



OHIO AUDITOR OF STATE
KEITH FABER



**VILLAGE OF AMELIA
CLERMONT COUNTY
JANUARY 1, 2018 THROUGH DECEMBER 21, 2021**

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OHIO AUDITOR OF STATE KEITH FABER



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REPORT ON THE FINANCIAL STATEMENTS, INTERNAL CONTROL, AND COMPLIANCE

Village of Amelia
Clermont County
44 West Main Street
Amelia, Ohio 45102

To the Village Council:

We have selectively tested certain accounts, financial records, reports and other documentation of the Village of Amelia, Clermont County, (the Village), as of and for the period January 1, 2018 through December 31, 2021. These procedures were designed to satisfy the audit requirements of Ohio Rev. Code § 117.11, and Ohio Admin. Code 117-4-02. Our engagement was not designed as a basis to opine on the accompanying financial statements, internal control over financial reporting, or compliance. We therefore express no opinions on these matters.

Internal Control Over Financial Reporting

Certain of the aforementioned tests relate to internal control over financial reporting. The results of those tests may allow us to identify internal control deficiencies. An internal control deficiency exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements, whether caused by error or fraud.

Our internal control tests were not designed to identify all internal control deficiencies that might exist. Therefore, unidentified weaknesses may exist. However, we consider findings 2021-002, 2021-004 through 2021-006, and 2021-008 reported in the Schedule of Findings to be internal control deficiencies management and those charged with governance should address.

Compliance and Other Matters

We also tested compliance with certain provisions of laws, regulations, contracts, and grant agreements, applicable to the Village, noncompliance with which could directly and materially affect the determination of financial statement amounts. The results of our tests disclosed instances of noncompliance we believe could directly and materially affect the determination of financial statement amounts that we reported in the Schedule of Findings as items 2021-001, 2021-003, and 2021-007.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio
January 18, 2022

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Village of Amelia, Ohio

Clermont County

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

All Governmental Fund Types

For the Period Ended December 21, 2021

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$289,238	\$0	\$85,151	\$374,389
Municipal Income Tax	268,956	0	0	268,956
Intergovernmental	138,305	0	0	138,305
Charges for Services	0	10,800	0	10,800
Fines, Licenses and Permits	63,575	0	0	63,575
Earnings on Investments	3,840	0	0	3,840
Miscellaneous	137,961	0	5,415	143,376
<i>Total Cash Receipts</i>	<u>901,875</u>	<u>10,800</u>	<u>90,566</u>	<u>1,003,241</u>
Cash Disbursements				
Current:				
Security of Persons and Property	0	180,961	0	180,961
General Government	475,889	85,870	31,490	593,249
Debt Service:				
Principal Retirement	2,080,994	0	124,006	2,205,000
Interest and Fiscal Charges	169,970	0	0	169,970
<i>Total Cash Disbursements</i>	<u>2,726,853</u>	<u>266,831</u>	<u>155,496</u>	<u>3,149,180</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(1,824,978)</u>	<u>(256,031)</u>	<u>(64,930)</u>	<u>(2,145,939)</u>
Other Financing Receipts (Disbursements)				
Transfers In	1,247,831	0	0	1,247,831
Transfers Out	0	(1,247,831)	0	(1,247,831)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>1,247,831</u>	<u>(1,247,831)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	<u>(577,147)</u>	<u>(1,503,862)</u>	<u>(64,930)</u>	<u>(2,145,939)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,583,340</u>	<u>1,653,298</u>	<u>64,930</u>	<u>4,301,568</u>
<i>Fund Cash Balances, December 21</i>	<u>\$2,006,193</u>	<u>\$149,436</u>	<u>\$0</u>	<u>\$2,155,629</u>

See accompanying notes to the basic financial statements

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Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Period Ended December 31, 2021

Note 1 - Reporting Entity

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

On November 5, 2019 the voters of the Village of Amelia voted to dissolve the village. The vote was certified on November 25, 2019 and corporate powers were surrendered on that day. The process of transferring Village assets and cash balances to Pierce Township and Batavia Township will be finalized in January 2022.

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 organized on a fund type basis.

Fund Accounting

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

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

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

Police District Fund This fund receives property tax money to fund police protection service for the Village.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant capital project fund:

Main Street/Woodlands Dr. Improvement Fund This fund is used to account for moneys received to install a traffic light and construct an additional traffic lane at the intersection of Main Street, Woodlands Drive and State Route 125.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Period Ended December 31, 2021

By direction of the state auditor's office, as each restricted fund satisfied its obligations the funds were unrestricted by ordinance and the balances transferred to the general fund, excepting fund 2031 being the cemetery fund. Batavia Township will be receiving the balance of fund 2031 in its entirety as the cemetery lies wholly in Batavia Township and is now under their care and responsibility.

Basis of Accounting

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

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

Budgetary Process

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

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

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

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.

At December 31, 2021, the Village only held a checking account. The STAROhio account was closed in January 2021.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Period Ended December 21, 2021

Capital Assets

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

Fund Balance

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

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. 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 12.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Period Ended December 21, 2021

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 21, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$2,149,706	\$2,149,706
Special Revenue	0	10,800	10,800
Capital Projects	0	90,566	90,566
Total	\$0	\$2,251,072	\$2,251,072

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$2,726,852	(\$2,726,852)
Special Revenue	0	1,514,662	(1,514,662)
Capital Projects	0	155,496	(155,496)
Total	\$0	\$4,397,010	(\$4,397,010)

Note 4 – Deposits and Investments

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

Demand deposits	2021 \$2,155,629
Total deposits	2,155,629

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 21, 2021, the Village is not holding any unremitted employee payroll withholdings.

