



OHIO AUDITOR OF STATE  
**KEITH FABER**





**VILLAGE OF GREENHILLS  
HAMILTON COUNTY  
DECEMBER 31, 2020 AND 2019**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Prepared by Management:	
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types For the Year Ended December 31, 2020 .....	3
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - Fiduciary Fund Type For the Year Ended December 31, 2020 .....	4
Notes to the Financial Statements For the Year Ended December 31, 2020 .....	5
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types For the Year Ended December 31, 2019 .....	15
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - Fiduciary Fund Type For the Year Ended December 31, 2019 .....	16
Notes to the Financial Statements For the Year Ended December 31, 2019 .....	17
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	25
Summary Schedule of Prior Audit Findings (Prepared by Management).....	27

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash  
11117 Kenwood Road  
Blue Ash, Ohio 45242-1817  
(513) 361-8550 or (800) 368-7419  
SouthwestRegion@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT

Village of Greenhills  
Hamilton County  
11000 Winton Road  
Greenhills, Ohio 45218

To the Village Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and fiduciary fund type as of and for the year ended December 31, 2019, and related notes of the Village of Greenhills, Hamilton County, Ohio (the Village).

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

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

### ***Auditor's Responsibility***

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

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

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

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

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

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

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

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2020 and 2019, and the respective changes in financial position thereof for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and fiduciary fund type as of and for the year ended December 31, 2019, and related notes of the Village, in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

***Emphasis of Matter***

As discussed in Note 12 and Note 11 to the financial statements for 2020 and 2019, respectively, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village. We did not modify our opinion regarding this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2021, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio  
August 31, 2021

Village of Greenhills, Hamilton County  
 Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)  
 All Governmental Fund Types  
 For the Year Ended December 31, 2020

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$369,936	\$887,867	\$37,074	\$0	\$1,294,877
Municipal Income Tax	1,259,796	0	0	0	1,259,796
Intergovernmental	121,502	520,261	5,754	0	647,517
Special Assessments	4,056	0	0	458,879	462,935
Charges for Services	292,729	147,677	0	0	440,406
Fines, Licenses and Permits	99,294	8,364	0	0	107,658
Earnings on Investments	3,433	113	1,268	0	4,814
Miscellaneous	62,325	172,625	7	0	234,957
<i>Total Cash Receipts</i>	<u>2,213,071</u>	<u>1,736,907</u>	<u>44,103</u>	<u>458,879</u>	<u>4,452,960</u>
<b>Cash Disbursements</b>					
Current:					
Security of Persons and Property	35,612	1,186,953	0	0	1,222,565
Leisure Time Activities	0	247,423	0	49,408	296,831
Community Environment	51,528	0	0	0	51,528
Basic Utility Services	292,308	0	0	0	292,308
Transportation	0	463,787	0	0	463,787
General Government	998,166	103,215	521	0	1,101,902
Capital Outlay	77,871	0	0	400,189	478,060
Debt Service:					
Principal Retirement	0	20,190	218,484	0	238,674
Interest and Fiscal Charges	0	11,232	24,950	0	36,182
<i>Total Cash Disbursements</i>	<u>1,455,485</u>	<u>2,032,800</u>	<u>243,955</u>	<u>449,597</u>	<u>4,181,837</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>757,586</u>	<u>(295,893)</u>	<u>(199,852)</u>	<u>9,282</u>	<u>271,123</u>
<b>Other Financing Receipts (Disbursements)</b>					
Transfers In	0	388,000	199,300	0	587,300
Transfers Out	(587,300)	0	0	0	(587,300)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(587,300)</u>	<u>388,000</u>	<u>199,300</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	170,286	92,107	(552)	9,282	271,123
<i>Fund Cash Balances, January 1</i>	<u>1,421,639</u>	<u>914,557</u>	<u>79,522</u>	<u>46,208</u>	<u>2,461,926</u>
<i>Fund Cash Balances, December 31</i>	<u>\$1,591,925</u>	<u>\$1,006,664</u>	<u>\$78,970</u>	<u>\$55,490</u>	<u>\$2,733,049</u>

See accompanying notes to the basic financial statements

*Village of Greenhills, Ohio*  
*Hamilton County*  
*Combined Statement of Receipts, Disbursements, and*  
*Changes in Fund Balance (Regulatory Cash Basis)*  
*Fiduciary Fund Type for the Year Ended December 31, 2020*

	<u>Fiduciary Fund Type – Custodial</u>
Non-Operating Receipts (Disbursements)	
Other Financing Sources	\$80,150
Other Financing Uses	<u>(81,655)</u>
Total Non-Operating Receipts (Disbursements)	(1,505)
Fund Cash Balance January 1	1,855
Fund Cash Balance December 31	\$350

See Accompanying Notes to the Basic Financial Statements



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

---

**Note 1 - Reporting Entity**

The Village of Greenhills (the Village), Hamilton 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 police protection, parks and recreation, building inspection, street maintenance and repairs, and refuse collection. The Village contracts with the Greenhills Volunteer Fire Department to receive fire protection services.

