



OHIO AUDITOR OF STATE  
**KEITH FABER**





**VILLAGE OF OWENSVILLE  
CLERMONT COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Prepared by Management:	
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) All Governmental Fund Types For the Year Ended December 31, 2022.....	5
Combined Statement of Additions, Deductions, and Changes in Fund Balances (Regulatory Cash Basis) All Fiduciary Fund Types For the Year Ended December 31, 2022.....	6
Notes to the Financial Statements For the Year Ended December 31, 2022.....	7
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) All Governmental Fund Types For the Year Ended December 31, 2021.....	15
Combined Statement of Additions, Deductions, and Changes in Fund Balances (Regulatory Cash Basis) All Fiduciary Fund Types For the Year Ended December 31, 2021.....	16
Notes to the Financial Statements For the Year Ended December 31, 2021.....	17
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	25
Schedule of Findings .....	27
Prepared by Management:	
Summary Schedule of Prior Audit Findings .....	33

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## INDEPENDENT AUDITOR'S REPORT

Village of Owensville  
Clermont County  
115 West Main Street  
Owensville, Ohio 45160

To the Village Council:

### **Report on the Audit of the Financial Statements**

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of the Village of Owensville, Clermont County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2022 and 2021, or the changes in financial position thereof for the years then ended.

#### ***Basis for Opinions***

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

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

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

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

Village of Owensville  
Clermont County  
Independent Auditor's Report  
Page 3

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

KEITH FABER  
Ohio Auditor of State



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

December 19, 2025

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**Village of Owensville, Ohio**

*Clermont County*

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

*All Governmental Fund Types*

*For the Year Ended December 31, 2022*

	General	Special Revenue	Combined Total
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$22,666	\$59,423	\$82,089
Municipal Income Tax	150,608	0	150,608
Intergovernmental	29,557	164,551	194,108
Charges for Services	970	82,499	83,469
Fines, Licenses and Permits	51,769	4,026	55,795
Earnings on Investments	391	0	391
Miscellaneous	12,001	31,992	43,993
<i>Total Cash Receipts</i>	<i>267,962</i>	<i>342,491</i>	<i>610,453</i>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	37,503	369,070	406,573
Leisure Time Activities	38,951	0	38,951
Transportation	0	111,254	111,254
General Government	117,068	3,515	120,583
Debt Service:			
Principal Retirement	0	4,600	4,600
Interest and Fiscal Charges	0	426	426
<i>Total Cash Disbursements</i>	<i>193,522</i>	<i>488,865</i>	<i>682,387</i>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>74,440</i>	<i>(146,374)</i>	<i>(71,934)</i>
<b>Other Financing Receipts (Disbursements)</b>			
Transfers In	0	130,827	130,827
Transfers Out	(130,827)	0	(130,827)
<i>Total Other Financing Receipts (Disbursements)</i>	<i>(130,827)</i>	<i>130,827</i>	<i>0</i>
<i>Net Change in Fund Cash Balances</i>	<i>(56,387)</i>	<i>(15,547)</i>	<i>(71,934)</i>
<i>Fund Cash Balances, January 1</i>	<i>95,501</i>	<i>170,632</i>	<i>266,133</i>
<i>Fund Cash Balances, December 31</i>	<i>\$39,114</i>	<i>\$155,085</i>	<i>\$194,199</i>

*See accompanying notes to the basic financial statements.* 5

**Village of Owensville, Ohio**

*Clermont County*

*Combined Statement of Additions, Deductions  
and Changes in Fund Balances (Regulatory Cash Basis)  
All Fiduciary Fund Types  
For the Year Ended December 31, 2022*

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	<u>Fiduciary Fund Types</u>
	<u>Custodial</u>
	<u>Mayor's Court</u>
<b>Additions</b>	
Fines, Licenses and Permits for Distribution	<u>57,146</u>
<i>Total Additions</i>	<u>57,146</u>
<b>Deductions</b>	
Distributions to Other Governments	11,277
Distributions to Other Funds (Primary Gov't)	44,529
Other Distributions	<u>1,030</u>
<i>Total Deductions</i>	<u>56,836</u>
<i>Net Change in Fund Balances</i>	310
<i>Fund Cash Balances, January 1</i>	<u>0</u>
<i>Fund Cash Balances, December 31</i>	<u>\$310</u>

*See accompanying notes to the basic financial statements.*

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 1 – Reporting Entity**

The Village of Owensville (the Village), Clermont 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 park operations, street maintenance and police services. The Village contracts with Stonelick Township to receive fire protection services and EMS services.