Deposits

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

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Period Ended December 21, 2021

Note 5 – Taxes

Property Taxes

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

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

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

Income Taxes

The Village levied a municipal income tax of 1% on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Regional Income Tax Agency either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Due to the dissolution of the Village the municipal income was terminated effective December 31, 2020.

Note 6 - Risk Management

Commercial Insurance

The Village has obtained commercial insurance for the following risks: Public Officials Liability Coverage. This was the only coverage available to the Village due to the ongoing dissolution of the Village. There are no assets to insure as all assets have been transferred to Pierce Township and Batavia Township.

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

All employees except full time police officers 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.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Period Ended December 31, 2021

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2021.

Ohio Police and Fire Retirement System

The Village's police force was laid off on November 25, 2019 as part of the Village dissolution. Therefore there was no Ohio Police and Fire Retirement System activity in 2021.

Note 8 - Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portions of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2020.

Note 9 – Debt

Debt outstanding at December 31, 2021 was as follows:

	Principal	Interest Rate
Kroger TIF Project	\$0	1.75%
Premier TIF	\$0	4.41%
Total	\$0	

The Village issued bonds in 2013 in the amount of \$650,000. The proceeds of the bonds were used to construct an additional traffic lane on State Route 125, move underground utilities and install a traffic signal. The bonds were scheduled to be repaid in 2023. However, as part of the dissolution process the remaining debt was defeased in 2021 in effect paying off the debt in full.

The Village issued bonds in 2018 in the amount of \$1,975,000. The proceeds of the bonds were used to construct streets, traffic signal and other infrastructure to facilitate the Premier commercial development. The bonds were scheduled to be repaid in 2029. However, as part of the dissolution process the debt was pre-paid in full in 2021.

The Village's taxing authority collateralized the bonds.

Note 10 – Contingent Liabilities

There are no contingent liabilities.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Period Ended December 21, 2021

Note 11 – Public Entity Risk Pool

The Village did not participate in a Group Rating Plan (GRP) for worker’s compensation in 2021.

Note 12 – Fund Balances

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

Fund Balances	General	Special Revenue	Debt Service	Capital Projects	Permanent	Total
Nonspendable:						\$0
Unclaimed Monies	\$0					0
Corpus					Principal	0
Outstanding Encumbrances	0	0	0	0	0	0
<i>Total</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 13 – COVID 19

Due to the ongoing dissolution process of the Village it was not eligible to participate in the CARES Act and subsequently did not receive any funding.

Note 14 – Subsequent Events

From the date of this report, December 21, 2021, the Village has had the following subsequent bank account activity:

Bank Balance - December 21, 2021	\$2,155,629.12
Deposits	946.03
Withdrawals	(931.00)
Bank Balance – January 18, 2022	\$2,155,644.15

All subsequent activity was in the General fund.

Checks in the amount of \$1,304,035.28 and \$851,608.87 were issued to Pierce Township and Batavia Township, respectively on January 18, 2022.

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Village of Amelia, 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, 2020

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$632,246	\$1,137,344	\$149,258	\$1,918,848
Municipal Income Tax	911,619	0	0	911,619
Intergovernmental	95,425	365,818	0	461,243
Charges for Services	0	10,800	0	10,800
Fines, Licenses and Permits	52,858	326	0	53,184
Earnings on Investments	15,175	1,719	0	16,894
Miscellaneous	24,754	8,858	0	33,612
<i>Total Cash Receipts</i>	<u>1,732,077</u>	<u>1,524,865</u>	<u>149,258</u>	<u>3,406,200</u>
Cash Disbursements				
Current:				
General Government	904,796	63,766	0	968,562
Capital Outlay	0	2,640	209	2,849
Debt Service:				
Principal Retirement	500,000	65,000	194,595	759,595
Interest and Fiscal Charges	97,456	8,400	18,078	123,934
<i>Total Cash Disbursements</i>	<u>1,502,252</u>	<u>139,806</u>	<u>212,882</u>	<u>1,854,940</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>229,825</u>	<u>1,385,059</u>	<u>(63,624)</u>	<u>1,551,260</u>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets	0	73,400	0	73,400
Transfers In	1,438,785	0	0	1,438,785
Transfers Out	0	(1,399,759)	(38,215)	(1,437,974)
Other Financing Sources	9	0	0	9
Other Financing Uses	0	0	(1,614)	(1,614)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>1,438,794</u>	<u>(1,326,359)</u>	<u>(39,829)</u>	<u>72,606</u>
<i>Net Change in Fund Cash Balances</i>	1,668,619	58,700	(103,453)	1,623,866
<i>Fund Cash Balances, January 1</i>	<u>914,721</u>	<u>1,594,598</u>	<u>168,383</u>	<u>2,677,702</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$2,583,340</u></u>	<u><u>\$1,653,298</u></u>	<u><u>\$64,930</u></u>	<u><u>\$4,301,568</u></u>

See accompanying notes to the basic financial statements

Village of Amelia, 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, 2020

	<u>Fiduciary Fund Types</u>
	<u>Agency</u>
Non-Operating Receipts (Disbursements)	
Transfers Out	(812)
<i>Total Non-Operating Receipts (Disbursements)</i>	(812)
<i>Net Change in Fund Cash Balances</i>	(812)
<i>Fund Cash Balances, January 1</i>	812
<i>Fund Cash Balances, December 31</i>	<u>\$0</u>

See accompanying notes to the basic financial statements

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 - Reporting Entity

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

On November 5, 2019 the voters of the Village of Amelia voted to dissolve the village. The vote was certified on November 25, 2019 and corporate powers were surrendered on that day. The process of transferring Village assets to Pierce Township and Batavia Township is underway with no known date as of yet for finalizing all transactions and transfer of assets to the townships.