**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, providing the balance 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 Maintenance and Repair*** The Street Maintenance and Repair fund accounts receive proceeds from property tax revenues, State gasoline tax and motor vehicle license registration fees restricted for maintenance and repair of streets within the Village.

***Police Operating Fund*** The Police Operating fund accounts for proceeds from property taxes and other cash receipts restricted for Police Department operations and protection services.

***Debt Service Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

***General Obligation Bond Retirement Fund*** The General Obligation Bond Retirement Fund accounts for proceeds of property taxes and other cash receipts restricted for the servicing of debt issued with the voters' permission.

***Non-Voted Debt Fund*** The Non-Voted Debt accounts for disbursement of debt service obligations to bond and note obligations that were approved by action of the Village Council. Revenues for this fund consist of General Fund Transfers-In and interest.

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

---

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

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

**Shade Tree Assessment Fund** – This fund receives assessments to help maintain Village trees along Village roadways.

**Other Capital Projects Fund** -- This fund was utilized in 2020 to capture a substantial Street Improvement and Maintenance project for the Village.

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

Agency funds are purely custodial in nature and used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village’s agency fund accounts for Mayor’s Court revenue and disbursement activity.

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

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

***Budgetary Process***

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

**Appropriations** Budgetary expenditures (disbursements and encumbrances) may not exceed appropriations at the fund, department/division, and within each, the amount appropriated for personal services 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 re-appropriated.

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

---

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

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.

Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides 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 divides 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 *non-spendable* 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*. 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.

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

**Note 3 - Budgetary Activity**

Budgetary activity for the year ending 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,447,715	\$2,213,072	(\$234,643)
Special Revenue	2,098,773	2,124,906	26,133
Debt Service	247,520	243,403	(4,117)
Capital Projects	460,572	458,880	(1,692)
Total	\$5,254,580	\$5,040,260	(\$214,320)

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,264,619	\$2,055,968	\$208,651
Special Revenue	2,396,554	2,274,957	121,597
Debt Service	244,237	243,955	282
Capital Projects	452,195	449,597	2,598
Total	\$5,357,605	\$5,024,477	\$333,128

**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 Including Municipal Court	\$2,733,399
Total Deposits	\$2,733,399

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation and collateralized by securities specifically pledged by the financial institution to the Village.

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

---

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

The Village's deposits are collateralized by the financial institution's public entity deposit pool. The financial institution is in the process of joining OPCS; however, at December 31, 2020, the financial institution still maintained its own collateral pool.

**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 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.

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 one and one half percent income tax on substantially all earned income in the Village. In addition, Village residents employed in municipalities having an income tax can receive a credit up to one-half percent. Additional increases in the income tax rate require voter approval.

Employers within the Village withhold income tax on employee compensation and remit at least quarterly, and file an annual declaration.

The Village's income tax receipts pay the cost of administering the tax, general fund operations, capital improvements, debt service and other governmental functions as determined by Council. In 2020, the receipts were allocated to the general fund.

**Note 6 - Risk Management**

***Workers' Compensation***

Worker's 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.

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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

---

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

The Village is uninsured for the following risks:

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village’s policy. The Pool may make supplemental assessments if the experience of the overall pool is unfavorable. The Pool covers the following risks:

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

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

2020

Cash and investments	\$40,318,971
Actuarial liabilities	\$14,111,510

**Note 7 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare, 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 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, survivor and disability benefits. Members contributed 12% of their gross salaries and the Village contributed an amount equaling 19.50% of participants’ gross salaries.

***Social Security***

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

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

---

**Note 7 - Defined Benefit Pension Plans (Continued)**

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.

**Note 8 - Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2020. OP&F contributes 0.5 percent to fund these benefits.

As of January 1, 2019, OP&F changed its retiree health care model and the self-insured health care plan was no longer offered. The model was replaced by a stipend-based health care model. The stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees used for health care reimbursement expenses.

