



OHIO AUDITOR OF STATE
KEITH FABER



**VILLAGE OF GEORGETOWN
BROWN COUNTY
DECEMBER 31, 2021 AND 2020**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Village of Georgetown
Brown County
301 S. Main Street
Georgetown, Ohio 45121

To the Village Council:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Village of Georgetown, Brown County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary 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 and proprietary fund type and the fiduciary 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 Village, as of December 31, 2021 and 2020, or the changes in financial position or, where applicable, cash flows thereof for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and 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 Village's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2024, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
August 29, 2024

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Village of Georgetown, Ohio*Brown County**Combined Statement of Receipts, Disbursements**and Changes in Fund Balances (Regulatory Cash Basis)**All Governmental Fund Types**For the Year Ended December 31, 2021*

	General	Special Revenue	Debt Service	Permanent	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$249,656	\$576,841	\$0	\$0	\$826,497
Municipal Income Tax	871,196	304,903	0	0	1,176,099
Intergovernmental	83,216	503,117	0	0	586,333
Charges for Services	57,727	615,941	0	0	673,668
Fines, Licenses and Permits	125,314	14,092	0	0	139,406
Earnings on Investments	81,619	6,528	0	5,473	93,620
Miscellaneous	42,459	4,398	0	0	46,857
<i>Total Cash Receipts</i>	<u>1,511,187</u>	<u>2,025,820</u>	<u>0</u>	<u>5,473</u>	<u>3,542,480</u>
Cash Disbursements					
Current:					
Security of Persons and Property	829,076	857,703	0	0	1,686,779
Public Health Services	9,702	63,311	0	16,386	89,399
Leisure Time Activities	8,853	3,987	0	0	12,840
Community Environment	63,971	1,916	0	0	65,887
Basic Utility Services	10,400	0	0	0	10,400
Transportation	0	148,817	0	0	148,817
General Government	316,361	184,997	0	0	501,358
Capital Outlay	288,984	388,734	0	0	677,718
Debt Service:					
Principal Retirement	0	10,324	0	0	10,324
Interest and Fiscal Charges	0	3,870	0	0	3,870
<i>Total Cash Disbursements</i>	<u>1,527,347</u>	<u>1,663,659</u>	<u>0</u>	<u>16,386</u>	<u>3,207,392</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(16,160)</u>	<u>362,161</u>	<u>0</u>	<u>(10,913)</u>	<u>335,088</u>
<i>Net Change in Fund Cash Balances</i>	(16,160)	362,161	0	(10,913)	335,088
<i>Fund Cash Balances, January 1</i>	<u>2,744,894</u>	<u>3,547,869</u>	<u>26,722</u>	<u>220,391</u>	<u>6,539,876</u>
<i>Fund Cash Balances, December 31</i>	<u>\$2,728,734</u>	<u>\$3,910,030</u>	<u>\$26,722</u>	<u>\$209,478</u>	<u>\$6,874,964</u>

See accompanying notes to the basic financial statements

Village of Georgetown, Ohio*Brown County**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)**All Proprietary Fund Types**For the Year Ended December 31, 2021*

	<u>Proprietary Fund Types</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$6,795,858
<i>Total Operating Cash Receipts</i>	<u>6,795,858</u>
Operating Cash Disbursements	
Personal Services	945,070
Employee Fringe Benefits	384,943
Contractual Services	3,707,957
Supplies and Materials	419,172
Other	76,643
<i>Total Operating Cash Disbursements</i>	<u>5,533,785</u>
<i>Operating Income (Loss)</i>	<u>1,262,073</u>
Non-Operating Receipts (Disbursements)	
Intergovernmental Receipts	180,394
Loans Issued	4,101
Miscellaneous Receipts	30,956
Capital Outlay	(931,603)
Principal Retirement	(504,968)
Interest and Other Fiscal Charges	(101,347)
Other Financing Uses	(2,712)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(1,325,179)</u>
<i>Income (Loss) before Transfers</i>	(63,106)
Transfers In	86,000
Transfers Out	(86,000)
<i>Net Change in Fund Cash Balances</i>	(63,106)
<i>Fund Cash Balances, January 1</i>	<u>9,253,521</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$9,190,415</u></u>