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) 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:

Police District Fund This fund receives property tax money to fund police protection service for the Village.

Fire Fund This fund receives property tax money to fund fire and EMS services for the Village.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant capital project fund:

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Main Street/Woodlands Dr. Improvement Fund This fund is used to account for moneys received to install a traffic light and construct an additional traffic lane at the intersection of Main Street, Woodlands Drive and State Route 125.

Premier TIF Fund This fund is used to account for moneys received to create infrastructure improvements at the intersection of Main Street and Woodlands Drive.

Basis of Accounting

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

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

Budgetary Process

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

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

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

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 2020 budgetary activity appears in Note 3.

Deposits and Investments

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

The Village values certificates of deposit at cost. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Capital Assets

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

Fund Balance

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

Nonspendable The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. 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 12.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$3,154,553	\$3,170,871	\$16,318
Special Revenue	1,597,366	1,598,266	900
Capital Projects	149,257	149,257	0
Total	\$4,901,176	\$4,918,394	\$17,218

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$1,503,269	(\$1,503,269)
Special Revenue	0	1,539,565	(1,539,565)
Capital Projects	0	252,711	(252,711)
Total	\$0	\$3,295,545	(\$3,295,545)

Note 4 – Deposits and Investments

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

	2020
Demand deposits	\$2,017,826
Total deposits	2,017,826
STAR Ohio	2,283,742
Total investments	2,283,742
Total deposits and investments	\$4,301,568

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, 2020, the Village is holding \$1,016.50 in unremitted employee payroll withholdings.

Deposits

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

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Investments

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Taxes

Property Taxes

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

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

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

Income Taxes

The Village levied a municipal income tax of 1% on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Regional Income Tax Agency either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Due to the dissolution of the Village the municipal income was terminated effective December 31, 2020.

Note 6 - Risk Management

Commercial Insurance

The Village has obtained commercial insurance for the following risks: Public Officials Liability Coverage. This was the only coverage available to the Village due to the ongoing dissolution of the Village. There are no assets to insure as all assets have been transferred to Pierce Township and Batavia Township.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

Ohio Police and Fire Retirement System

The Village's police force was laid off on November 25, 2019 as part of the Village dissolution. Therefore there was not Ohio Police and Fire Retirement System activity in 2020.

Note 8 - Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portions of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2020.

Note 9 – Debt

Debt outstanding at December 31, 2020 was as follows:

	Principal	Interest Rate
Kroger TIF Project	\$230,000	1.75%
Premier TIF	\$1,975,000	4.41%
Total	\$2,205,000	

The Village issued bonds in 2013 in the amount of \$650,000. The proceeds of the bonds were used to construct an additional traffic lane on State Route 125, move underground utilities and install a traffic signal. The bonds are scheduled to be repaid in 2023.

The Village issued bonds in 2018 in the amount of \$1,975,000. The proceeds of the bonds were used to construct streets, traffic signal and other infrastructure to facilitate the Premier commercial development. The bonds are scheduled to be repaid in 2029.

The Village's taxing authority collateralized the bonds.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Amortization

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

Year ending December 31:	<u>Kroger TIF</u>	<u>Premier TIF</u>
2021	81,900	282,098
2022	79,650	268,498
2023	82,400	270,119
2024	0	271,299
2025		267,038
2026-2030		1,073,927
Total	<u>\$243,950</u>	<u>\$2,432,979</u>

Note 10 – Contingent Liabilities

The Village is a defendant in a lawsuit. Although management cannot presently determine the outcome of the suit, management believes that the resolution of the matter will not materially adversely affect the Village’s financial condition.

Note 11 – Public Entity Risk Pool

The Village participates in the CompManagement Health Systems Inc. Group Rating Plan (GRP) for worker’s compensation. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

Note 12 – 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 unexpendable 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:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Total</u>
Nonspendable:						\$0
Unclaimed Monies	\$0					0
Corpus						0
Outstanding Encumbrances	1,017	0	0	0	0	1,017
<i>Total</i>	<u>\$1,017</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,017</u>

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2020

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 13 – COVID 19

Due to the ongoing dissolution process of the Village it was not eligible to participate in the CARES Act and subsequently did not receive any funding.