**Note 9 – Debt**

Debt outstanding at December 31, 2020 was as follows:

	Principal	Interest Rate
Taxable Redevelopment GO Refunding Bond - 2015	\$180,000	4.25%
Real Property Acquisition GO Refunding Bond - 2012	\$154,961	2.50%
Various Purpose GO Limited Tax Bond - 2008	\$120,000	4.2%-4.65%
Fire Truck Lease	\$288,517	3.57%
Total	\$743,478	

The 2002 Redevelopment Bonds totaling \$1,200,000 are for the purpose of acquiring and redeveloping property within the Village. The remaining balances of the 2002 issue were refunded during 2012 through the issuance of refunding bonds, Series 2012 totaling \$770,000.

The 2008 Redevelopment Bonds were originally issued for a total of \$2,195,000 for the purpose of acquiring property within the Village for redevelopment.

The 2005 Redevelopment Bonds were originally issued for a total of \$380,000 for the purpose of retiring the remaining outstanding balance of the 2005 Redevelopment Bonds. The 2005 Redevelopment Bonds were issued to acquire and redevelop property within the Village, supported by a bond levy passed by Village voters in 2004.

The Village's taxing authority collateralized the bonds.

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

**Note 9 – Debt (Continued)**

**Leases**

The Fire Truck Lease was signed in 2016, with the vehicle delivery occurring in 2017. The fire truck is for use by the Greenhills Volunteer Fire Department. The Village disbursed \$31,421 to pay lease costs for the year ended December 31, 2020.

**Amortization** The Amortization Schedule of the above debt, including interest, follows:

Year Ending December 31:	Leases	Taxable Redevelopment GO Refunding Bond 2015	Real Property Acquisition GO Refunding Bond 2012	Various Purpose GO Ltd Tax Bond 2008
2021	31,421	47,650	83,834	65,580
2022	31,421	50,950	83,834	62,790
2023	31,421	54,038	0	0
2024	31,421	46,912	0	0
2025	31,421	0	0	0
2026-2030	157,104	0	0	0
2031-2032	47,131			
Total	<u>\$361,340</u>	<u>\$199,550</u>	<u>\$167,668</u>	<u>\$128,370</u>

**Note 10 – Contingent Liabilities**

In 2020, the Village was a defendant in one lawsuit: Christopher Monroe v. Zachary Clark, et al. (Village of Greenhills). The case was dismissed on January 27, 2021. Management believes the resolution of this matter did not affect the Village’s financial condition.

**Note 11 – 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 and 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	Total
Outstanding Encumbrances	13,182	242,157	0	0	255,339
<i>Total</i>	<u>\$13,182</u>	<u>\$242,157</u>	<u>\$0</u>	<u>\$0</u>	<u>\$255,339</u>



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

---

**Note 11 – Fund Balances (Continued)**

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital project funds 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 12 – 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. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. In addition, the impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**This page intentionally left blank.**

**Village of Greenhills, Ohio**  
*Hamilton 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	Debt Service	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$364,904	\$877,366	\$36,600	\$0	\$1,278,870
Municipal Income Tax	1,309,765	0	0	0	1,309,765
Intergovernmental	112,466	275,686	5,763	0	393,915
Special Assessments	9,787	0	0	52,005	61,792
Charges for Services	315,512	178,501	0	0	494,013
Fines, Licenses and Permits	200,329	13,263	0	0	213,592
Earnings on Investments	14,775	34	3,939	0	18,748
Miscellaneous	56,782	6,300	0	0	63,082
<i>Total Cash Receipts</i>	<u>2,384,320</u>	<u>1,351,150</u>	<u>46,302</u>	<u>52,005</u>	<u>3,833,777</u>
<b>Cash Disbursements</b>					
Current:					
Security of Persons and Property	36,110	1,095,607	0	0	1,131,717
Leisure Time Activities	0	305,881	0	36,184	342,065
Community Environment	116,245	0	0	0	116,245
Basic Utility Services	263,935	0	0	0	263,935
Transportation		286,954	0	0	286,954
General Government	1,065,546	7,338	506	0	1,073,390
Capital Outlay	98,578	0	0	0	98,578
Debt Service:					
Principal Retirement	0	19,661	206,557	0	226,218
Interest and Fiscal Charges	0	11,759	32,761	0	44,520
<i>Total Cash Disbursements</i>	<u>1,580,414</u>	<u>1,727,200</u>	<u>239,824</u>	<u>36,184</u>	<u>3,583,622</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>803,906</u>	<u>(376,050)</u>	<u>(193,522)</u>	<u>15,821</u>	<u>250,155</u>
<b>Other Financing Receipts (Disbursements)</b>					
Transfers In	0	410,000	189,000	0	599,000
Transfers Out	(599,000)	0	0	0	(599,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(599,000)</u>	<u>410,000</u>	<u>189,000</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	204,906	33,950	(4,522)	15,821	250,155
<i>Fund Cash Balances, January 1</i>	<u>1,216,733</u>	<u>880,607</u>	<u>84,044</u>	<u>30,387</u>	<u>2,211,771</u>
<i>Nonspendable</i>					
<i>Restricted</i>	0	914,557	79,522	0	994,079
<i>Committed</i>	21,946	0	0	46,208	68,154
<i>Assigned</i>	616	0	0	0	616
<i>Unassigned (Deficit)</i>	1,399,077	0	0	0	1,399,077
<i>Fund Cash Balances, December 31</i>	<u>\$1,421,639</u>	<u>\$914,557</u>	<u>\$79,522</u>	<u>\$46,208</u>	<u>\$2,461,926</u>

