

# VILLAGE OF TRIMBLE

ATHENS COUNTY, OHIO

REGULAR AUDIT

FOR THE YEARS ENDED  
DECEMBER 31, 2021 & 2020



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPARepor@ohioauditor.gov  
(800) 282-0370

Members of Council and Mayor  
Village of Trimble  
PO Box 121  
Trimble, OH 45782-0112

We have reviewed the *Independent Auditor's Report* of the Village of Trimble, Athens County, prepared by Julian & Grube, Inc., for the audit period January 1, 2020 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber  
Auditor of State  
Columbus, Ohio

September 29, 2022

**This page intentionally left blank.**

**VILLAGE OF TRIMBLE  
ATHENS COUNTY, OHIO**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor’s Report .....	1 - 3
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2021.....	4
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Proprietary Fund Types - For the Year Ended December 31, 2021.....	5
Notes to the Financial Statements For the Year Ended December 31, 2021 .....	6 - 14
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2020.....	15
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Proprietary Fund Types - For the Year Ended December 31, 2020.....	16
Notes to the Financial Statements For the Year Ended December 31, 2020 .....	17 - 25
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	26 - 27
Schedule of Findings and Responses .....	28 - 30
Summary Schedule of Prior Audit Findings .....	31- 32

## Independent Auditor's Report

Village of Trimble  
Athens County  
P.O. Box 121  
Trimble, Ohio 45782

To the Members of Council and Mayor:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type of the Village of Trimble, Athens County, Ohio, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements.

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental and proprietary fund type of the Village of Trimble, as of and for the years ended December 31, 2021 and 2020, in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) as described in Note 2.

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

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village of Trimble, as of December 31, 2021 and 2020, or changes in net position, and cash flows, thereof for the years then ended.

#### *Basis for Opinions*

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

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

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

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

***Emphasis of Matters***

As described in Note 13 to the financial statements for the year ended December 31, 2020, during 2020 the Village adopted a change in accounting principle and removed the fund balance classifications from the Combined Statement of Receipts, Disbursements and Changes in Fund Balance (Regulatory Cash Basis) – All Governmental Fund Types. It was also described in Note 14 for the years ended December 31, 2021 and 2020, on May 13, 2014, the Auditor of State declared the Village of Trimble to be in a state of fiscal emergency, in accordance with Section 118.04 of the Ohio Revised Code. Furthermore, as described in Note 15 for the year ended December 31, 2021, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village of Trimble. Our opinions are not modified with respect to these matters.

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

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

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

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 17, 2022, on our consideration of the Village of Trimble's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Trimble's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Trimble's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
August 17, 2022



**VILLAGE OF TRIMBLE, ATHENS COUNTY**  
**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)**  
**ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
<b>Cash Receipts</b>			
Property and Other Taxes	\$26,332	\$25,557	\$51,889
Municipal Income Tax	45,422	-	45,422
Intergovernmental	14,512	121,523	136,035
Miscellaneous	1,280	1,223	2,503
<i>Total Cash Receipts</i>	<u>87,546</u>	<u>148,303</u>	<u>235,849</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons & Property	-	25,193	25,193
Community Environment	-	76,900	76,900
Transportation	-	18,455	18,455
General Government	35,330	-	35,330
Debt Service:			
Principal Retirement	3,049	2,122	5,171
Interest and Fiscal Charges	145	100	245
<i>Total Cash Disbursements</i>	<u>38,524</u>	<u>122,770</u>	<u>161,294</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>49,022</u>	<u>25,533</u>	<u>74,555</u>
<i>Net Change in Fund Cash Balances</i>	49,022	25,533	74,555
<i>Fund Cash Balances, January 1</i>	58,512	95,990	154,502
<i>Fund Cash Balances, December 31</i>	<u>\$107,534</u>	<u>\$121,523</u>	<u>\$229,057</u>