Village of Amelia, 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, 2019

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$135,887	\$1,113,247	\$150,658	\$1,399,792
Municipal Income Tax	937,136	0	0	937,136
Intergovernmental	93,767	346,701	0	440,468
Charges for Services	0	10,800	0	10,800
Fines, Licenses and Permits	195,360	16,525	0	211,885
Earnings on Investments	30,938	2,856	0	33,794
Miscellaneous	5,062	10,326	0	15,388
<i>Total Cash Receipts</i>	<u>1,398,150</u>	<u>1,500,455</u>	<u>150,658</u>	<u>3,049,263</u>
Cash Disbursements				
Current:				
Security of Persons and Property	40,859	902,631	0	943,490
Public Health Services	13,409	2,350	0	15,759
Leisure Time Activities	12,739	7,942	0	20,681
Community Environment	95,036	0	0	95,036
Basic Utility Services	0	7,000	0	7,000
Transportation	0	212,703	0	212,703
General Government	358,934	25,128	0	384,062
Capital Outlay	200,101	92,378	1,925,212	2,217,691
Debt Service:				
Principal Retirement	50,000	14,140	601,386	665,526
Interest and Fiscal Charges	15,937	2,625	24,733	43,295
<i>Total Cash Disbursements</i>	<u>787,015</u>	<u>1,266,897</u>	<u>2,551,331</u>	<u>4,605,243</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>611,135</u>	<u>233,558</u>	<u>(2,400,673)</u>	<u>(1,555,980)</u>
Other Financing Receipts (Disbursements)				
Sale of Bonds	0	0	505,550	505,550
Transfers In	0	33,040	0	33,040
Transfers Out	(33,040)	0	0	(33,040)
Other Financing Uses	0	0	(5,061)	(5,061)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(33,040)</u>	<u>33,040</u>	<u>500,489</u>	<u>500,489</u>
<i>Net Change in Fund Cash Balances</i>	578,095	266,598	(1,900,184)	(1,055,491)
<i>Fund Cash Balances, January 1</i>	<u>336,626</u>	<u>1,328,000</u>	<u>2,068,567</u>	<u>3,733,193</u>
Fund Cash Balances, December 31				
Restricted	0	1,584,466	168,383	1,752,849
Committed	0	10,132	0	10,132
Unassigned (Deficit)	914,721	0	0	914,721
<i>Fund Cash Balances, December 31</i>	<u>\$914,721</u>	<u>\$1,594,598</u>	<u>\$168,383</u>	<u>\$2,677,702</u>

See accompanying notes to the basic financial statements

Village of Amelia, Ohio

Clermont County

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

All Fiduciary Fund Types

For the Year Ended December 31, 2019

	<u>Fiduciary Fund Types</u>
	<u>Agency</u>
Non-Operating Receipts (Disbursements)	
Other Financing Sources	89,280
Other Financing Uses	<u>(89,280)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	0
<i>Fund Cash Balances, January 1</i>	<u>812</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$812</u></u>

See accompanying notes to the basic financial statements

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 1 - Reporting Entity

The Village of Amelia (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 and police services. The Village contracts with Union Township to receive fire protection services.

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

On November 5, 2019 the voters of the Village of Amelia voted to dissolve the village. The vote was certified on November 25, 2019 and corporate powers were surrendered on that day. The process of transferring Village assets to Pierce Township and Batavia Township is underway with no known date as of yet for finalizing all transactions and transfer of assets to the townships.

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 fiduciary fund types which are organized on a fund type basis.

Fund Accounting

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

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

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

Police District Fund This fund receives property tax money to fund police protection service for the Village.

Fire Fund This fund receives property tax money to fund fire and EMS services for the Village.

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:

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Main Street/Woodlands Dr. Improvement Fund This fund is used to account for moneys received to install a traffic light and construct an additional traffic lane at the intersection of Main Street, Woodlands Drive and State Route 125.

Premier TIF Fund This fund is used to account for moneys received to create infrastructure improvements at the at the intersection of Main Street and Woodlands Drive.

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

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

Mayors Court Fund – This fund receives fines and forfeitures collected by Mayor's Court which are distributed to the Village and State.

Basis of Accounting

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

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

Budgetary Process

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

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

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

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

A summary of 2019 budgetary activity appears in Note 4.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

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 certificates of deposit at cost. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Capital Assets

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

Accumulated Leave

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

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.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

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

Note 3 - Compliance

Contrary to Ohio law, appropriation authority exceeded certified estimated resources in the Main St./Woodlands Dr Improvement fund by (\$9,030) and in the Municipal Building fund by (\$63,415) for the year ended December 31, 2019.

Note 4 - Budgetary Activity

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

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,394,140	\$1,398,150	\$4,010
Special Revenue	1,533,095	1,533,495	400
Capital Projects	656,208	656,208	0
Total	\$3,583,443	\$3,587,853	\$4,410

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,201,288	\$820,439	\$380,849
Special Revenue	1,632,481	1,266,897	365,584
Capital Projects	2,808,890	2,556,392	252,498
Total	\$5,642,659	\$4,643,728	\$998,931

Note 5 – 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:

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

	2019
Demand deposits	\$1,207,093
Total deposits	1,207,093
STAR Ohio	1,471,420
Total investments	1,471,420
Total deposits and investments	\$2,678,513

Deposits

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

Investments

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 6 – Taxes

Property Taxes

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

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

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

Income Taxes

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.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 7 - Risk Management

Commercial Insurance

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, 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. The OPRM is also participated in a property primary excess of loss treaty. This treaty reimbursed the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 776 members as of December 31, 2019.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2019.

Assets	\$ 15,920,504
Liabilities	<u>(11,329,011)</u>
Members' Equity	<u>\$ 4,591,493</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Note 8 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

All employees except full time police officers 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.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2019.