See accompanying notes to the basic financial statements

*Village of Greenhills, Ohio*  
*Hamilton County*  
*Combined Statement of Receipts, Disbursements, and*  
*Changes in Fund Balance (Regulatory Cash Basis)*  
*Fiduciary Fund Type for the Year Ended December 31, 2019*

	<u>Fiduciary Fund Type – Custodial</u>
Non-Operating Receipts (Disbursements)	
Other Financing Sources	\$127,512
Other Financing Uses	<u>(125,918)</u>
Total Non-Operating Receipts (Disbursements)	1,594
Fund Cash Balance January 1	261
Fund Cash Balance December 31	\$1,855

See Accompanying Notes to the Basic Financial Statements

**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 1 - Reporting Entity**

The Village of Greenhills (the Village), Hamilton 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 police protection, parks and recreation, building inspection, street maintenance and repairs, and refuse collection. The Village contracts with the Greenhills Volunteer Fire Department to receive fire protection services.

**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, providing the balance 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 Maintenance and Repair*** The Street Maintenance and Repair fund accounts receive proceeds from property tax revenues, State gasoline tax and motor vehicle license registration fees restricted for maintenance and repair of streets within the Village.

***Police Operating Fund*** The Police Operating fund accounts for proceeds from property taxes and other cash receipts restricted for Police Department operations and protection services.

***Debt Service Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds:

***General Obligation Bond Retirement Fund*** The General Obligation Bond Retirement Fund accounts for proceeds of property taxes and other cash receipts restricted for the servicing of debt issued with the voters' permission.

***Non-Voted Debt Fund*** The Non-Voted Debt accounts for disbursement of debt service obligations to bond and note obligations that were approved by action of the Village Council. Revenues for this fund consist of General Fund Transfers-In and interest.

**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

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

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

**Shade Tree Assessment Fund** – This fund receives assessments to help maintain Village trees along Village roadways.

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

Agency funds are purely custodial in nature and used to hold resources for individuals, organizations or other governments. The Village disburses these funds as directed by the individual, organization or other government. The Village’s agency fund accounts for Mayor’s Court revenue and disbursement activity.

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

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

***Budgetary Process***

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

**Appropriations** Budgetary expenditures (disbursements and encumbrances) may not exceed appropriations at the fund, department/division, and within each, the amount appropriated for personal services 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 re-appropriated.

A summary of 2019 budgetary activity appears in Note 3.

**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

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

***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.

Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides 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 divides 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 *non-spendable* when legally or contractually required to maintain the amounts intact.

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

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

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

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

**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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

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

**Note 3 - Budgetary Activity**

Budgetary activity for the year ending 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,289,319	\$2,384,319	\$95,000
Special Revenue	1,824,503	1,761,149	(63,354)
Debt Service	236,900	235,303	(1,597)
Capital Projects	52,211	52,005	(206)
Total	\$4,402,933	\$4,432,775	\$29,842

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,579,265	\$2,201,974	\$377,291
Special Revenue	1,932,882	1,748,962	183,920
Debt Service	240,122	239,825	297
Capital Projects	63,411	36,184	27,227
Total	\$4,815,680	\$4,226,945	\$588,735

**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 Including Municipal Court	\$2,463,781
Total Deposits	\$2,463,781

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation and collateralized by securities specifically pledged by the financial institution to the Village.



**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

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

The Village's deposits are collateralized by the financial institution's public entity deposit pool. The financial institution is in the process of joining OPCS; however, at December 31, 2019, the financial institution still maintained its own collateral pool.

**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 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.

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 one and one half percent income tax on substantially all earned income in the Village. In addition, Village residents employed in municipalities having an income tax can receive a credit up to one-half percent. Additional increases in the income tax rate require voter approval.