*See accompanying notes to the financial statements.*

**VILLAGE OF TRIMBLE, ATHENS COUNTY  
 COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
 IN FUND BALANCES (REGULATORY CASH BASIS)  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Enterprise</b>
<b>Operating Cash Receipts</b>	
Charges for Services	\$84,521
<i>Total Operating Cash Receipts</i>	84,521
 <b>Operating Cash Disbursements</b>	
Personal Services	24,105
Fringe Benefits	3,743
Contractual Services	53,251
Supplies and Materials	2,500
<i>Total Operating Cash Disbursements</i>	83,599
 <i>Operating Income (Loss)</i>	922
 <b>Non-Operating Receipts (Disbursements)</b>	
Miscellaneous Receipts	23
Principal Retirement	(18,755)
Interest and Other Fiscal Charges	(1,378)
<i>Total Non-Operating Receipts (Disbursements)</i>	(20,110)
 <i>Net Change in Fund Cash Balance</i>	(19,188)
<i>Fund Cash Balances, January 1</i>	85,461
<i>Fund Cash Balances, December 31</i>	\$66,273

*See accompanying notes to the financial statements.*

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

---

**Note 1 - Reporting Entity**

The Village of Trimble (the Village), Athens 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 five-member Council directs the Village. The Village provides general government services, street construction, repair and maintenance, as well as water utilities and street light services. The Village contracts with the Village of Jacksonville for fire protection services.

The Village participates in a jointly governed organization, the Trimble Township Wastewater Treatment District. Note 12 to the financial statements provides additional information for this entity.

On May 13, 2014, based on a request by the Village and, in accordance with the provisions of Ohio Rev. Code § 118.04, the Auditor of State's Office declared the Village to be in Fiscal Emergency. At the 2010 census, the Village of Trimble's population was 390. At the 2020 census, the Village of Trimble's population was 329. For a Village or Township with a population of less than 1,000, the Auditor of State serves as the financial supervisor and has all the powers and responsibilities of a financial planning and supervision commission. As such, the Auditor of State's office has helped develop a financial recovery plan for the Village and is monitoring its execution. Note 14 to the financial statements provides additional information.

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

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

***Basis of Presentation***

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

***Fund Accounting***

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

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

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

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

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

---

**Street Levy Fund** This street fund accounts for monies received from property taxes for the upkeep of Village streets.

**FEMA Fund** The FEMA fund receives federal monies for disaster relief.

**Permanent Improvement Fund** The permanent improvement fund receives property taxes for the upkeep of street lights.

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

**Water Operating Fund** The water operating fund receives charges for services from residents to cover water service costs for water provided to the Village.

**Water Reserve** The water reserve fund receives a portion of charges for services from residents to cover debt service payments for improvements to the water system.

***Basis of Accounting***

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

These statements include adequate disclosure of material matters, as the financial reporting provisions of the Ohio Revised Code Section 117.38 and the Ohio Administrative Code § 117-2-03(C) 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, object level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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 4.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

---

***Deposits and Investments***

The Village had one primary checking account during the audit period which is insured by the Federal Deposit Insurance Corporation (FDIC) and is collateralized by the Ohio Pooled Collateral System (OPCS).

***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. 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.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

**Note 3 - Compliance**

Contrary to ORC Section 5705.41(D), the Village did not certify expenditures in a timely manner.

**Note 4 - Budgetary Activity**

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

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$72,356	\$87,546	\$15,190
Special Revenue	127,633	148,303	20,670
Enterprise	79,000	84,544	5,544
Total	\$278,989	\$320,393	\$41,404

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$46,146	\$39,100	\$7,046
Special Revenue	154,038	135,770	18,268
Enterprise	110,227	104,707	5,520
Total	\$310,411	\$279,577	\$30,834

**Note 5 – Deposits**

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

Demand deposits	2021
	\$295,330

***Deposits***

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

At December 31, 2021, all deposits were insured or collateralized, contrary to Ohio law.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

---

**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 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 levies a municipal income tax of one 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 7 - Risk Management**

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Risk Pool Membership***

The Village is a member of 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.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

Effective November 1, 2010 (through October 31, 2017), the corridor is for losses paid is between 60% and 70% of casualty premiums earned in the first \$250,000. Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and remain unchanged effective November 1, 2021 and November 1, 2020. OPRM had 769 members as of December 31, 2021.