***Public Entity Risk Pool***

The Village participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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 additions, deductions and changes in fund balances (regulatory cash basis) for all fiduciary fund types which are all organized on a fund type basis.

***Fund Accounting***

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

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

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

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

***Police Fund*** - This fund accounts for the expenditures of providing police services for the safety of the Village funded by property taxes or transfers from the General Fund.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial fund accounts for the financial activity of the Village Mayor's Court.

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

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The 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 (C) permit.

***Budgetary Process***

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

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

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

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

A summary of 2022 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.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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***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. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2022 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 296,450	\$ 267,962	\$ (28,488)
Special Revenue	401,601	473,318	71,717
Total	<u>\$ 698,051</u>	<u>\$ 741,280</u>	<u>\$ 43,229</u>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ -	\$ 326,057	\$ (326,057)
Special Revenue	-	492,404	\$ (492,404)
Total	<u>\$ -</u>	<u>\$ 818,461</u>	<u>\$ (818,461)</u>

**Note 4 – Deposits and Investments**

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

Demand deposits \$194,509

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Village is holding \$2,691 in unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Depository 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.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**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 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 quarterly and file a declaration annually.

**Note 6 – Risk Management**

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

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

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2022:

Cash and investments	\$42,310,794
Actuarial liabilities	\$15,724,479

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 7 – 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. For 2022, 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, 2022.

***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 in 2022. 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, 2022.

**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 0 percent during calendar year 2022. OP&F contributes 0.5 percent to fund these benefits.

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

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 9 – Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. 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 10 – Fund Balances**

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpended corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	Special		
	General	Revenue	Total
Nonspendable-Unclaimed Monies	\$ 5,622	\$ -	\$ 5,622
Outstanding Encumbrances	1,708	3,539	5,247
<i>Total</i>	<u>\$ 7,330</u>	<u>\$ 3,539</u>	<u>\$ 10,869</u>

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

**Note 11 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**Note 12 – Debt**

Debt outstanding at December 31, 2022, was as follows:

	Principal	Interest Rate
USDA Bond Series 2019	\$9,600	3.00%

The United States Department of Agriculture (USDA) Bonds Series 2019 was issued for the purpose of acquiring a police vehicle and equipment related thereto under authority of, pursuant to and in full compliance with the general laws of the State of Ohio, particularly Section 133 of the Ohio Revised Code, and pursuant to an Ordinance duly adopted by the Village Council on December 2, 2019.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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***Amortization***

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

Year Ending December 31:	USDA Bonds
2023	4,988
2024	5,047
Total	<u><u>\$10,035</u></u>

**Note 13 – Compliance**

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General fund by \$326,057 and in Special Revenue funds by \$492,404 for the year ended December 31, 2022.

**Village of Owensville, Ohio**

*Clermont County*

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

*All Governmental Fund Types*

*For the Year Ended December 31, 2021*

	General	Special Revenue	Combined Total
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$20,489	\$54,336	\$74,825
Municipal Income Tax	138,046	0	138,046
Intergovernmental	40,630	100,537	141,167
Charges for Services	455	66,000	66,455
Fines, Licenses and Permits	44,096	5,790	49,886
Earnings on Investments	60	0	60
Miscellaneous	5,465	960	6,425
<i>Total Cash Receipts</i>	<u>249,241</u>	<u>227,623</u>	<u>476,864</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons and Property	33,252	233,985	267,237
Leisure Time Activities	14,965	0	14,965
Transportation	0	49,248	49,248
General Government	113,275	2,985	116,260
Debt Service:			
Principal Retirement	0	4,500	4,500
Interest and Fiscal Charges	0	561	561
<i>Total Cash Disbursements</i>	<u>161,492</u>	<u>291,279</u>	<u>452,771</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>87,749</u>	<u>(63,656)</u>	<u>24,093</u>
<b>Other Financing Receipts (Disbursements)</b>			
Transfers In	0	126,720	126,720
Transfers Out	(126,720)	0	(126,720)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(126,720)</u>	<u>126,720</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	<u>(38,971)</u>	<u>63,064</u>	<u>24,093</u>
<i>Fund Cash Balances, January 1</i>	<u>134,472</u>	<u>107,568</u>	<u>242,040</u>
<i>Fund Cash Balances, December 31</i>	<u>\$95,501</u>	<u>\$170,632</u>	<u>\$266,133</u>