Note 9 - Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2019. OP&F contributes 0.5 percent to fund these benefits.

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

Note 10 – Debt

Debt outstanding at December 31, 2019 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Village Hall Bonds	\$500,000	2.69%
Kroger TIF Project	\$305,000	1.75%
Equipment & Building Bonds	\$65,000	3.50%
Lori Lane Development	\$119,595	5.00%
2018 International Truck	\$110,665	3.10%
Premier TIF	<u>\$1,975,000</u>	4.41%
Total	<u><u>\$3,075,260</u></u>	

The Ohio Public Works Commission loan in the amount of \$82,800 was originated in 2001 for the purpose of Oak Street traffic light improvements. It is scheduled to be repaid in 2021 but due to dissolving the village the loan was paid off in December 2019.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

The Village issued bonds in 2013 in the amount of \$650,000. The proceeds of the bonds were used to construct an additional traffic lane on State Route 125, move underground utilities and install a traffic signal. The bonds are scheduled to be repaid in 2023.

The Village issued bonds in 2015 in the amount of \$105,000. The proceeds of the bonds were used to purchase a skid-steer and property containing a storage building. The bonds are scheduled to be repaid in 2025.

The Village financed a project in 2016 in the amount of \$195,000 through the Union Township Community Improvement Corporation. The proceeds were used to purchase and demolish buildings on Lori Lane. The note is scheduled to be repaid in 2023.

The Village financed the purchase of a new International dump truck in 2017 in the amount of \$136,283.98. The note is scheduled to be repaid in 2023.

The village issued bonds in 2018 in the amount of \$1,975,000. The proceeds of the bonds will be used to construct streets, traffic signal and other infrastructure to facilitate the Premier commercial development. The bonds are scheduled to be repaid in 2029.

The Village issued bonds in 2019 in the amount of \$500,000. The proceeds of the bonds were used to purchase Village Hall. The bonds are scheduled to be repaid in 2024.

The Village's taxing authority collateralized the bonds.

Amortization

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

Year ending December 31:	Kroger TIF	Village Hall Bonds	Equipment & Building Bonds	Lori Lane Dev.	2018 Inter. Truck.	Premier TIF
2020	83,588	113,450	12,275	33,359	26,413	87,098
2021	81,900	110,760	11,925	33,359	27,232	282,098
2022	79,650	108,070	11,575	33,359	28,077	268,498
2023	82,400	105,380	11,225	32,952	28,943	270,119
2024		102,690	10,875			271,299
2025-2029			15,525			1,340,965
Total	<u>\$327,538</u>	<u>\$540,350</u>	<u>\$73,400</u>	<u>\$133,029</u>	<u>\$110,665</u>	<u>\$2,520,077</u>

Note 11 – Public Entity Risk Pool

The Village participates in the CompManagement Inc. Group Rating Plan (GRP) for worker's compensation. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 12 – Subsequent Events

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. The investments of the pension and other employee benefit plan in which the Village participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Village's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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Village of Amelia, 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, 2018

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$131,168	\$1,083,540	\$152,745	\$1,367,453
Municipal Income Tax	187,289	0	0	187,289
Intergovernmental	86,823	307,339	0	394,162
Charges for Services	0	10,800	0	10,800
Fines, Licenses and Permits	217,319	14,681	0	232,000
Earnings on Investments	13,817	1,334	0	15,151
Miscellaneous	5,623	16,083	31,490	53,196
<i>Total Cash Receipts</i>	<u>642,039</u>	<u>1,433,777</u>	<u>184,235</u>	<u>2,260,051</u>
Cash Disbursements				
Current:				
Security of Persons and Property	40,000	896,887	0	936,887
Public Health Services	13,054	5,210	0	18,264
Leisure Time Activities	23,715	5,257	0	28,972
Community Environment	44,000	0	0	44,000
Basic Utility Services	0	7,000	0	7,000
Transportation	0	171,557	0	171,557
General Government	276,786	26,390	550	303,726
Capital Outlay	104,126	263,806	195,615	563,547
Debt Service:				
Principal Retirement	0	14,140	645,115	659,255
Interest and Fiscal Charges	10,897	2,975	23,595	37,467
<i>Total Cash Disbursements</i>	<u>512,578</u>	<u>1,393,222</u>	<u>864,875</u>	<u>2,770,675</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>129,461</u>	<u>40,555</u>	<u>(680,640)</u>	<u>(510,624)</u>
Other Financing Receipts (Disbursements)				
Sale of Bonds	0	0	2,525,995	2,525,995
Premium and Accrued Interest on Debt	0	0	136,068	136,068
Other Financing Uses	0	0	(21,462)	(21,462)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>0</u>	<u>2,640,601</u>	<u>2,640,601</u>
<i>Net Change in Fund Cash Balances</i>	129,461	40,555	1,959,961	2,129,977
<i>Fund Cash Balances, January 1</i>	<u>207,165</u>	<u>1,287,445</u>	<u>108,606</u>	<u>1,603,216</u>
Fund Cash Balances, December 31				
Restricted	0	1,320,227	2,068,567	3,388,794
Committed	0	773	0	773
Assigned	293,202	0	0	293,202
Unassigned (Deficit)	43,424	0	0	43,424
<i>Fund Cash Balances, December 31</i>	<u>\$336,626</u>	<u>\$1,328,000</u>	<u>\$2,068,567</u>	<u>\$3,733,193</u>

See accompanying notes to the basic financial statements

Village of Amelia, Ohio
Clermont County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Fiduciary Fund Types
For the Year Ended December 31, 2018

		<u>Fiduciary Fund Types</u>
		<u>Agency</u>
Non-Operating Receipts (Disbursements)		
Other Financing Sources		123,759
Other Financing Uses		<u>(123,759)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	#	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	#	0
<i>Fund Cash Balances, January 1</i>		<u>812</u>
<i>Fund Cash Balances, December 31</i>	#	<u><u>\$812</u></u>

See accompanying notes to the basic financial statements

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 - Reporting Entity

The Village of Amelia (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 and police services. The Village contracts with Union Township to receive fire protection services.