The Pool’s audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2021.

Assets	\$ 21,777,439
Liabilities	<u>( 15,037,383)</u>
Members’ Equity	<u>\$ 6,740,056</u>

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

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postemployment health care 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, 2021.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2021</i>	<i>10%</i>	<i>14%</i>

***Social Security***

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

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants’ gross salaries. The Village has paid all contributions required through December 31, 2021.



**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 9 - Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2021.

**Note 10 – Debt**

Debt outstanding at December 31, 2021 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority (OWDA) Loan #6918	\$163,529	0.78%
Ohio Public Works Commission (OPWC) #CR25R	287,165	0.00%
Unified Bank - Kubota Tractor Loan	3,986	4.11%
Total	<u>\$454,680</u>	

The Ohio Water Development Authority (OWDA) loan relates to a water line replacement project. The OWDA approved \$201,500 in loans to the Village for this project. The Village will repay the loans including 0.78% interest, in semiannual installments of \$3,672 over 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This loan matures in January 2046.

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

Year ending December 31:	<u>Principal</u>	<u>Interest</u>
2022	\$6,083	\$1,262
2023	6,130	1,215
2024	6,178	1,167
2025	6,226	1,119
2026	6,275	1,070
2027-2031	32,117	4,608
2032-2036	33,390	3,334
2037-2041	34,713	2,011
2042-2046	32,417	634
Total	<u>\$163,529</u>	<u>\$16,420</u>

The Ohio Public Works Commission (OPWC) loan relates to a water distribution system replacement project. The OPWC approved \$337,841 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$5,631, interest free, over 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements. This loan matures in January 2047.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

---

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

Year ending December 31:	Principal
2022	\$11,261
2023	11,261
2024	11,261
2025	11,261
2026	11,261
2027-2031	56,307
2032-2036	56,307
2037-2041	56,307
2042-2046	56,307
2047	5,632
Total	<u><u>\$287,165</u></u>

A loan was refinanced for the purchase of a Kubota Tractor during 2019. The loan was for \$19,548 to be paid over 36 months with an interest rate of 4.11 percent. This loan is backed by the full faith and credit of the Village. The loan payments of \$579, which include principal and interest, are made from the General Fund, the Street Construction, Maintenance and Repair and Street Levy special revenue funds, and the Water Fund.

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

Year ending December 31:	Principal	Interest
2022	3,986	55
Total	<u><u>\$3,986</u></u>	<u><u>\$55</u></u>

**Note 11 – Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 12 – Jointly Governed Organizations**

*Trimble Township Wastewater Treatment District* – The Trimble Township Wastewater Treatment District is a regional sewer district organized under Chapter 6119 of the Ohio Revised Code. The district operates under the direction of an eight member Board of Council Members whose membership is composed of two appointments from each of the participating subdivisions which includes: Village of Trimble, Village of Jacksonville, Village of Glouster and Trimble Township. The membership elects a President, Vice President and a Secretary-Treasurer who are responsible for the fiscal control of the financial resources of the district. To obtain financial information, write to the Trimble Township Wastewater Treatment District, Teri Brooks, Secretary-Treasurer, at 18551 Jacksonville Road, P.O. Box 278, Jacksonville, Ohio 45740.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

---

**Note 13 – 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:

Fund Balances	General	Special Revenue	Enterprise	Total
Outstanding Encumbrances	\$ 576	\$ 13,000	\$ 975	\$ 14,551
<i>Total</i>	<u>\$ 576</u>	<u>\$ 13,000</u>	<u>\$ 975</u>	<u>\$ 14,551</u>

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

**Note 14 – Fiscal Emergency**

On May 13, 2014, based on a request by the Village and, in accordance with the provisions of Ohio Revised Code § 118.04, the Auditor of State’s Office declared the Village to be in Fiscal Emergency. As such, the Auditor of State’s office has helped develop a financial recovery plan for the Village and is monitoring its execution.

