



**CAMDEN TOWNSHIP  
LORAIN COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED  
DECEMBER 31, 2021 & 2020**



OHIO AUDITOR OF STATE  
KEITH FABER



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

Board of Trustees  
Camden Township  
42 Court Street  
Kipton, OH 44049

We have reviewed the *Independent Auditor's Report* of the Camden Township, Lorain County, prepared by Canter & Associates, 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 Camden Township is responsible for compliance with these laws and regulations.

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

Keith Faber  
Auditor of State  
Columbus, Ohio

December 27, 2022

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**CAMDEN TOWNSHIP  
LORAIN COUNTY**

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CERTIFIED PUBLIC ACCOUNTANTS

6400 Olde Stone Crossing  
Poland, Ohio 44514  
Ph: 330.707.9035  
Fax: 888.516.1186  
[www.cantercpa.net](http://www.cantercpa.net)

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## INDEPENDENT AUDITOR'S REPORT

Camden Township  
Lorain County  
42 Court Street  
Kipton, Ohio 44049

To the Board of Trustees:

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

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

We have audited the financial statements of Camden Township, Lorain County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements.

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

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

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

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

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township, 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 Township on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Emphasis of Matter***

As discussed in Note 11 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

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

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

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

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

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.



- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township'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 Township'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 November 15, 2022, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township'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 Township's internal control over financial reporting and compliance.



**Canter & Associates**

Poland, Ohio

November 15, 2022

# Camden Township

Lorain County, Ohio

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

All Governmental Fund Types  
For the Year Ended December 31, 2021

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Permanent Funds	
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 125,166	\$ 321,567	\$ -	\$ 446,733
Charges for Services	-	8,501	-	8,501
Licenses, Permits, and Fees	1,977	14,385	-	16,362
Intergovernmental	56,338	255,387	-	311,725
Earnings on Investments	534	34	32	600
Miscellaneous	7,213	2,692	-	9,905
<i>Total Cash Receipts</i>	<u>191,228</u>	<u>602,566</u>	<u>32</u>	<u>793,826</u>
<b>Cash Disbursements</b>				
Current:				
General Government	144,618	9,019	-	153,637
Public Safety	-	69,847	-	69,847
Public Works	-	185,151	-	185,151
Health	-	9,474	-	9,474
Other	-	-	32	32
Capital Outlay	5,444	-	-	5,444
<i>Total Cash Disbursements</i>	<u>150,062</u>	<u>273,491</u>	<u>32</u>	<u>423,585</u>
<i>Net Change in Fund Cash Balances</i>	41,166	329,075	-	370,241
Fund Cash Balances, January 1	<u>220,723</u>	<u>1,308,991</u>	<u>4,000</u>	<u>1,533,714</u>
<i>Total Fund Cash Balances, December 31</i>	<u>\$ 261,889</u>	<u>\$ 1,638,066</u>	<u>\$ 4,000</u>	<u>\$ 1,903,955</u>

*The notes to the financial statements are an integral part of this statement.*

## Camden Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2021*

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#### **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Camden Township, Lorain County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance and fire protection and emergency medical services. The Township contracts with Henrietta Township to provide fires services to an area of Henrietta Township bordering Camden Township to the north.

#### ***Public Entity Risk Pools***

The Township participates in the Ohio Township Association Risk Management Authority (OTAMRA), a public entity risk pool. See Note 6 to the financial statements provides additional information for this entity.

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

#### **Note 2 – Summary of Significant Accounting Policies**

#### ***Basis of Presentation***

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types.

#### ***Fund Accounting***

The Township 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 Camden Township 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 Township 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 Township had the following significant Special Revenue Funds:

***Gas Tax Fund*** The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within Camden Township.

***Motor Vehicle License Tax Fund*** The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within Camden Township.

## Camden Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2021*

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**Road and Bridge Fund** This fund receives property tax money for constructing, maintaining and repairing roads and bridges within Camden Township.

**Road Improvement Fund** This fund receives tax money for construction, reconstruction, and resurfacing of Camden Township roads.

**Fire Fund** This fund receives tax money for payroll and equipment, supplies, and maintenance of the Camden Fire Department.

**Cemetery Fund** This fund utilizes fees to fund salaries and upkeep of the Camden Township cemetery.

**Coronavirus Relief Fund** Camden Township received this federal stimulus relief funding due to the COVID-19 public health emergency. The proceeds were to be restricted for approved unbudgeted expenditures incurred between March 1 and December 31 of 2021.