**Village of Owensville, Ohio**

*Clermont County*

*Combined Statement of Additions, Deductions  
and Changes in Fund Balances (Regulatory Cash Basis)  
All Fiduciary Fund Types  
For the Year Ended December 31, 2021*

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	<u>Fiduciary Fund Types</u>
	<u>Custodial</u>
	<u>Mayor's Court</u>
<b>Additions</b>	
Fines, Licenses and Permits for Distribution	<u>45,742</u>
<i>Total Additions</i>	<u>45,742</u>
<b>Deductions</b>	
Distributions to Other Governments	7,865
Distributions to Other Funds (Primary Gov't)	37,787
Other Distributions	<u>90</u>
<i>Total Deductions</i>	<u>45,742</u>
<i>Net Change in Fund Balances</i>	0
<i>Fund Cash Balances, January 1</i>	<u>0</u>
<i>Fund Cash Balances, December 31</i>	<u>\$0</u>

*See accompanying notes to the basic financial statements*

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Note 1 – Reporting Entity**

The Village of Owensville (the Village), Clermont 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 park operations, street maintenance and police services. The Village contracts with Stonelick Township to receive fire protection services and EMS services.

***Public Entity Risk Pool***

The Village participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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 additions, deductions and changes in fund balances (regulatory cash basis) for all fiduciary fund types which are all organized on a fund type basis.

***Fund Accounting***

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

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

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

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

***Police Fund*** - This fund accounts for the expenditures of providing police services for the safety of the Village funded by property taxes or transfers from the General Fund.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial fund accounts for the financial activity of the Village Mayor's Court.

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

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The 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 (C) permit.

***Budgetary Process***

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

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

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

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

A summary of 2021 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.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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***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. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 298,800	\$ 249,241	\$ (49,559)
Special Revenue	388,034	354,343	(33,691)
Total	<u>\$ 686,834</u>	<u>\$ 603,584</u>	<u>\$ (83,250)</u>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ -	\$ 289,358	\$ (289,358)
Special Revenue	- -	294,128	\$ (294,128)
Total	<u>\$ - -</u>	<u>\$ 583,486</u>	<u>\$ (583,486)</u>

**Note 4 – Deposits and Investments**

To improve cash management, cash received by the Village is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

Demand deposits \$266,133

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2021, the Village is holding \$2,008 in unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Depository 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.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**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 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 quarterly and file a declaration annually.

**Note 6 – Risk Management**

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

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

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2021:

Cash and investments	\$41,996,850
Actuarial liabilities	\$14,974,099

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Note 7 – 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. For 2021, 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, 2021.

***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 in 2021. 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, 2021.

**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 0 percent during calendar year 2021. OP&F contributes 0.5 percent to fund these benefits.

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

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Note 9 – Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. 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 10 – Fund Balances**

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpended corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Nonspendable-Unclaimed Monies	\$ 5,622	\$ -	\$ 5,622
Outstanding Encumbrances	1,146	2,849	3,995
<i>Total</i>	<u>\$ 1,146</u>	<u>\$ 2,849</u>	<u>\$ 3,995</u>

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

**Note 11 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**Note 12 – Debt**

Debt outstanding at December 31, 2021, was as follows:

	Principal	Interest Rate
USDA Bond Series 2019	\$14,200	3.00%

The United States Department of Agriculture (USDA) Bonds Series 2019 was issued for the purpose of acquiring a police vehicle and equipment related thereto under authority of, pursuant to and in full compliance with the general laws of the State of Ohio, particularly Section 133 of the Ohio Revised Code, and pursuant to an Ordinance duly adopted by the Village Council on December 2, 2019.

**VILLAGE OF OWENSVILLE**  
**Clermont County, Ohio**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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***Amortization***

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

Year Ending December 31:	USDA Bonds
2022	\$5,026
2023	4,988
2024	5,047
Total	<u><u>\$15,061</u></u>

**Note 13 – Compliance**

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General fund by \$289,358 and in Special Revenue funds by \$294,128 for the year ended December 31, 2021.



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

Village of Owensville  
Clermont County  
115 West Main Street  
Owensville, Ohio 45160

To the Village Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of the Village of Owensville, Clermont County, Ohio (the Village) and have issued our report thereon dated December 19, 2025, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as items 2022-001, 2022-002, and 2022-004 that we consider to be material weaknesses.