See accompanying notes to the basic financial statements

Village of Georgetown, Ohio

Brown County

*Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)*

All Fiduciary Fund Types

For the Year Ended December 31, 2021

	Fiduciary Fund Types		Combined Total
	Private Purpose Trust	Custodial Other Custodial	
Additions			
Fines, Licenses and Permits for Distribution	\$0	\$138,405	\$138,405
Earnings on Investments (trust funds only)	44	0	44
<i>Total Additions</i>	<u>44</u>	<u>138,405</u>	<u>138,449</u>
Deductions			
Distributions to Other Governments	0	23,563	23,563
Distributions to Other Funds (Primary Gov't)	0	113,562	113,562
Other Distributions	50	1,280	1,330
<i>Total Deductions</i>	<u>50</u>	<u>138,405</u>	<u>138,455</u>
<i>Net Change in Fund Balances</i>	(6)	0	(6)
<i>Fund Cash Balances, January 1</i>	<u>7,814</u>	<u>0</u>	<u>7,814</u>
<i>Fund Cash Balances, December 31</i>	<u>\$7,808</u>	<u>\$0</u>	<u>\$7,808</u>

See accompanying notes to the basic financial statements

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**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 1 - Reporting Entity

The Village of Georgetown (the Village), Brown 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 water, sewer and electric utilities, refuse pickup, cemetery and park operations and police, fire, and emergency medical services.

Public Entity Risk Pools

The Village participates in a public entity risk pool. Notes 7 and 13 to the financial statements provide additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Street Construction, Maintenance, and Repair Fund – The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing streets within the Village. This fund also accounts for a percentage of monies collected from the municipal income tax for constructing and maintenance of roads, streets and alleys.

Municipal Income Tax Fund – This fund receives income tax receipts allocated for the cost of collection set by the annual appropriations. Municipal income tax distributions are set by Ordinance to the General, Street, Fire-EMS, Fire-EMS Capital and Park Funds; with any remaining monies in the income tax fund to be used for construction and maintenance of roads, streets and alleys.

Fire-EMS Fund - This fund receives fees from ambulance runs; contract money from various townships in which the Village Fire-EMS Department covers; and property tax money for the operation and upkeep of the Georgetown Fire-EMS Department.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

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 fund:

OWDA Fund – This fund was derived from a debt service restricted for a water/sewer project from a previous fiscal year and carries the remaining balance; but has had no activity.

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 Village had the following significant Permanent Fund:

Robinson Cemetery Trust Fund – This fund accounts for a trust agreement under which the earnings may be used for the care of a certain family lot located in Confidence Cemetery, Georgetown, Ohio. Any remaining monies may be used for the beautification and care of the grounds only and shall not be used for the tombstones or monuments for non-family members. The monies are invested in a certificate of deposit.

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

Water Fund – This fund receives charges for services from residents to cover water service costs.

Sewer Fund – This fund receives charges for services from residents to cover sewer service costs.

Electric Fund – This fund receives charges for services from residents to cover the cost of providing electric service.

Trash Fund – This fund receives charges for services from residents to cover the cost of providing trash collection service.

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

The Village's private purpose trust funds account for programs that are designed to help the poor and to benefit a certain individual per the terms of her will.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial funds account for Mayor's Court and Community Improvement Corporation. Mayor's Court receives monies from collections of fines imposed from tickets issued by the Village's police protection force. The funds collected, are in part, on behalf of the State of Ohio. Community Improvement Corporation proceeds from sales of property.

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

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

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 Council recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a

liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

Budgetary Process

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

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

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

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

A summary of 2021 budgetary activity appears in Note 3.