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 fiduciary fund types which are organized on a fund type basis.

Fund Accounting

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

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

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

Police District Fund This fund receives property tax money to fund police protection service for the Village.

Fire Fund This fund receives property tax money to fund fire and EMS services for the Village.

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:

Main Street/Woodlands Dr. Improvement Fund This fund is used to account for moneys received to install a traffic light and construct an additional traffic lane at the intersection of Main Street, Woodlands Drive and State Route 125.

Premier TIF Fund This fund is used to account for moneys received to create infrastructure improvements at the at the intersection of Main Street and Woodlands Drive.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Fiduciary Fund (Agency Only)

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Village had the following significant Agency Fund:

Other Agency This fund accounts for monies received and disbursed by the Mayor's Court.

Basis of Accounting

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

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

Budgetary Process

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

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

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

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

A summary of 2018 budgetary activity appears in Note 3.

Deposits and Investments

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

The Village values certificates of deposit at cost. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2018

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.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 3 - Budgetary Activity

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

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$670,230	\$642,039	(\$28,191)
Special Revenue	1,479,435	1,433,777	(45,658)
Capital Projects	2,864,112	2,846,298	(17,814)
Total	\$5,013,777	\$4,922,114	(\$91,663)

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$585,557	\$513,866	\$71,691
Special Revenue	1,765,424	1,398,083	367,341
Capital Projects	2,640,390	886,337	1,754,053
Total	\$4,991,371	\$2,798,286	\$2,193,085

Note 4 – Deposits and Investments

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

	<u>2018</u>
Demand deposits	\$3,190,624
Total deposits	3,190,624
STAR Ohio	543,381
Total investments	543,381
Total deposits and investments	\$3,734,005

Deposits

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

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Investments

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable 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

Commercial Insurance

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.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2018

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. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 774 members as of December 31, 2018.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2018.

Assets	\$15,065,412
Liabilities	<u>(10,734,623)</u>
Members' Equity	<u>\$ 4,330,789</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2018.

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2018.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended 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. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Village Hall Bonds	\$550,000	2.63%
Kroger TIF Project	\$380,000	1.75%
Equipment & Building Bonds	\$75,000	3.50%
Lori Lane Development	\$145,981	5.00%
OPWC Loan	\$10,350	0.00%
2018 International Truck	\$136,284	3.10%
Premier TIF	<u>\$1,975,000</u>	4.41%
Total	<u><u>\$3,272,615</u></u>	

The Ohio Public Works Commission loan in the amount of \$82,800 was originated in 2001 for the purpose of Oak Street traffic light improvements. It is scheduled to be repaid in 2021.

The Village issued bonds in 2013 in the amount of \$650,000. The proceeds of the bonds were used to construct an additional traffic lane on State Route 125, move underground utilities and install a traffic signal. The bonds are scheduled to be repaid in 2023.

The Village issued bonds in 2015 in the amount of \$105,000. The proceeds of the bonds were used to purchase a skid-steer and property containing a storage building. The bonds are scheduled to be repaid in 2025.

The Village issued a bond anticipation note in 2018 in the amount of \$550,000. The proceeds of the note were used to purchase Village Hall. The note is scheduled to be repaid in 2019.

The Village financed a project in 2016 in the amount of \$195,000 through the Union Township Community Improvement Corporation. The proceeds were used to purchase and demolish buildings on Lori Lane. The note is scheduled to be repaid in 2023.

The Village financed the purchase of a new International dump truck in 2017 in the amount of \$136,283.98. The note is scheduled to be repaid in 2023.

The village issued bonds in 2018 in the amount of \$1,975,000. The proceeds of the bonds will be used to construct streets, traffic signal and other infrastructure to facilitate the Premier commercial development. The bonds are scheduled to be repaid in 2029.

Amelia Village, Ohio
Clermont County
Notes to the Financial Statements
For the Year Ended December 31, 2018

The Village's taxing authority collateralized the bonds.

Amortization

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

Year ending December 31:	OPWC #CT26C	Kroger TIF	Village Hall Bonds	Equipment & Building Bonds	Lori Lane Dev.	2018 Inter. Truck.	Premier TIF
2019	4,140	85,275	569,197	12,625	33,359	29,844	87,098
2020	4,140	83,588		12,275	33,359	29,844	87,098
2021	2,070	81,900		11,925	33,359	29,844	282,098
2022		79,650		11,575	33,359	29,844	268,498
2023		82,400		11,225	32,952	29,844	270,119
2024-2028				26,400			1,340,798
2029							271,466
Total	\$10,350	\$412,813	\$569,197	\$86,025	\$166,388	\$149,220	\$2,607,175

Note 10 – Public Entity Risk Pool

The Village participates in the CompManagement Inc. Group Rating Plan (GRP) for worker's compensation. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**VILLAGE OF AMELIA
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS
JANUARY 1, 2018 THROUGH DECEMBER 31, 2021**

FINDING NUMBER 2021-001

Noncompliance

Ohio Rev. Code § 121.22(F) requires every public body to, by rule, establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. **Ohio Rev. Code § 121.22(C)** requires that the minutes of a regular or special meeting of any such public body shall be promptly recorded and open to public inspection. The minutes need only reflect the general subject matter of discussions in executive sessions.