**American Rescue Plan Fund** Camden Township received the first distribution of the ARP Funds in 2021 and will receive a similar distribution in 2022. The total amount received was \$74, 216. The proceeds are to be utilized for approved unbudgeted expenses in the recovery from the Coronavirus public health emergency.

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

**Assistance to Firefighters Grant** The township received a grant from FEMA for \$99,338.93 with a matching township portion of at least \$4,966.95 for the acquisition of Self Contained Breathing Apparatus (SCBA) for the Camden Fire Department. The equipment and funds were not received as of December 31, 2021.

**Permanent Funds** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Memorial Day CD Fund** This fund receives interest earned on a non-expendable balance. Interest is to be used for Kipton Memorial Day Parade expenses.

#### ***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 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).

## Camden Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2021*

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

#### ***Budgetary Process***

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

***Appropriations*** Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Board of Trustees 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2021 budgetary activity appears in Note 3.

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

The Township'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.

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

Star Plus is a cash management program that provides Ohio political subdivisions with access to multiple FDIC insured banks via one account.

#### ***Capital Assets***

Camden Township 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 a percentage of their 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Camden Township**  
Lorain County

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

***Nonspendable*** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

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

***Committed*** Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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*.

***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 Township applies restricted resources last 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 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$207,550	\$191,228	\$16,322
Special Revenue	678,052	602,566	75,486
Permanent	65	32	33
Total	\$885,667	\$793,826	\$91,841

**Camden Township**  
Lorain County

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$339,537	\$150,062	\$189,475
Special Revenue	957,305	273,685	683,620
Permanent	65	32	33
Total	\$1,296,907	\$423,779	\$873,128

**Note 4 – Deposits and Investments**

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

	2021
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$1,237,024
Certificates of deposit	4,000
Total deposits	1,241,024
STAR Ohio	662,931
Total investments	662,931
<i>Total carrying amount of deposits and investments held in the Pool</i>	\$1,903,955

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2021, the Township is holding \$271 in unremitted employee payroll withholdings.

***Deposits***

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

***Investments***

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

**Camden Township**  
*Lorain County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 5 – Property Taxes**

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

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

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

**Note 6 – Risk Management**

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Township 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***

Camden Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of Camden Township's policy. The Pool covers the following risks:

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

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

	<u>2021</u>
Cash and Investments	\$34,880,599
Actuarial liabilities	10,601,444



**Camden Township**  
*Lorain County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Township 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 health care and survivor and disability benefits.

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

***Social Security***

27 Township 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 Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

**Note 8 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit post-employment plan, which includes 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.

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

**Note 9 – Contingent Liabilities-Green Circle Growers Real Estate Tax Payback**

In 2021, GCG won a lawsuit exempting company-owned structures from real estate tax assessment. The estimated total payback as calculated by the Lorain County Auditor for Camden Township was \$595,159. During 2021, Camden Township appropriated \$130,041 for the General Fund, \$152,462 in the Road and Bridge Fund, \$53,810 for the Fire Fund, and \$112,105 in the Road Levy. Appropriations were held in contingency accounts in each of the four funds in anticipation of potential payback of tax revenue to Green Circle Growers (GCG). Towards the close of 2021, the County Auditor informed our administrative team that the real estate tax revenue payback would be accomplished through the withholding of all four 2022 real estate distributions and not through the appropriated funds held in four accounts as outlined above.

**Camden Township**

*Lorain County*

*Notes to the Financial Statements  
For the Year Ended December 31, 2021*

Amounts grantor agencies pay to the township 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 10 – Fund Balances**

Included in fund balance are amounts the Township 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 facilities effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	<u>0</u>	<u>194</u>	<u>0</u>	<u>194</u>
Total	<u>\$0</u>	<u>\$194</u>	<u>\$0</u>	<u>\$194</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and permanent funds are restricted, committed, or assigned. 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 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 Township. The Township’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

The 2021 activity includes a total expenditures of \$38,879 in Cares Act funds and \$1,479 which was returned to the granting agency. The amounts returned to the granting agency are reflected as a reduction of intergovernmental revenue in the applicable Special Revenue Fund.