Deposits and Investments

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

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.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance

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

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 14.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 3 – Budgetary Activity

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

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,584,102	\$1,511,187	(\$72,915)
Special Revenue	1,913,194	2,025,820	112,626
Debt Service	0	0	0
Permanent	4,200	5,473	1,273
Enterprise	7,290,245	7,097,309	(192,936)
Total	\$10,791,741	\$10,639,789	(\$151,952)

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,469,610	\$ 1,558,852	\$ 910,758
Special Revenue	2,504,042	1,749,592	754,450
Debt Service	26,722	-	26,722
Permanent	17,660	16,386	1,274
Enterprise	9,160,807	7,771,923	1,388,884
Total	\$ 14,178,841	\$ 11,096,753	\$ 3,082,088

Note 4 – Deposits

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

<u>Cash Management Pool:</u>	<u>2021</u>
Demand Deposits	\$ 13,744,275
Certificates of Deposit	1,000,000
Other time deposits (savings and NOW accounts)	127,282
Total Deposits	\$ 14,871,557
STAR Ohio	1,201,630
Total Investments	1,201,630
Total deposits and investments held in the Pool	\$ 16,073,186

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2021 the village is holding \$0.00 in unremitted employee payroll withholdings.

At December 31, 2021, the Village held \$0.00 in equity securities. Equity securities are not eligible investments for the Village under Ohio law.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 4 – Deposits (continued)

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; collateralized by securities specifically pledged by the financial institution's public entity deposit pool; 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 and mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Taxes

Property Taxes

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

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

Income Taxes

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

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

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 6 – Interfund Transfers

During 2020, the following transfers were made from the Water, Sewer and Electric Funds to their corresponding Improvement and Replacement Reserve Funds in accordance with the Village’s ordinance #935, #744, and #822, respectively:

	Transfers - In	Transfers - Out
Water Fund	\$ -	\$ (12,000)
Water I & R	12,000	-
Sewer Fund	-	(26,000)
Sewer I & R	26,000	-
Electric Fund	-	(48,000)
Electric I & R	48,000	-
	\$ 86,000	\$ (86,000)

Note 7 - Risk Management

The Village is exposed to various risks of property and casualty losses, and injuries to employees.

Village insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

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 (local entity’s) policy. The Pool covers the following risks:

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

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

	2021
Cash and investments	\$ 41,996,850
Actuarial liabilities	\$ 14,974,099

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 8 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

All full-time and part-time employees that are not a full-time Police Officer; full-time Firefighter-EMT; Firefighter; or EMT belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

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

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F-Police participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village contributed to OP&F an amount equal to 24.0% of full-time fire-ems members' wages. The Village has paid all contributions required through December 31, 2021.

Social Security

Volunteer Fire Fighters and Emergency Medical Services and part-time Fire-EMS Village employees contributed to social Security. Elected Officials choosing to opt out of contributing to OPERS also contribute to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

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

Note 9 - Postemployment Benefits

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

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

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 10 - Debt

Debt outstanding at December 31, 2021 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Water Mortgage Revenue Bonds	\$ 326,717	5.88%
OPWC - CT81M	30,585	0.00%
OPWC - CO070	400,000	0.00%
OWDA #6086	336,540	1.00%
OWDA #6379	113,869	1.50%
OWDA #6384	4,714,199	1.00%
OWDA #7488	95,969	2.51%
OWDA #7661	1,324,216	1.83%
OWDA #7890	97	0.00%
Life Squad Bond	72,972	4.68%
OWDA #9448	1,389	1.73%
Total	<u>\$ 7,416,553</u>	

The Mortgage Revenue Bonds were used to expand water lines in 1992. The original bonds were for \$765,000 and were for a water hook up with Brown County Rural Water lines. The bonds are payable over 38 years and are collateralized by future earnings afforded by the system. The bonds will be retired from the Water Fund.

The Ohio Public Works Commission (OPWC) Loan CT81M relates to WWTP High Flow Management Upgrades. The loan was for \$64,390, with zero percent interest. The Village will repay this loan in semiannual installments of \$1,609.74 over 20 years. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover payment requirements. Payments are made from the Sewer Fund.

The Ohio Public Works Commission (OPWC) loan CO070 relating to the Town Run Pump Station SSO Elimination/WWTP Improvements for \$500,000. The Village will repay the loans in semiannual installments of \$8,333, with zero interest, over 30 years. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the OPWC loan requirements. Payments are made from the Sewer Fund.