As part of this recovery plan, the Village has instituted a local income tax and reviewed prior period activity for any expenditures which could be allocated to funds other than the General Fund.

**Note 15 – COVID-19**

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

During 2021, the Village expended CARES Act funding. The amounts spent are reflected as general government expenditures in the Coronavirus Relief Special Revenue Fund on the accompanying financial statements. During 2021, the Village received American Rescue Plan Act funding. The amount received is reflected in the American Rescue Plan Act Special Revenue Fund on the accompanying financial statements. None of these funds were spent in 2021.

**VILLAGE OF TRIMBLE, ATHENS 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**

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
<b>Cash Receipts</b>			
Property and Other Taxes	\$28,269	\$28,477	\$56,746
Municipal Income Tax	38,261	-	38,261
Intergovernmental	13,698	46,502	60,200
Fines, Licenses and Permits	25	-	25
Miscellaneous	1,102	-	1,102
<i>Total Cash Receipts</i>	<u>81,355</u>	<u>74,979</u>	<u>156,334</u>
<b>Cash Disbursements</b>			
Current:			
Security of Persons & Property	-	19,220	19,220
Transportation	-	17,396	17,396
General Government	38,686	-	38,686
Debt Service:			
Principal Retirement	2,928	2,035	4,963
Interest and Fiscal Charges	266	188	454
<i>Total Cash Disbursements</i>	<u>41,880</u>	<u>38,839</u>	<u>80,719</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>39,475</u>	<u>36,140</u>	<u>75,615</u>
<i>Net Change in Fund Cash Balances</i>	39,475	36,140	75,615
<i>Fund Cash Balances, January 1</i>	<u>19,037</u>	<u>59,850</u>	<u>78,887</u>
<i>Fund Cash Balances, December 31</i>	<u>\$58,512</u>	<u>\$95,990</u>	<u>\$154,502</u>

*See accompanying notes to the financial statements.*

**VILLAGE OF TRIMBLE, ATHENS COUNTY  
 COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
 IN FUND BALANCES (REGULATORY CASH BASIS)  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Enterprise</b>
<b>Operating Cash Receipts</b>	
Charges for Services	\$81,561
<i>Total Operating Cash Receipts</i>	81,561
 <b>Operating Cash Disbursements</b>	
Personal Services	21,343
Fringe Benefits	3,318
Contractual Services	43,773
Supplies and Materials	1,937
<i>Total Operating Cash Disbursements</i>	70,371
 <i>Operating Income (Loss)</i>	11,190
 <b>Non-Operating Receipts (Disbursements)</b>	
Principal Retirement	(13,020)
Interest and Other Fiscal Charges	(1,483)
<i>Total Non-Operating Receipts (Disbursements)</i>	(14,503)
 <i>Net Change in Fund Cash Balance</i>	(3,313)
<i>Fund Cash Balances, January 1</i>	88,774
<i>Fund Cash Balances, December 31</i>	\$85,461

*See accompanying notes to the financial statements.*

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

---

**Note 1 - Reporting Entity**

The Village of Trimble (the Village), Athens 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 five-member Council directs the Village. The Village provides general government services, street construction, repair and maintenance, as well as water utilities and street light services. The Village contracts with the Village of Jacksonville for fire protection services.

The Village participates in a jointly governed organization, the Trimble Township Wastewater Treatment District. Note 11 to the financial statements provides additional information for this entity.

On May 13, 2014, based on a request by the Village and, in accordance with the provisions of Ohio Rev. Code § 118.04, the Auditor of State's Office declared the Village to be in Fiscal Emergency. At the 2010 census, the Village of Trimble's population was 390. For a Village or Township with a population of less than 1,000, the Auditor of State serves as the financial supervisor and has all the powers and responsibilities of a financial planning and supervision commission. As such, the Auditor of State's office has helped develop a financial recovery plan for the Village and is monitoring its execution. Note 14 to the financial statements provides additional information.

