Investments***

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

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

### ***Capital Assets***

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

**Accumulated Leave**

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

**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.

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 – Deposits and Investments**

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

	2018
Demand deposits	\$1,345,202
Cash on hand	\$580
Total deposits and cash on hand	<u>\$1,345,782</u>
U.S. Government and Agency securities	\$4,447,998
STAR Ohio	\$21,018
Total investments	<u>\$4,469,016</u>
Total deposits, cash on hand, and investments	<u><u>\$5,814,798</u></u>

**Deposits**

Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool. The financial institution has since joined the Ohio Pooled Collateral System (OPCS); however, at December 31, 2018, the financial institution still maintained its own collateral pool.

**Investments**

The Village values U.S. Government and Agency securities at cost. Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**Note 4 – 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	\$1,203,600	\$1,748,113	\$544,513
Special Revenue	\$745,488	\$856,442	\$110,954
Capital Projects	\$1,439,747	\$1,570,745	\$130,998
Enterprise	\$1,713,000	\$2,026,745	\$313,745
Agency	\$0	\$39,766	\$39,766
Total	<u>\$5,101,835</u>	<u>\$6,241,811</u>	<u>\$1,139,976</u>
General	\$2,293,658	\$2,053,127	\$240,531
Special Revenue	1,619,909	1,049,533	570,376
Capital Projects	3,431,004	1,508,167	1,922,837
Enterprise	3,829,725	1,867,736	1,961,989
Agency	0	20,912	(20,912)
Total	<u>\$11,174,296</u>	<u>\$6,499,474</u>	<u>\$4,674,822</u>

**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 1 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 monthly or quarterly, as required and file a declaration annually.

**Note 6 – Debt**

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority Loans	\$5,679,779	0.20%
Ohio Public Works Commission Loans	500,000	0%
Total	<u>\$6,179,779</u>	

The Village entered into a loan agreement dated August 25, 2005 with the Ohio Water Development Authority (Loan Number 4373) in the amount of \$6,659,443 for the purpose of expanding the sewer plant mandated by the Ohio Environmental Protection Agency. This loan is to be repaid over a period of 20 years in semi-annual installments of \$169,921, including .20% of interest. As of December 31, 2018, the balance of this loan was \$3,029,713.

The Village entered into a loan agreement dated August 25, 2016 with the Ohio Water Development Authority (Loan Number 7450) for the purpose of making sanitary sewer improvements along Antwerp Drive. The total amount of proceeds for this loan is \$1,073,071. This loan will be repaid over a period of 30 years in semi-annual installments of \$18,435.35, including .20% interest. As of December 31, 2018, the balance of this loan was \$1,038,329.

The Village entered into a loan agreement dated March 30, 2017 with the Ohio Water Development Authority (Loan Number 7619) for the purpose of making improvements on Bryan and Main Streets included in the Long-Term Control Plan Phase 1 project. The total amount of this loan is \$1,406,227. This loan will be repaid over a period of 20 years in semi-annual installments of \$38,799.20 at .98% interest. As of December 31, 2018, the balance of this loan was \$1,406,227.

The Village entered into a loan agreement dated July 13, 2015 with the Ohio Public Works Commission (Project Number CT10S) for the CSO Abatement Program which includes various storm sewer and sanitary sewer improvements. The Village may draw a total of \$500,000 and as of December 31, 2018, the Village has drawn \$500,000. This loan will be repaid over a period of 30 years in semi-annual installments of \$8333 at 0.0% interest. As of December 31, 2018, the balance of this loan was \$500,000.

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

Year Ended December 31:	OPWC Loans	OWDA Loans
2019	\$16,667	\$454,309
2020	16,667	454,309
2021	16,667	454,309
2022	16,667	454,309
2023	16,667	454,309
2024-2028	83,335	1,931,705
2029-2033	83,335	572,345
2034-2038	83,335	572,345
2039-2043	83,335	184,355
2044-2047	83,325	147,484
Total	<u>\$500,000</u>	<u>\$5,679,779</u>

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

The Village’s 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 percent of their gross salaries and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

### ***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 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2018.

### ***Social Security***

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

Employees and officials 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.

### **Note 8 – Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

### **Note 9 – Risk Management**

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2016, the OPRM retained 50% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 764 members as of December 31, 2017.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2017.

	<u>2017</u>
Assets	<u>\$14,853,620</u>
Liabilities	<u>(9,561,108)</u>
Members' Equity	<u>\$5,292,512</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**Note 10 – Interfund Transfers**

During 2018, the following transfers were made:

<u>Fund</u>	<u>Transfer In</u>
Transfer From General Fund To:	
Special Revenue Fund:	
Police Pension	\$66,984
Capital Projects Fund:	
Capital Projects	<u>500,000</u>
	<u>\$566,984</u>

Transfers are used to move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted receipts collected in the General Fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

**Note 11 – Related Party Transactions**

A Village Council member is part owner of a newspaper and printing company that publishes notices and provides printed products. The Village paid \$5,584.31 in 2018.

**Note 12 – Jointly Governed Organization**

The Hicksville Union Cemetery is jointly governed by the Village of Hicksville and Hicksville Township. The Village Council and Township Trustees appoint the Cemetery's three-member Board of Trustees to direct cemetery operations, including grounds maintenance, opening and closing of graves, and the sale of grave lots. Both entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. Each May an annual joint meeting is held in the Village's Council chambers. Financial information can be obtained from Hicksville Union Cemetery, 924 Haver Drive, Hicksville, Ohio 43526.

**Note 13 – Miscellaneous Revenues**

Miscellaneous revenues in the Fire Damage Claim Agency Fund consist of monies received from insurance companies for properties damaged by fire in the Village (O.R.C. 3929.86). This fund contained \$18,854 as of December 31, 2018 for the property located at 321 West High Street.