The Ohio Water Development Association (OWDA) Loan #6086 relates to Possum Run Pump Station SSO Elimination. The original loan amount was for \$561,615 with an interest rate of 1.00% and is set to mature on January 1, 2033. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Association (OWDA) Loan #6379 relates to Town Run Pump Station SSO Elimination/WWTP Improvement. Total financed amount is \$144,076. The interest rate on this loan is 1.50% and is set to mature January 1, 2044. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Association (OWDA) Loan #6384 relates to Town Run WWTP Improvement. The original loan amount was for \$7,273,126 with an interest rate of 1.00%, and is set to mature January 1, 2034. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 10 – Debt (Continued)

The Ohio Water Development Association (OWDA) Loan #7488 relates to the design for water tower. The OWDA has approved financing for \$117,000 with an interest rate of 2.51%. Water receipts collateralize the loan. The loan is set to mature July 1, 2022. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. As of December 31, 2021, the loan has not been fully drawn down; therefore, the future funding requirements for the retirement of this loan have not been included in the amortization schedule below.

The Ohio Water Development Association (OWDA) Loan #7661 relates to the design for waterline replacement. The OWDA has approved financing for \$1,513,784 with an interest rate of 1.83%. Water receipts collateralize the loan. The loan has an interest rate of 1.83% and is set to mature January 1, 2039. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. As of December 31, 2021, the loan has not been fully drawn down; therefore, the future funding requirements for the retirement of this loan have not been included in the amortization schedule below.

The Ohio Water Development Association (OWDA) Loan #7890 relates to the Asset Management Planning and Rate Study for the Water Department. The OWDA has approved financing for \$5,954 and Principle Forgiveness of \$10,000 totaling \$15,954. The interest rate is 0.0%. Water receipts collateralize the loan. The loan will mature January 1, 2024. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. As of December 31, 2021, the loan has not been fully drawn down; therefore, the future funding requirements for the retirement of this loan have not been included in the amortization schedule below.

In 2018, the Village issued \$114,311 in a Life Squad Bond with an interest rate of 4.675%. The Village issued these bonds to purchase a life squad for the Georgetown Fire-EMS Department. These bonds are payable over 10 years with annual payments that vary as set forth in the amortization schedule. These are general obligations of the Village and are collateralized by the full faith, credit, and revenue of the Village. The Bonds will be retired from the EMS Fund.

The Ohio Water Development Association (OWDA) Loan #9448 relates to the Home Street Water Tower restoration project. The OWDA has approved financing for \$398,159 with an interest rate of 1.73%. Water receipts collateralize the loan. The loan will mature July 1, 2052. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. As of December 31, 2021, the loan has not been fully drawn down; therefore, the future funding requirements for the retirement of this loan have not been included in the amortization schedule below.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 10 – Debt (Continued)

Amortization of the Village’s debt principal and interest is scheduled as follows:

Year ending December 31:	Water Mortgage				
	Revenue Bonds	OPWC CT81M	OPWC CO070	OWDA #6086	OWDA #6379
2022	\$ 47,811	\$ 3,219	\$ 16,667	\$ 31,052	\$ 5,982
2023	47,829	3,219	16,667	31,052	5,982
2024	47,848	3,219	16,667	31,052	5,982
2025	47,860	3,219	16,667	31,052	5,982
2026	47,961	3,219	16,667	31,052	5,982
2027-2031	190,540	14,486	83,334	155,262	29,908
2032-2036	-		83,334	46,579	29,908
2037-2041	-	-	83,334		29,908
2042-2046	-	-	66,667	-	14,954
2047-2051	-	-		-	
Total	<u>\$ 429,849</u>	<u>\$ 30,581</u>	<u>\$ 400,004</u>	<u>\$ 357,101</u>	<u>\$ 134,588</u>

Year ending December 31:	Life Squad	
	Bond	OWDA #6384
2022	\$ 14,229	\$ 402,139
2023	14,229	402,139
2024	14,229	402,139
2025	14,229	402,139
2026	14,229	402,139
2027-2031	14,229	2,010,693
2032-2036		1,005,347
2037-2041		
2042-2046		-
2047-2051		-
2052		
Total	<u>\$ 85,374</u>	<u>\$ 5,026,735</u>

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 11 – Construction and Contractual Commitments

The Village began the engineering through American Structurepoint for water tower maintenance project in fiscal year 2020 that has outstanding construction or other contractual commitments on the first tower as of December 31, 2021. The first water tower's construction should be complete in the next fiscal year and is part of OWDA loan #9448. There are currently no loans or grants related to the second tower in this project.