## Camden Township

Lorain County, Ohio

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

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Permanent Funds	
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$ 124,526	\$ 320,467	\$ -	\$ -	\$ 444,993
Charges for Services	-	8,500	-	-	8,500
Licenses, Permits, and Fees	1,550	8,475	-	-	10,025
Intergovernmental	48,431	278,526	201,660	-	528,617
Earnings on Investments	4,421	356	-	64	4,841
Miscellaneous	12,188	8,383	-	-	20,571
<i>Total Cash Receipts</i>	191,116	624,707	201,660	64	1,017,547
<b>Cash Disbursements</b>					
Current:					
General Government	142,699	16,886	-	-	159,585
Public Safety	-	85,131	-	-	85,131
Public Works	-	355,447	-	-	355,447
Health	-	7,918	-	-	7,918
Human Services	-	30,000	-	-	30,000
Other	-	-	-	64	64
Capital Outlay	7,525	-	201,660	-	209,185
<i>Total Cash Disbursements</i>	150,224	495,382	201,660	64	847,330
<i>Excess of Receipts Over/(Under) Disbursements</i>	40,892	129,325	-	-	170,217
<b>Other Financing Receipts/(Disbursements)</b>					
Sale of Capital Assets	-	13,800	-	-	13,800
<i>Total Other Financing Receipts/(Disbursements)</i>	-	13,800	-	-	13,800
<i>Net Change in Fund Cash Balances</i>	40,892	143,125	-	-	184,017
<i>Fund Cash Balances, January 1</i>	179,831	1,165,866	-	4,000	1,349,697
<i>Fund Cash Balances, December 31</i>	<b>\$ 220,723</b>	<b>\$ 1,308,991</b>	<b>\$ -</b>	<b>\$ 4,000</b>	<b>\$ 1,533,714</b>

The notes to the financial statements are an integral part of this statement.

## Camden Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2020*

---

#### **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Camden Township, Lorain County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance and fire protection and emergency medical services. The Township contracts with Henrietta Township to provide fires services to an area of Henrietta Township bordering Camden Township to the north.

#### ***Public Entity Risk Pools***

The Township participates in the Ohio Township Association Risk Management Authority (OTAMRA), a public entity risk pool. See Note 6 to the financial statements provides additional information for this entity.

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

#### **Note 2 – Summary of Significant Accounting Policies**

#### ***Basis of Presentation***

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types.

#### ***Fund Accounting***

The Township 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 Camden Township 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 Township 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 Township had the following significant Special Revenue Funds:

***Gas Tax Fund*** The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within Camden Township.

***Motor Vehicle License Tax Fund*** The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within Camden Township.

## Camden Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2020*

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**Road and Bridge Fund** This fund receives property tax money for constructing, maintaining and repairing roads and bridges within Camden Township.

**Road Improvement Fund** This fund receives tax money for construction, reconstruction, and resurfacing of Camden Township roads.

**Fire Fund** This fund receives tax money for payroll and equipment, supplies, and maintenance of the Camden Fire Department.

**Cemetery Fund** This fund utilizes fees to fund salaries and upkeep of the Camden Township cemetery.

**Coronavirus Relief Fund** Camden Township received this federal stimulus relief funding due to the COVID-19 public health emergency. The proceeds were to be restricted for approved unbudgeted expenditures incurred between March 1 and December 30 of PY2020.

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

**Fire Department Brush Truck Fund** The township received a FEMA Assistance to Firefighters Grant (AFG) for purchase of a fire truck. The proceeds were restricted for this purchase.

**Fire Department Jaws of Life Fund** The township received a FEMA Assistance to Firefighters Grant (AFG) grant for purchase of safety equipment. The proceeds were restricted for this purchase.

**Permanent Funds** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Memorial Day CD Fund** This fund receives interest earned on a non-expendable balance. Interest is to be used for Kipton Memorial Day Parade expenses.

#### ***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 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 (C) permit.

## Camden Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2020*

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#### ***Budgetary Process***

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

***Appropriations*** Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Board of Trustees 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2020 budgetary activity appears in Note 3.

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

The Township'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.

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

Star Plus is a cash management program that provides Ohio political subdivisions with access to multiple FDIC insured banks via one account.

#### ***Capital Assets***

Camden Township 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 a percentage of their 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Camden Township**  
Lorain County

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

***Nonspendable*** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

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

***Committed*** Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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*.