We noted the following conditions related to the minutes:

- Minutes for October 17, 2019 and January 12, 2021 were not signed.
- Council meetings were not held from November 2019 through November 2020 and the Council failed to notify the public the Council was disbanding and no longer holding meetings.

Policies and procedures should be established and implemented to verify that all Council meetings are held in accordance with the Ohio Sunshine Laws. Failure to properly maintain and approve accurate minutes could lead to possible omissions or alterations to the minute record without Council's knowledge.

The Village should prepare all minutes promptly after each meeting, approve them at the subsequent meeting, have Village officials sign the minutes, and maintain a complete minutes book.

Officials' Response:

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

FINDING NUMBER 2021-002

Internal Control Deficiency

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

We identified the following conditions related to the above criteria for 2018:

- The Village did not properly report the mayor's court receipts, disbursements, and fund balances in an Agency fund on the financial statements. Receipts and expenditures were understated in the amount of \$123,759 in the Agency fund.
- Assigned fund balance was understated and Unassigned fund balance was overstated in the amount of \$293,202 in the General fund.

We identified the following conditions related to the above criteria for 2019:

- The Village did not properly report the mayor's court receipts, disbursements, and fund balances in an Agency fund on the financial statements. Receipts and expenditures were understated in the amount of \$89,280 in the Agency fund.
- Debt service payments in the amount of \$50,637 were incorrectly posted to Capital Outlay instead of Principal payments (\$50,000) and Interest payments (\$637) in the General fund.

FINDING NUMBER 2021-002
(Continued)

We identified the following conditions related to the above criteria for 2020:

- TIF Special Assessment receipts in the amount of \$132,100 were incorrectly posted to Miscellaneous receipts instead of Property and Other Taxes in the Main St./Woodlands Dr. Improvement fund.
- TIF Special Assessment receipts in the amount of \$17,158 were incorrectly posted to Miscellaneous receipts instead of Property and Other Taxes in the Dollar Tree TIF fund.
- Debt service payments in the amount of \$91,873 were incorrectly posted to Other Financing Uses instead of Principal payments in the Main St./Woodlands Dr. Improvement fund.
- Special Assessment receipts in the amount of \$491,691 were incorrectly posted to Miscellaneous receipts instead of Property and Other Taxes in the General fund.

We identified the following conditions related to the above criteria for 2021:

- Special Assessment receipts in the amount of \$85,151 were incorrectly posted to Miscellaneous receipts instead of Property and Other Taxes in the Main St./Woodlands Dr. Improvement fund.
- Debt service fiscal charges in the amount of \$147,068 were incorrectly posted to General Government expenditures instead of Debt Service-Fiscal Charges in the General fund.
- Gasoline Tax receipts in the amount of \$41,476 were incorrectly posted to Miscellaneous receipts instead of Intergovernmental receipts in the General fund.
- Special Assessment receipts in the amount of \$118,298 were incorrectly posted to Miscellaneous receipts instead of Property and Other Taxes in the General fund.

The accompanying financial statements and accounting records, where applicable, have been adjusted for these errors. In addition to the misstatements above, immaterial misstatements ranging from \$710 to \$87,098 in the Capital Project funds were identified and brought to the Village's attention but were not adjusted on the accompanying financial statements.

Failure to accurately post and report transactions could result in material errors in the Village's financial statements and reduces the Village's ability to monitor financial activity and to make sound decisions.

We recommend due care be exercised when posting entries to the financial records and in financial statement preparation. The Fiscal Officer should refer to the Auditor of State's Ohio Village Officer's Handbook for assistance in posting a variety of transactions.

Officials' Response:

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

FINDING NUMBER 2021-003

Noncompliance

Ohio Rev. Code § 5705.39 provides that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure there-from, as certified by the county budget commission. No appropriation measure shall become effective until the county auditor files a certificate that the total appropriations from each fund, taken together with all other outstanding appropriations, do not exceed such official estimate or amended official estimate. For purposes of this section of the Ohio Revised Code, estimated revenue is commonly referred to as “estimated resources” because it includes unencumbered fund balances.

At December 31, 2019 the Village's appropriations exceeded the amount certified as available by the budget commission in the Main St./Woodlands Dr. Improvement and Municipal Building Capital Project funds by \$9,030 and \$63,415, respectively.

Failure to limit appropriations to the amount certified by the budget commission due to deficiencies in the Village's compliance monitoring policies and procedures could result in overspending and negative cash fund balances.

The Village should draft, approve, and implement procedures to compare appropriations to estimated resources and, if adequate resources are available for additional appropriations, the Village should submit an amended certificate of estimated resources to the budget commission for certification. If the resources are not available to cover the appropriations, an amendment to the appropriation resolution should be passed by the Council to reduce the appropriations.