The Village was awarded \$50,000 from the State Capital Budget for a Gaslight Theater Project with the Village responsible for matching funds of \$25,000. The Administrator is reworking the scope of the project to stay within the grant and matching funds budget. There are no construction contracts or other loans related to this project as of December 31, 2021.

The Village contracted engineering services through Choice One Inc. for a Fiber Optics Implementation Project in fiscal year 2020 that could be considered outstanding construction or other contractual commitments as of December 31, 2021. A grant in the amount of \$237,803 was awarded from the Appalachian Regional Commission and will be received as construction begins in fiscal year 2021. The total project is estimated around \$475,000 and was originally planned to be completed in fiscal year 2021; but is currently out with Hamman Consulting Group to work on getting an extension and approval for a different scope to the project.

The Village received a Nature Works grant for a splash pad project at the Kathryn Hanlon Park in the amount of \$51,160 in fiscal year 2021 that can be considered outstanding construction or other contractual commitments as of December 31, 2021.

The Village received a \$250,000 grant through the Cares Act/Build Back America Funds for the I&I Sewer System Design in our Downtown area. This is a 100% grant. There are currently no loans or grants related to this project as of December 31, 2021.

Note 12 – Contingent Liabilities

The Village participates in several state assisted grants that are subject to financial and compliance audits by grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The Village believes that disallowed claims, if any, will not have a material adverse effect on the Village's financial condition.

Note 13 – Public Entity Risk Pool

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six-member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Note 14 – Fund Balances

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

Fund Balances	General	Special Revenue	Debt Service	Enterprise	Permanent	Total
Nonspendable:						\$0
Unclaimed Monies	\$1,200					1,200
Private Purpose Trust -Corpus					Principal	200,000
Outstanding Encumbrances	31,505	85,932	0	611,508	0	728,946
<i>Total</i>	<u>\$32,705</u>	<u>\$85,932</u>	<u>\$0</u>	<u>\$611,508</u>	<u>\$0</u>	<u>\$930,146</u>

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

Note 15 – COVID-19

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

During 2020, the Village received CARES Act funding. Of the amounts received, no funding was sub-granted to other governments and organization; no funds were returned to the granting agency, and no funding was spent on-behalf of other governments.

During 2021, the Village received American Rescue Plan funding. Of the amounts received, no funding was sub-granted to other governments and organization; no funds were returned to the granting agency, and no funding was spent on-behalf of other governments.

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

	General	Special Revenue	Debt Service	Permanent	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$236,882	\$503,138	\$0	\$0	\$740,020
Municipal Income Tax	796,824	285,726	0	0	1,082,550
Intergovernmental	171,996	603,813	0	0	775,809
Charges for Services	50,010	506,348	0	0	556,358
Fines, Licenses and Permits	124,437	24,446	0	0	148,883
Earnings on Investments	73,634	5,495	0	3,354	82,483
Miscellaneous	68,495	143,621	0	0	212,116
<i>Total Cash Receipts</i>	<u>1,522,278</u>	<u>2,072,587</u>	<u>0</u>	<u>3,354</u>	<u>3,598,219</u>
Cash Disbursements					
Current:					
Security of Persons and Property	772,444	834,520	0	0	1,606,964
Public Health Services	9,850	49,486	0	2,084	61,420
Leisure Time Activities	0	4,259	0	0	4,259
Community Environment	31,430	27,702	0	0	59,132
Transportation	0	105,501	0	0	105,501
General Government	267,062	88,603	0	0	355,665
Capital Outlay	249,450	629,344	0	0	878,794
Debt Service:					
Principal Retirement	0	9,873	0	0	9,873
Interest and Fiscal Charges	0	4,331	0	0	4,331
<i>Total Cash Disbursements</i>	<u>1,330,236</u>	<u>1,753,619</u>	<u>0</u>	<u>2,084</u>	<u>3,085,939</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>192,042</u>	<u>318,968</u>	<u>0</u>	<u>1,270</u>	<u>512,280</u>
Other Financing Receipts (Disbursements)					
Sale of Capital Assets	1,204	0	0	0	1,204
Other Financing Sources	20	0	0	0	20
<i>Total Other Financing Receipts (Disbursements)</i>	<u>1,224</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,224</u>
<i>Net Change in Fund Cash Balances</i>	193,266	318,968	0	1,270	513,504
<i>Fund Cash Balances, January 1</i>	<u>2,551,628</u>	<u>3,228,901</u>	<u>26,722</u>	<u>219,121</u>	<u>6,026,372</u>
<i>Fund Cash Balances, December 31</i>	<u>\$2,744,894</u>	<u>\$3,547,869</u>	<u>\$26,722</u>	<u>\$220,391</u>	<u>\$6,539,876</u>