Employers within the Village withhold income tax on employee compensation and remit at least quarterly, and file an annual declaration.

The Village's income tax receipts pay the cost of administering the tax, general fund operations, capital improvements, debt service and other governmental functions as determined by Council. In 2019, the receipts were allocated to the general fund.

**Note 6 - 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.

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

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

The Village is uninsured for the following risks:

***Risk Pool Membership***

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village’s policy. The Pool may make supplemental assessments if the experience of the overall pool is unfavorable. The Pool covers the following risks:

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

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

2019

Cash and investments	\$38,432,610
Actuarial liabilities	\$14,705,917

**Note 7 - Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare, 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, 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, survivor and disability benefits. Members contributed 12% of their gross salaries and the Village contributed an amount equaling 19.50% of participants’ gross salaries.

***Social Security***

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

**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 7 - Defined Benefit Pension (Continued)**

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

**Note 8 - Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2019. OP&F contributes 0.5 percent to fund these benefits.

As of January 1, 2019, OP&F changed its retiree health care model and the self-insured health care plan was no longer offered. The model was replaced by a stipend-based health care model. The stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees used for health care reimbursement expenses.

**Note 9 – Debt**

Debt outstanding at December 31, 2019 was as follows:

	Principal	Interest Rate
Taxable Redevelopment GO Refunding Bond - 2015	\$215,000	4.25%
Real Property Acquisition GO Refunding Bond - 2012	\$233,446	2.50%
Various Purpose GO Limited Tax Bond - 2008	\$225,000	4.2%-4.65%
Fire Truck Lease	\$308,706	3.57%
Total	\$982,152	

The 2002 Redevelopment Bonds totaling \$1,200,000 are for the purpose of acquiring and redeveloping property within the Village. The remaining balances of the 2002 issue were refunded during 2012 through the issuance of refunding bonds, Series 2012 totaling \$770,000.

The 2008 Redevelopment Bonds were originally issued for a total of \$2,195,000 for the purpose of acquiring property within the Village for redevelopment.

The 2005 Redevelopment Bonds were originally issued for a total of \$380,000 for the purpose of retiring the remaining outstanding balance of the 2005 Redevelopment Bonds. The 2005 Redevelopment Bonds were issued to acquire and redevelop property within the Village, supported by a bond levy passed by Village voters in 2004.

The Village's taxing authority collateralized the bonds.

**Village of Greenhills, Ohio**  
*Hamilton County Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 9 – Debt (Continued)**

***Leases***

The Fire Truck Lease was signed in 2016, with the vehicle delivery occurring in 2017. The fire truck is for use by the Greenhills Volunteer Fire Department. The Village disbursed \$31,420 to pay lease costs for the year ended December 31, 2019.

***Amortization***

The Amortization Schedule of the above debt, including interest, follows:

Year Ending December 31:	Leases	Taxable Redevelopment GO Refunding Bond 2015	Real Property Acquisition GO Refunding Bond 2012	Various Purpose GO Ltd Tax Bond 2008
2020	31,421	44,138	83,834	115,463
2021	31,421	47,650	83,834	65,580
2022	31,421	50,950	83,834	62,790
2023-2027	157,104	100,950	0	0
2028-2032	141,390	0	0	0
Total	<u>\$392,757</u>	<u>\$243,688</u>	<u>\$251,502</u>	<u>\$243,833</u>

**Note 10 – Contingent Liabilities**

In 2019, the Village was a defendant in two lawsuits. The State Court case was dismissed August 30, 2019. The US District Court of Appeals case was dismissed February 2, 2019. Management believes that the resolution of these matters did not materially adversely affect the Village’s financial condition.

**Note 11 – COVID-19**

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

# OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash  
11117 Kenwood Road  
Blue Ash, Ohio 45242-1817  
(513) 361-8550 or (800) 368-7419  
SouthwestRegion@ohioauditor.gov

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

Village of Greenhills  
Hamilton County  
11000 Winton Road  
Greenhills, Ohio 45218

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and fiduciary fund type as of and for the year ended December 31, 2019, and the related notes of the Village of Greenhills, Hamilton County and have issued our report thereon dated August 31, 2021, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Village.

### ***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***Compliance and Other Matters***

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

***Purpose of this Report***

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



Keith Faber  
Auditor of State  
Columbus, Ohio  
August 31, 2021



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**DECEMBER 31, 2020 AND 2019**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2018-001	Internal controls over Financial Reporting	Partially Corrected	Reissued in the Management Letter







# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF GREENHILLS**

**HAMILTON 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 9/30/2021**

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)