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

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

***Basis of Presentation***

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

***Fund Accounting***

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

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

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

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

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

---

***Street Levy Fund*** This street fund accounts for monies received from property taxes for the upkeep of Village streets.

***Permanent Improvement Fund*** The permanent improvement fund receives property taxes for the upkeep of street lights.

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

***Water Operating Fund*** The water operating fund receives charges for services from residents to cover water service costs for water provided to the Village.

***Water Reserve*** The water reserve fund receives a portion of charges for services from residents to cover debt service payments for improvements to the water system.

***Basis of Accounting***

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

These statements include adequate disclosure of material matters, as the financial reporting provisions of the Ohio Revised Code Section 117.38 and the Ohio Administrative Code § 117-2-03(C) 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, object level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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 4.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

---

***Deposits and Investments***

The Village had one primary checking account during the audit period which is fully insured by the Federal Deposit Insurance Corporation (FDIC) and is collateralized by the Ohio Pooled Collateral System (OPCS).

***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. 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.



**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

**Note 3 - Compliance**

Contrary to ORC Section 5705.41(D), the Village did not certify expenditures in a timely manner.

**Note 4 - 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	\$62,908	\$81,355	\$18,447
Special Revenue	64,902	74,979	10,077
Enterprise	81,500	81,561	61
Total	\$209,310	\$237,895	\$28,585

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$46,675	\$42,466	\$4,209
Special Revenue	70,928	39,482	31,446
Enterprise	99,430	85,816	13,614
Total	\$217,033	\$167,764	\$49,269

**Note 5 – Deposits**

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 deposits and investments at December 31 is as follows:

	2020
Demand deposits	\$239,963

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 \$2,171 in unremitted employee payroll withholdings.

***Deposits***

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

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

---

At December 31, 2020, all deposits were insured or collateralized, contrary to Ohio law.

**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 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 levies a municipal income tax of one 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 7 - Risk Management**

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Risk Pool Membership***

The Village is a member of 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.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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. Effective November 1, 2020, the OPRM’s property retention increased from 33% to 55%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 771 members as of December 31, 2020.

The Pool’s audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2020.

Assets	\$ 18,826,974
Liabilities	<u>( 13,530,267)</u>
Members’ Equity	<u>\$ 5,296,707</u>

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

**Note 8 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postemployment health care 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.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2020</i>	<i>10%</i>	<i>14%</i>

***Social Security***

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

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants’ gross salaries. The Village has paid all contributions required through December 31, 2020.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

**Note 9 - Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 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 10 – Debt**

Debt outstanding at December 31, 2020 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority (OWDA) Loan #6918	\$169,565	0.78%
Ohio Public Works Commission (OPWC) #CR25R	298,426	0.00%
Unified Bank - Kubota Tractor Loan	<u>10,615</u>	4.11%
Total	<u><u>\$478,606</u></u>	

The Ohio Water Development Authority (OWDA) loan relates to a water line replacement project. The OWDA approved \$201,500 in loans to the Village for this project. The Village will repay the loans including 0.78% interest, in semiannual installments of \$3,672 over 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. This loan matures in January 2046.

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

Year ending December 31:	<u>Principal</u>	<u>Interest</u>
2021	\$6,036	\$1,309
2022	6,083	1,262
2023	6,130	1,215
2024	6,178	1,167
2025	6,226	1,119
2026-2030	31,868	4,856
2031-2035	33,131	3,593
2036-2040	34,444	2,280
2041-2045	35,811	914
2046	<u>3,658</u>	<u>14</u>
Total	<u><u>\$169,565</u></u>	<u><u>\$17,729</u></u>

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

---

The Ohio Public Works Commission (OPWC) loan relates to a water distribution system replacement project. The OPWC approved \$337,841 in loans to the Village for this project. The Village will repay the loans in semiannual installments of \$5,631, interest free, over 30 years. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OPWC debt service requirements. This loan matures in January 2047.