See accompanying notes to the basic financial statements

Village of Georgetown, Ohio
Brown County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2020

	<u>Proprietary Fund Types</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$6,505,548
<i>Total Operating Cash Receipts</i>	<u>6,505,548</u>
Operating Cash Disbursements	
Personal Services	974,703
Employee Fringe Benefits	375,732
Contractual Services	3,598,847
Supplies and Materials	354,392
Other	163,131
<i>Total Operating Cash Disbursements</i>	<u>5,466,805</u>
<i>Operating Income (Loss)</i>	<u>1,038,743</u>
Non-Operating Receipts (Disbursements)	
Intergovernmental Receipts	6,047
Loans Issued	11,359
Miscellaneous Receipts	70,628
Capital Outlay	(317,089)
Principal Retirement	(493,922)
Interest and Other Fiscal Charges	(107,842)
Other Financing Uses	(2,719)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(833,538)</u>
<i>Income (Loss) before Transfers</i>	205,205
Transfers In	86,000
Transfers Out	(86,000)
<i>Net Change in Fund Cash Balances</i>	205,205
<i>Fund Cash Balances, January 1</i>	<u>9,048,316</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$9,253,521</u></u>

See accompanying notes to the basic financial statements

Village of Georgetown, Ohio

Brown County

*Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)*

All Fiduciary Fund Types

For the Year Ended December 31, 2020

	Fiduciary Fund Types		Combined Total
	Private Purpose Trust	Custodial Other Custodial	
Additions			
Fines, Licenses and Permits for Distribution	\$0	\$127,874	\$127,874
Earnings on Investments (trust funds only)	42		42
<i>Total Additions</i>	<u>42</u>	<u>127,874</u>	<u>127,916</u>
Deductions			
Distributions to Other Governments	0	18,465	18,465
Distributions to Other Funds (Primary Gov't)	0	108,218	108,218
Other Distributions	125	1,191	1,316
<i>Total Deductions</i>	<u>125</u>	<u>127,874</u>	<u>127,999</u>
<i>Net Change in Fund Balances</i>	(83)	0	(83)
<i>Fund Cash Balances, January 1</i>	<u>7,897</u>	<u>0</u>	<u>7,897</u>
<i>Fund Cash Balances, December 31</i>	<u>\$7,814</u>	<u>\$0</u>	<u>\$7,814</u>

See accompanying notes to the basic financial statements

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**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1 - Reporting Entity

The Village of Georgetown (the Village), Brown 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 water, sewer and electric utilities, refuse pickup, cemetery and park operations and police, fire, and emergency medical services.

Public Entity Risk Pools

The Village participates in a public entity risk pool. Notes 7 and 13 to the financial statements provide additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Street Construction, Maintenance, and Repair Fund – The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing streets within the Village. This fund also accounts for a percentage of monies collected from the municipal income tax for constructing and maintenance of roads, streets and alleys.