Village of Owensville  
Clermont County  
Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by Government Auditing Standards  
Page 2

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2022-001, 2022-003, and 2022-004.

***Purpose of This Report***

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

KEITH FABER  
Ohio Auditor of State



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

December 19, 2025

**VILLAGE OF OWENSVILLE  
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2022 AND 2021**

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

**FINDING NUMBER 2022-001**

**Noncompliance and Material Weakness**

**Ohio Rev. Code § 5705.38(A)** provides, in part, that on or about the first day of each fiscal year, an appropriation measure is to be passed. If the taxing authority wants to postpone the passage of the annual appropriation measure until an amended certificate is received from the county budget commission based upon the actual balances, it may pass a temporary appropriation measure for meeting the ordinary expenses until no later than April 1.

**Ohio Rev. Code § 5705.41(B)** prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Village did not pass a permanent appropriation measure for 2021 and 2022. Because there was no appropriation measure in effect, all funds had expenditures in excess of appropriations as of December 31, 2021 and 2022. The amounts by which expenditures were in excess of appropriations by fund type are as follows:

<b>Fund Type</b>	<b>2021</b>	<b>2022</b>
General Fund	\$289,358	\$326,057
Special Revenue Funds	\$294,128	\$492,404
Total All Funds	\$583,486	\$818,461

Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices. In addition, the Fiscal Officer posted amounts to the financial reporting system as appropriations that had not been approved.

The Village should establish and implement policies and procedures to help ensure the approval and filing of budgetary documentation with the County Auditor and Budget Commission as required by Ohio Law. The Village Council should also closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations. Additionally, the Fiscal Officer should deny payment requests exceeding appropriations when appropriations are inadequate to cover the expenditures.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2022-002**

**Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

**FINDING NUMBER 2022-002**  
**(Continued)**

Due to lack of internal controls over financial recording and reporting, the following errors were identified in the accompanying financial statements and notes to the financial statements for the years ended December 31, 2021 and 2022:

- In 2021 Principal Retirement expenditures of \$4,500 and Interest expense of \$561 in the Police Fund were posted and reported as Security of Persons & Property expenditures.
- In 2022 Principal Retirement expenditures of \$4,600 and Interest expense of \$426 in the Police Fund were posted and reported as Security of Persons & Property expenditures.
- In 2021 Police fund Homestead & Rollback Intergovernmental receipts totaling \$4,000 were incorrectly posted to the General Fund.
- In 2022 Police fund Charges for Services were overstated and Miscellaneous revenues were understated by \$31,787.
- Police levy receipts were posted to the General fund instead of the Police fund resulting in General fund Property Taxes being overstated and Police fund Property Taxes being understated in the amount of \$47,280 and \$52,173 in 2021 and 2022, respectively. The Village transferred funds from the General fund to the Police fund during 2021 and 2022 in excess of the amount of property tax receipts. Transfers Out of the General fund and Transfers into the Police fund will be adjusted/reclassified in the amount of the property tax receipts.
- Property Tax revenue was posted net of fees instead of gross totaling \$2,221 and \$690 in 2021 in the General fund and Police fund, respectively; and \$2,249 and \$780 in 2022 in the General fund and Police fund, respectively thus understating property tax revenues and the related expenditures of General Government and Security of Persons and Property.
- In 2022 Homestead & Rollback was posted to General Fund Property Taxes totaling \$6,317, this should have been posted to General fund Intergovernmental in the amount of \$2,223 and Police fund Intergovernmental in the amount of \$4,094.
- In 2021 a Motor Vehicle Registration (MVR) receipt in the amount of \$600 was posted to Permissive MVL fund Property Taxes and a MVR receipt in the amount of \$620 was posted to General fund Intergovernmental. The receipts should have been allocated \$1,129 to the Street Construction Maintenance and Repair (SCMR) Fund and \$91 to the State Highway Fund and posted as Intergovernmental receipts.
- In 2021 and 2022 Motor Vehicle Registration receipts in the SCMR Fund were posted to Taxes instead of Intergovernmental totaling \$5,606 and \$5,361, respectively.
- In 2021 and 2022 Motor Vehicle Registration receipts in the State Highway fund were posted to Taxes instead of Intergovernmental totaling \$455 and \$435, respectively.
- In 2021 and 2022, drug fines totaling \$3,501 and \$1,077, respectively were posted as Miscellaneous receipts in the Drug Law Enforcement fund and should have been posted as Fines, Licenses & Permits.
- In 2021 and 2022 income tax collections were posted and reported net of fees instead of the gross amounts, resulting in Municipal Income Tax receipts and General Government expenditures being understated by \$4,144 and \$4,589, respectively in the General Fund.