***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 Township applies restricted resources last 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	\$210,217	\$191,116	\$19,101
Special Revenue	602,013	638,507	(36,494)
Capital Projects	203,152	201,660	1,492
Permanent	64	64	0
Total	\$1,015,446	\$1,031,347	(\$15,901)

**Camden Township**  
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*Notes to the Financial Statements*  
For the Year Ended December 31, 2020

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$216,877	\$153,223	\$63,654
Special Revenue	725,276	525,429	199,847
Capital Projects	203,152	201,660	1,492
Permanent	64	64	0
Total	\$1,145,369	\$880,376	\$264,993

**Note 4 – Deposits and Investments**

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

	2020
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$867,314
Certificates of deposit	4,000
Total deposits	871,314
STAR Ohio	306,397
STAR Ohio Plus	356,003
Total investments	662,400
<i>Total carrying amount of deposits and investments held in the Pool</i>	\$1,533,714

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the Township is holding \$259 in unremitted employee payroll withholdings.

***Deposits***

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

***Investments***

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



**Camden Township**  
*Lorain County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2020*

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**Note 5 – Property Taxes**

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

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

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

**Note 6 – Risk Management**

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Township 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***

Camden Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of Camden Township's policy. The Pool covers the following risks:

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

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

	<u>2020</u>
Cash and Investments	\$36,348,066
Actuarial liabilities	10,894,146

**Camden Township**

*Lorain County*

*Notes to the Financial Statements  
For the Year Ended December 31, 2020*

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**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Township 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 health care and survivor and disability benefits.

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

***Social Security***

Twenty-eight Township 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 Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2020.

**Note 8 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit post-employment plan, which includes 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.

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

**Note 9 – Contingent Liabilities**

Green Circle Growers is settling a suit in court dealing with taxes levied on their property and operations. In the event they win the suit, entities such as Camden Township and the Firelands Local School District will be obligated to pay back taxes.

On opinion from the county prosecutor's office, Contingency Accounts were established in the four millage accounts for just such a purpose. The estimated amounts set aside were from a March 13, 2020 calculation from the Lorain County tax settlement office:

**Camden Township**

*Lorain County*

*Notes to the Financial Statements  
For the Year Ended December 31, 2020*

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General fund - \$100,927  
Road and Bridge fund - \$116,395  
Road Levy fund - \$102,444  
Fire and EMS fund - \$44,880

Camden Township Fire Department received an Assistance to Firefighters federal (AFG) grant for \$170,186 used to purchase a new brush truck. A capital fund account (Fund 4903) was set up for this grant.

Camden Fire Department also received an AFG grant for \$31,474 for purchase of a Jaws of Life rescue system. A capital fund account (Fund 4904) was set up for this grant.

In addition, the Township purchased a 2020 truck for the Maintenance department for \$135,752.

Amounts grantor agencies pay to the township 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 10 – Fund Balances**

Included in fund balance are amounts the Township 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 facilities effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	<u>2,999</u>	<u>30,047</u>	<u>0</u>	<u>33,046</u>
Total	<u>\$2,999</u>	<u>\$30,047</u>	<u>\$0</u>	<u>\$33,046</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and permanent funds are restricted, committed, or assigned. 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 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 Township. The Township’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**Camden Township**

*Lorain County*

*Notes to the Financial Statements  
For the Year Ended December 31, 2020*

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During 2020, Camden Township received a total of \$102,799 in Coronavirus Relief Fund (CARES ACT) funding. Of the amounts received, \$30,000 was sub-granted to other governments and organizations, \$20,983 was spent on Hazard Pay for fire department personnel and maintenance personnel, and \$11,458 was spent on equipment, supplies, and materials for the fire department and to upgrade township rental facilities. These amounts are reflected as general government expenditures in the Coronavirus Relief Special Revenue Fund on the accompanying financial statements.



6400 Olde Stone Crossing  
Poland, Ohio 44514  
Ph: 330.707.9035  
Fax: 888.516.1186

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**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***

Camden Township  
Lorain County  
42 Court Street  
Kipton, Ohio 44049

To the Board of Trustees:

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 fund type combined total as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements of Camden Township, Lorain County (the Township), and have issued our report thereon dated November 15, 2022, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township.

**Report Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the 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 Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

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

As part of obtaining reasonable assurance about whether the Township'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 determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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 Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CANTER & ASSOCIATES**

Poland, Ohio

November 15, 2022

# OHIO AUDITOR OF STATE KEITH FABER



**CAMDEN TOWNSHIP**

**LORAIN COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 1/10/2023**

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)