Municipal Income Tax Fund – This fund receives income tax receipts allocated for the cost of collection set by the annual appropriations. Municipal income tax distributions are set by Ordinance to the General, Street, Fire-EMS, Fire-EMS Capital and Park Funds; with any remaining monies in the income tax fund to be used for construction and maintenance of roads, streets and alleys.

Fire Fund – This fund received a reimbursement grant from Public Entity Pool of Ohio for safety equipment purchased by the Fire Department.

Fire-EMS Fund - This fund receives fees from ambulance runs; contract money from various townships in which the Village Fire-EMS Department covers; and property tax money for the operation and upkeep of the Georgetown Fire-EMS Department.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

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 fund.

OWDA Fund – This fund was derived from a debt service restricted for a water/sewer project from a previous fiscal year and carries the remaining balance; but has had no activity.

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 Village had the following significant Permanent Fund:

Robinson Cemetery Trust Fund – This fund accounts for a trust agreement under which the earnings may be used for the care of a certain family lot located in Confidence Cemetery, Georgetown, Ohio. Any remaining monies may be used for the beautification and care of the grounds only and shall not be used for the tombstones or monuments for non-family members. The monies are invested in a certificate of deposit.

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

Water Fund – This fund receives charges for services from residents to cover water service costs.

Sewer Fund – This fund receives charges for services from residents to cover sewer service costs.

Electric Fund – This fund receives charges for services from residents to cover the cost of providing electric service.

Trash Fund – This fund receives charges for services from residents to cover the cost of providing trash collection service.

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

The Village's private purpose trust funds account for programs that are designed to help the poor and to benefit a certain individual per the terms of her will.

Custodial funds are purely custodial in nature and are 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 custodial funds account for Mayor's Court and Community Improvement Corporation. Mayor's Court receives monies from collections of fines imposed from tickets issued by the Village's police protection force. The funds collected, are in part, on behalf of the State of Ohio. Community Improvement Corporation proceeds from sales of property.

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 Council recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting (Continued)

liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

Budgetary Process

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

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

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

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

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.

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.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance

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

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 14.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 3 – Budgetary Activity

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

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,489,496	\$1,523,482	\$33,986
Special Revenue	1,794,146	2,072,587	278,441
Debt Service	0	0	0
Permanent	4,200	3,354	(846)
Enterprise	6,951,790	6,679,582	(272,208)
Total	\$10,239,632	\$10,279,005	\$39,373

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,754,706	\$ 1,446,292	\$ 308,414
Special Revenue	2,750,789	1,916,814	833,975
Debt Service	26,722	-	26,722
Permanent	4,200	2,084	2,116
Enterprise	8,304,230	6,777,442	1,526,788
Total	\$ 12,840,648	\$ 10,142,632	\$ 2,698,016

Note 4 – Deposits

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

Cash Management Pool:	2020
Demand Deposits	\$ 13,473,345
Certificates of Deposit	1,000,000
Other time deposits (savings and NOW accounts)	127,219
Total Deposits	\$ 14,600,564
STAR Ohio	1,200,648
Total Investments	1,200,648
Total deposits and investments held in the Pool	\$ 15,801,212

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 4 – Deposits (continued)

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; collateralized by the financial institution’s public entity deposit pool; 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.

Note 5 – Taxes

Property Taxes

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

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

Income Taxes

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

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

Note 6 – Interfund Transfers

During 2020, the following transfers were made from the Water, Sewer and Electric Funds to their corresponding Improvement and Replacement Reserve Funds in accordance with the Village’s ordinance #935, #744, and #822, respectively:

	<u>Transfers - In</u>	<u>Transfers - Out</u>
Water Fund	\$ -	\$ (12,000)
Water I & R	12,000	-
Sewer Fund	-	(26,000)
Sewer I & R	26,000	-
Electric Fund	-	(48,000)
Electric I & R	48,000	-
	<u>\$ 86,000</u>	<u>\$ (86,000)</u>

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 7 - Risk Management

The Village is exposed to various risks of property and casualty losses, and injuries to employees.