Officials' Response:

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

FINDING NUMBER 2021-004

Internal Control Deficiency

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Council to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the Village and the appropriation ledger provides the process by which the Village controls spending, it is therefore necessary the amounts appropriated by the Council are precisely stated and accurately posted to the appropriation ledger.

The original certificate and amendments establish the amounts available for expenditures for the Village and the receipts ledger provides the process by which the Village controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

The Village did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations (and amendments thereof) approved by Council were not properly posted to the accounting system as noted below. Additionally, the approved Certificate of Estimated Resources (and amendments thereof) was not posted to the accounting system as noted below.

**FINDING NUMBER 2021-004
 (Continued)**

2018:			
Fund:	Estimated Receipts from Final Amended Certificate of Estimated Resources:	Estimated Receipts in Accounting System:	Variance:
General- 1000	670,230	641,788	28,442
Street Construction-2011	177,750	187,483	(9,773)
Police District-2081	782,744	744,753	37,991
Fire Protection-2901	421,801	399,807	21,994
Main St./Woodlands Dr. Improvements-4901	150,000	135,186	14,814
Municipal Building-4902	553,995	550,995	3,000

2018:			
Fund:	Approved Appropriations:	Appropriations in Accounting System:	Variance:
Police District-2081	868,350	868,550	(200)

2019:			
Fund:	Approved Appropriations:	Appropriations in Accounting System:	Variance:
Main St./Woodlands Dr. Improvements-4901	244,500	233,634	10,866
Municipal Building-4902	570,900	507,485	63,415

Failure to accurately post the appropriations and estimated resources to the ledgers could result in overspending and negative cash balances. In addition, this could lead to inaccurate reporting of the budgetary information in the footnotes to financial statements.

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Village should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Council. The Village should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

Officials' Response:

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

FINDING NUMBER 2021-005

Internal Control Deficiency

When designing the public office's system of internal control and the specific control activities, management should consider the following:

- Ensure that all transactions are properly authorized in accordance with management's policies.
- Ensure that accounting records are properly designed.

**FINDING NUMBER 2021-005
(Continued)**

- Plan for adequate segregation of duties or compensating controls.
- Ensure the collection and compilation of the data needed for the timely preparation of financial statements.

The Village maintained employee leave calculations (i.e. leave usage, accrual, and balances) on UAN. We noted the following items on four out of the ten employees tested for sick leave and three out of the ten tested for vacation leave:

- Missing leave forms
- Leave forms not matching the signed time sheets
- Unsigned leave forms

The above conditions could result in employees being improperly compensated and in leave being taken that an employee was not entitled to take.

We recommend that the Village establish a uniform system for recording employee leave accrual, usage, and balances that the Village implement a system of checking these calculations.

Officials' Response:

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

FINDING NUMBER 2021-006

Internal Control Deficiency

Maintaining organized documentation and support for financial transactions is essential in assuring the Village financial statements are not materially misstated and that all expenditures are made for a proper public purpose. The Village did not maintain underlying documentation and support for:

- Two fines, licenses, and permits receipts for zoning fees posted to the General fund in 2018 and two Fines, Licenses, and Permits receipts for zoning fees posted to the General fund in 2019.

Failure to maintain underlying documentation and support of financial transactions can increase the risk of fraud, result in financial statement misstatements, and expenditures that are not for a proper public purpose.

The Village should maintain all documentation for all financial transactions and records should be maintained in an orderly manner to support all transactions.

Officials' Response:

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

FINDING NUMBER 2021-007

Noncompliance

Ohio Rev. Code § 117.103(B)(1) states that a public office shall provide information about the Ohio fraud reporting system and the means of reporting fraud to each new employee upon employment with the public office. Each new employee shall confirm receipt of this information within thirty days after beginning employment. Furthermore, Ohio Rev. Code § 117.103(B)(2) states that on the effective date of this section (May 4, 2012), each public office shall make all its employees aware of the fraud-reporting system.

For five out of six new employees tested in 2018 and three out of three new employees tested in 2019, the Village did not require the employees confirm receipt of this information. Failure to notify employees of the fraud reporting system could lead to instances of unreported fraud.

In order to prevent unreported instances of fraud, the Village should communicate the fraud reporting system to its current employees and implement a process for informing new employees.

Officials' Response:

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

FINDING NUMBER 2021-008

Internal Control Deficiency

Public officials are required to maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for related assets, document compliance with finance related legal and contractual requirements and prepare financial statements. The Village lacked management oversight of the payroll system. This lack of oversight is illustrated by the following conditions:

- Pre-employment testing results were not submitted in a timely manner to OP&F resulting in penalties in the amount \$600 and \$100 in 2018 and 2019, respectively.

Failure of proper management oversight for the payroll system reduces the Council's ability to monitor financial activity and increases the likelihood that errors will be made or withholding amounts will not be submitted on a timely basis. This could also result in questions regarding whether payment of late fees and accrued interest are considered expenditures for proper public purpose. Expenditures deemed to not be for proper public purpose could result in findings for recovery being issued.

To strengthen the Village's internal control structure and reduce the likelihood of undetected errors or late submissions, supporting documentation for withholding remittances should be maintained and periodically reconciled to the payroll records for assurances that the proper amounts were submitted and done so in a timely fashion to avoid any late filing penalties.

Officials' Response:

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

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF AMELIA

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 1/25/2022

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