**FINDING NUMBER 2022-002**  
**(Continued)**

- For 2021 and 2022, per GASB 54 the Unclaimed Monies fund balance should be reported as part of the General fund. The fund balance at December 31, 2022 and 2021 was \$5,622.
- In 2022 ODOT reimbursements for the purchase of easements were posted to General fund Miscellaneous in the amount of \$64,110 and should have been posted as Intergovernmental revenue in the SCMR fund in the amount of \$55,861, State Highway fund in the amount of \$456, and Permissive MVL Fund in the amount of \$7,793.
- In 2021 Mayor's Court activity was not accurately reported in the Custodial fund as follows:
  - Fines, Licenses & Permits for Distribution was overstated by \$345
  - Distributions to Other Governments was understated by \$7,865
  - Distributions to Other Funds (Primary Government) was understated by \$37,787
  - Other Distributions was overstated by \$45,997
- In 2022 Mayor's Court activity was not accurately reported in the Custodial fund as follows:
  - Fines, Licenses & Permits for Distribution was understated by \$1,341
  - Distributions to Other Governments was overstated by \$42,498
  - Distributions to Other Funds (Primary Government) was understated by \$44,529
  - Other Distributions was understated by \$1,030

These errors were not identified and corrected prior to the Village preparing its financial statements and notes to the financial statements due to deficiencies in the Village's internal controls over financial statement monitoring. Failing to prepare accurate financial statements, including notes to the financial statements, could lead Council to make misinformed decisions. The accompanying financial statements and notes to the financial statements have been adjusted to reflect these changes, as agreed to by management.

The Village should adopt establish and implement internal controls over financial reporting, including a final review of the financial statements and notes to the financial statements by the Fiscal Officer and Council to help identify and correct errors and omissions.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2022-003**

**Noncompliance**

Pursuant to 31 CFR Part 35 the Secretary of the Treasury has adopted as final the interim final rule published on May 17, 2021, with amendments as of January 27, 2022. This rule implements the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act (ARPA).

**FINDING NUMBER 2022-003**  
**(Continued)**

The State and Local Fiscal Recovery Fund (SLFRF) program provides vital resources for state, local, and Tribal governments to respond to the pandemic and its economic effects and to replace revenue lost due to the public health emergency, preventing cuts to government services. Specifically, the ARPA provides that SLFRF funds may be used:

- (a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- (b) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- (c) For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- (d) To make necessary investments in water, sewer, or broadband infrastructure.

In addition, Congress specified two types of ineligible uses of funds: funds may not be used for deposit into any pension fund or, for states and territories only, to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation.

The interim final rule prohibited the use of SLFRF funds from the ARPA to make extraordinary payments, and the Supplementary Information to the interim final rule said that a payment would be an extraordinary payment if it reduces a liability incurred prior to the start of the COVID-19 public health emergency and occurs outside the recipient's regular timing for making the payment. At the same time, however, as suggested by the comment Treasury received, a payment made at the regular time for pension contributions may very well be an extraordinary payment, for example, if it is larger than a regular payment would have been. Such a payment would be a restricted use.

Due to a lack of internal controls over financial reporting, during 2022 the Village paid Ohio Police & Fire Pension Fund \$26,576 from Fund 2152 Coronavirus Relief Fund (SLFRF) for retroactive enrollment payments. This is not an allowable expenditure and is one of the two ineligible uses of the funds.

The Village should establish and implement policies to help ensure that funds are only used to cover costs that meet the requirements noted above.

This matter will be referred to the U.S. Department of Treasury.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2022-004**

**Noncompliance and Material Weakness**

**Ohio Rev. Code 5705.10(C)** states all revenue derived from a special levy is to be credited to a special fund for the purpose for which the levy was made. Furthermore, all public officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance regarding the achievement of objectives for their respective public offices in certain categories. "Internal control" includes a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the reliability of financial reporting, and should consist of monitoring, which is a process that assesses the quality of internal control performance over time.