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

Year ending December 31:	Principal
2021	\$11,261
2022	11,261
2023	11,261
2024	11,261
2025	11,261
2026-2030	56,307
2031-2035	56,307
2036-2040	56,307
2041-2045	56,307
2046-2047	16,893
Total	<u>\$298,426</u>

A loan was refinanced for the purchase of a Kubota Tractor during 2019. The loan was for \$19,548 to be paid over 36 months with an interest rate of 4.11 percent. This loan is backed by the full faith and credit of the Village. The loan payments of \$579, which include principal and interest, are made from the General Fund, the Street Construction, Maintenance and Repair and Street Levy special revenue funds, and the Water Fund.

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

Year ending December 31:	Principal	Interest
2021	\$6,627	\$317
2022	3,988	55
Total	<u>\$10,615</u>	<u>\$372</u>

**Note 11 – Jointly Governed Organizations**

*Trimble Township Wastewater Treatment District* – The Trimble Township Wastewater Treatment District is a regional sewer district organized under Chapter 6119 of the Ohio Revised Code. The district operates under the direction of an eight member Board of Council Members whose membership is composed of two appointments from each of the participating subdivisions which includes: Village of Trimble, Village of Jacksonville, Village of Glouster and Trimble Township. The membership elects a President, Vice President and a Secretary-Treasurer who are responsible for the fiscal control of the financial resources of the district. To obtain financial information, write to the Trimble Township Wastewater Treatment District, Teri Brooks, Secretary-Treasurer, at 18551 Jacksonville Road, P.O. Box 278, Jacksonville, Ohio 45740.

**Village of Trimble, Ohio**  
*Athens County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

---

**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:

Fund Balances	General	Special Revenue	Enterprise	Total
Outstanding Encumbrances	\$ 586	\$ 644	\$ 941	\$ 2,171
<i>Total</i>	<u>\$ 586</u>	<u>\$ 644</u>	<u>\$ 941</u>	<u>\$ 2,171</u>

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

**Note 13 – Change in Accounting Principle**

For 2020, the Village has made changes to their cash basis reporting model. These changes include modifications to the definition of fiduciary funds and removing the fund balance classifications from the combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) - all governmental fund types. There was no effect on the beginning fund balance.

**Note 14 – Fiscal Emergency**

On May 13, 2014, based on a request by the Village and, in accordance with the provisions of Ohio Revised Code § 118.04, the Auditor of State’s Office declared the Village to be in Fiscal Emergency. As such, the Auditor of State’s office has helped develop a financial recovery plan for the Village and is monitoring its execution.

As part of this recovery plan, the Village has instituted a local income tax and reviewed prior period activity for any expenditures which could be allocated to funds other than the General Fund.

**Note 15 – Contingent Liabilities**

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

Village of Trimble  
Athens County  
P.O. Box 121  
Trimble, Ohio 45782

To the Members of Council and Mayor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type of the Village of Trimble, Athens County, Ohio, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, and have issued our report thereon dated August 17, 2022, wherein we noted as described in Note 2 to the financial statements, the Village of Trimble followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. As described in Note 13 to the financial statements for the year ended December 31, 2020, during 2020 the Village adopted a change in accounting principle and removed the fund balance classifications from the Combined Statement of Receipts, Disbursements and Changes in Fund Balance (Regulatory Cash Basis) – All Governmental Fund Types. It was also described in Note 14 for the years ended December 31, 2021 and 2020, on May 13, 2014, the Auditor of State declared the Village of Trimble to be in a state of fiscal emergency, in accordance with Section 118.04 of the Ohio Revised Code. Furthermore, we noted as described in Note 15 to the financial statements for the year ended December 31, 2021, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

**Report on Internal Control over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village of Trimble's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as item 2021-004 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2021-003 to be a significant deficiency.

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

As part of obtaining reasonable assurance about whether the Village of Trimble's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2021-001 and 2021-002.

### **Village of Trimble's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village of Trimble's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Village of Trimble's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### **Purpose of this Report**

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



Julian & Grube, Inc.  
August 17, 2022



VILLAGE OF TRIMBLE  
ATHENS COUNTY, OHIO

SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2021 AND 2020

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2021-001

Noncompliance

Ohio Revised Code Section 5705.41(D) requires that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

The Village did not properly certify the availability of funds prior to purchase commitment for 68% of expenditures tested for the year ended December 31, 2020 and 28% for the year ended December 31, 2021.

Without timely certification, the Village may expend more funds than available in the Treasury, in the process of collection or in the funds appropriated. It may also result in unnecessary purchases.

We recommend that all orders or contracts involving the expenditure of money be timely certified to ensure all monies expended are lawfully appropriated and available in the treasury or in the process of collection. A policy and procedure statement adopted by the Council and distributed at least annually may be beneficial. The Village should consider using "Then and Now" certificates where applicable.

Client Response: We are still working out the procedure. We anticipate this will improve on the next audit period. The Village will be utilizing blanket and super blanket purchase orders for utilities in 2022.

Finding Number	2021-002
----------------	----------

Noncompliance

Pursuant to Ohio Rev. Code § 149.43(B)(2), the entity shall have available a copy of its current records retention schedule at a location readily available to the public.

All state and local elected officials, or their designees, must attend at least 3 hours of training on Ohio's public records laws during each term of office [Ohio Rev. Code §§ 109.43(B) & 149.43(E)(1)]. The training received must be certified by the Ohio Attorney General. Proof that training has been completed must include documentation that either the Attorney General's Office or another entity certified by the Attorney General provided the training to the elected official, or his/her designee. Attendees who successfully complete the training will receive a certificate to serve as proof of training.

The Village did not have a records retention schedule in place for the years ended December 31, 2020 and 2021. Further, the Village elected officials or their designees did not attend public records training for the years ended December 31, 2020 and 2021.

By not maintaining an appropriate records retention schedule as required, the public office risks prematurely disposing of essential documents. Further, by not requiring that all elected officials or their designees attend public records training approved by the Attorney General for every term of office, the public office risks uncompleted or improper responses of requests.

**VILLAGE OF TRIMBLE  
ATHENS COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2021 AND 2020**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

Finding Number	2021-002 (continued)
----------------	----------------------

The Village Council should approve a records retention schedule based on guidance in Ohio Rev. Code § 149.43 and Auditor of State Bulletin 2007- 014. Officials, or their designees, should attend public records training.

*Client Response:* The Village will approve and post a records retention schedule. We will attempt to ensure that all public officials have attended public records training by the end of 2022. Heather Rockwell (Fiscal Officer/Record Custodian) did attend a training during 2021.

Finding Number	2021-003
----------------	----------

Significant Deficiency - Personnel Files

The Village management should maintain personnel files on hand for all employees and elected officials. Personnel files should include:

- Hiring authorization
- Position & Authorized Salary Rate
- Department/Fund to which salary will be charged
- Deduction authorizations
- OPERS Authorization
- Federal Withholding Form W-4
- State Withholding Form IT-4

The Village failed to maintain hiring authorizations, position and salary rate, and department forms for employees for the years ended December 31, 2021 and 2020. Failure to maintain proper and complete personnel records could result in incorrect computation of employee paychecks.

Further, the Village failed to obtain Federal Identification Form W-9 for independent contractors for the years ended December 31, 2020. Also, the Village provided these contractors with W-2's for the years ended December 31, 2020 and 2021 instead of a 1099. Failure to obtain and submit the required reports for all vendors could result in unexpected tax liabilities, fines, and penalties for the Village and the employees of the Village.

The Fiscal Officer should maintain complete personnel files for all employees and elected officials. The Fiscal Officer may not withhold amounts unless the documentation authorizing him/her to do so is on file.

*Client Response:* The Village will adopt a new hire packet to be used for all future new hires that includes the documents listed.

**VILLAGE OF TRIMBLE  
ATHENS COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2021 AND 2020**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2021-004

Material Weakness – Water Department:

Water billing reports should be presented to Council for review and approval each month. The reports should be reviewed to determine that the number of customers being billed monthly is consistent, that there are no unusual amounts charged or unusual usages noted, and that the appropriate rates are charged. Further, billing adjustments posted to the billing reports should be approved prior to posting.