Due to deficiencies in the Village's internal control policies and procedures, the Village improperly posted all police levy receipts totaling \$47,970 and \$52,953 in 2021 and 2022 respectively to the General Fund Property Taxes. The Village then made monthly transfers from the General Fund to the Police Fund. Transfers from the General Fund to the Police Fund far exceeded the Police fund tax revenue posted to the General Fund, however General Fund Property Taxes and Transfers Out were overstated and Police Fund Property Taxes were understated and Transfers In were overstated (See Finding 2022-002). Audit adjustments are reflected in the financial statements correcting the misstatement.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Village should establish and implement controls to help ensure all revenue transactions are reviewed to help ensure posting to the proper funds.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**4. OTHER – FINDING FOR RECOVERY**

In addition, we identified the following other issue related to a Finding for Recovery. This issue did not impact our GAGAS Compliance and Controls report.

**FINDING NUMBER 2022-005**

**Finding for Recovery**

Section 2 of the Village's Credit Card policy allows authorized users to use the Village credit card "to purchase work-related goods and services incurred on behalf of the Village on an emergency basis or when no other payment method is available."

Section IV(C) of the Village's Credit Card policy requires employees to submit: "Original, itemized receipts," of all credit card purchases to the Village's Fiscal Officer. Village employees made purchases totaling \$426 without including original, itemized receipts. Village employees also purchased flowers totaling \$529 using the Village credit card. Additionally, \$96 in interest was paid on credit card balances.

Former Fiscal Officer Brian Switzer was responsible for collecting the itemized receipts and paying credit card bills.

**Ohio Rev. Code § 5739.02(A)** imposes an excise tax, commonly referred to as a sales tax, on each retail sale made in the State of Ohio. **Ohio Rev. Code § 5739.02(B)(1)** explicitly exempts sales to the State of Ohio or any of its political subdivisions from this excise tax. "Political subdivision," while not expressly defined in Chapter 5739, has been generally understood by Ohio courts to include: municipal corporations, townships, counties, school districts, or other bodies corporate and politic responsible for governmental activities in a geographic area smaller than that of the state.

**FINDING NUMBER 2022-005**  
**(Continued)**

Sales tax erroneously paid by a political subdivision, exempt from the sales tax under Ohio Rev. Code § 5739.02(B)(1), constitutes money owed to the political subdivision by virtue of the sales tax refund process provided for in Ohio Rev. Code § 5739.07. Under this refund process, a person has a legal right to claim and receive a refund for sales tax erroneously paid on a purchase that was properly subject to exemption. Generally, any refund application filed with the Tax Commissioner must be filed within four years from the date of the erroneous payment and is subject to the rules outlined in Ohio Admin. Code § 5703-9-07.

Employees using the Village's credit card paid \$168 in sales tax on purchases of goods during 2021 and 2022. Pursuant to the credit card policy of the Village, the Fiscal Officer had the responsibility to obtain appropriate documentation for all transactions charged on the credit card. When reviewing those receipts, it would have been apparent that sales tax was paid. As Fiscal Officer, Mr. Switzer had the responsibility to ensure that the public money of the Village is spent responsibly and carefully and recovered if erroneously paid out. Accordingly, he should have endeavored to recover from vendors or from the Ohio Tax Commissioner any erroneously collected sales tax paid by the school. Because there is no indication that he attempted to recover the sales tax paid, a finding for recovery for public moneys due but not collected is being issued against the former Fiscal Officer.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.24, a Finding for Recovery for public monies illegally expended and due but not collected is hereby issued against Brian Switzer, former Fiscal Officer, and his bond issued through Travelers Casualty and Surety Company of America, jointly and severally, in the amount of \$1,219, and in favor of the Village of Owensville general fund.

**Officials' Response:**

We did not receive a response from Officials to this finding.

## VILLAGE OF OWENSVILLE

115 West Main Street  
Owensville, Ohio 45160

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2022 AND 2021

Finding Number	Finding Summary	Status	Additional Information
2020-001	ORC § 5705.38(A) and ORC § 5705.41(B) Failure to Pass Permanent Appropriations and Expenditures Exceeding Appropriations	Not Corrected	Repeated as Finding 2022-001 Not Corrected
2020-002	Expenditures Not in Compliance with Requirements of the Coronavirus Aid, Relief, and Economic Securities Act	No Longer Warranting Further Action	
2020-003	ORC § 5705.10(C) Levy funds Improperly Posted to an Incorrect Fund	Not Corrected	Repeated as Finding 2022-004
2020-004	Financial Reporting Discrepancies	Not Corrected	Repeated as Finding 2022-002
2020-005	Finding For Recovery	Corrected	Finding has been repaid.



# OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF OWENSVILLE

CLERMONT COUNTY

## AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/6/2026

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)