A Village employee is tasked with billing water customers on behalf of the Village. Council did not review and approve all monthly reports maintained by the employee for the years ended December 31, 2020 and 2021. Additionally, billing adjustments were not reviewed by anyone other than the individual posting the adjustment. This lack of oversight by the Village and Council could result in undetected errors or significant variances.

Further, the Village employee is tasked by the Village to:

- ensure automatic meter readings are recorded in the Village’s system
- send water bills to customers
- receive customer payments
- deposit customer payments
- enter billing adjustments
- gather monthly billing reports

By relying on one employee for all responsibilities of the Water Department, the Village could expose itself to higher risks of fraud and the inability to timely identify, prevent, and correct potential misstatements.

The Village should distribute responsibilities of the Water Department to more than one employee of the Village, present monthly billing reports to the Council for review and approval, and approve all billing adjustments.

Client Response: Village Council now reviews the monthly water reports with the Mayor and President of Council signing the reports. We will ensure this includes the billing report as well as any adjustments reports. The Village will explore ways to distribute duties to segregate duties with a small staff.

**VILLAGE OF TRIMBLE  
ATHENS COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2021 AND 2020**

<b>Finding Number</b>	<b>Year Initially Occurred</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2019-001	2015	<u>Material Weakness – Pre-Numbered Duplicate Receipts</u> : The Village did not maintain bound, pre-numbered duplicate receipts for all receipts flowing into the Village.	Corrected	N/A
2019-002	2013	<u>Noncompliance - Ohio Rev. Code § 5705.41(D)</u> : The Village did not certify the availability of funds.	Partially Corrected	Repeated as finding 2021-001 due to timing of certifications.
2019-003	2016	<u>Noncompliance - Ohio Rev. Code § 5705.40</u> : The Village did not properly modify its appropriations throughout the fiscal year.	Corrected	N/A
2019-004	2013	<u>Noncompliance - Ohio Rev. Code § 5705.38 and 5705.41(B)</u> : The Village did not adopt appropriations timely and had expenditures in excess of appropriations.	Corrected	N/A
2019-005	2016	<u>Noncompliance / Material Weakness - Ohio Rev. Code § 5705.38(C)</u> : The Village did not follow the minimum legal level of budgetary control when approving appropriations.	Corrected	N/A
2019-006	2017	<u>Material Weakness – Financial Statement Presentation</u> : Certain adjustments were made to the financial statements and notes to properly state the financial statement amounts.	Corrected	N/A
2019-007	2015	<u>Noncompliance - Internal Revenue Service Publication 15, Circular E, Employer’s Tax Guide and Publication 15-A, Employer’s Supplemental Tax Guide</u> : The Village did not properly distinguish Village employees from independent contractors.	Corrected	N/A
2019-008	2015	<u>Noncompliance - Ohio Rev. Code § 149.43</u> : The Village did not attend public records training and adoption of records retention schedule.	Not Corrected	Repeated as finding 2021-002 due to lack of public records training and adoption of records retention schedule.

**VILLAGE OF TRIMBLE  
ATHENS COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2021 AND 2020  
(CONTINUED)**

<b>Finding Number</b>	<b>Year Initially Occurred</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2019-009	2015	<u>Significant Deficiency – Personnel Files</u> : The Village did not maintain complete personnel files for employees and elected officials.	Partially Corrected	Repeated as finding 2021-003 did not issue 1099s in 2020 for contractors and did not maintain complete personnel files.
2019-010	2015	<u>Material Weakness – Water Department</u> : The Village did not segregate duties or obtain formal approval of monthly water reports and billing adjustments.	Not Corrected	Repeated as finding 2021-004 as the Village relied on one employee for all Water Department responsibilities and Council approved limited reports.



# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF TRIMBLE**

**ATHENS 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 10/11/2022**

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

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