Village insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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 (local entity'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	\$ 40,318,971
Actuarial liabilities	\$ 14,111,510

Note 8 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

All full-time and part-time employees that are not a full-time Police Officer; full-time Firefighter-EMT; Firefighter; or EMT belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

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

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F-Police participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members'

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 8 - Defined Benefit Pension Plans (Continued)

wages. The Village contributed to OP&F an amount equal to 24.0% of full-time fire-ems members' wages. The Village has paid all contributions required through December 31, 2020.

Social Security

Volunteer Fire Fighters and Emergency Medical Services and part-time Fire-EMS Village employees contributed to social Security. Elected Officials choosing to opt out of contributing to OPERS also contribute to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

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

Note 9 - Postemployment Benefits

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

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

Note 10 - Debt

Debt outstanding at December 31, 2020 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Water Mortgage Revenue Bonds	\$ 353,717	5.88%
OPWC - CT81M	33,805	0.00%
OPWC - CO070	416,667	0.00%
OWDA #6086	364,020	1.00%
OWDA #6379	118,095	1.50%
OWDA #6384	5,066,551	1.00%
OWDA #7488	99,654	2.51%
OWDA #7661	1,390,651	1.83%
OWDA #7890	1,288	0.00%
Life Squad Bond	83,296	4.68%
Total	<u>\$ 7,927,743</u>	

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 10 – Debt (Continued)

The Mortgage Revenue Bonds were used to expand water lines in 1992. The original bonds were for \$765,000 and were for a water hook up with Brown County Rural Water lines. The bonds are payable over 38 years and are collateralized by future earnings afforded by the system. The bonds will be retired from the Water Fund.

The Ohio Public Works Commission (OPWC) Loan CT81M relates to WWTP High Flow Management Upgrades. The loan was for \$64,390, with zero percent interest. The Village will repay this loan in semiannual installments of \$1,609.74 over 20 years. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover payment requirements. Payments are made from the Sewer Fund.

The Ohio Public Works Commission (OPWC) loan CO070 relating to the Town Run Pump Station SSO Elimination/WWTP Improvements for \$500,000. The Village will repay the loans in semiannual installments of \$8,333, with zero interest, over 30 years. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover the OPWC loan requirements. Payments are made from the Sewer Fund.

The Ohio Water Development Association (OWDA) Loan #6086 relates to Possum Run Pump Station SSO Elimination. The original loan amount was for \$561,615 with an interest rate of 1.00% and is set to mature on January 1, 2033. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Association (OWDA) Loan #6379 relates to Town Run Pump Station SSO Elimination/WWTP Improvement. Total financed amount is \$144,076. The interest rate on this loan is 1.50% and is set to mature January 1, 2044. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Association (OWDA) Loan #6384 relates to Town Run WWTP Improvement. The original loan amount was for \$7,273,126 with an interest rate of 1.00%, and is set to mature January 1, 2034. Sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Association (OWDA) Loan #7488 relates to the design for water tower. The OWDA has approved financing for \$117,000 with an interest rate of 2.51%. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. As of December 31, 2020, the loan has not been fully drawn down; therefore, the future funding requirements for the retirement of this loan have not been included in the amortization schedule below.

The Ohio Water Development Association (OWDA) Loan #7661 relates to the design for waterline replacement. The OWDA has approved financing for \$1,513,784 with an interest rate of 1.83%. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. As of December 31, 2020, the loan has not been fully drawn down; however, the future funding requirements for the retirement of this loan have not been included in the amortization schedule below.

The Ohio Water Development Association (OWDA) Loan #7890 relates to the Asset Management Planning and Rate Study for the Water Department. The OWDA has approved financing for \$5,954 and Principle Forgiveness of \$10,000 totaling \$15,954. The interest rate is 0.0%. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. As of December 31, 2020, the loan has not been fully drawn down; therefore, the future funding requirements for the retirement of this loan have not been included in the amortization schedule below.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 10 – Debt (Continued)

In 2018, the Village issued \$114,311 in a Life Squad Bond with an interest rate of 4.675%. The Village issued these bonds to purchase a life squad for the Georgetown Fire-EMS Department. These bonds are payable over 10 years with annual payments that vary as set forth in the amortization schedule. These are general obligations of the Village and are collateralized by the full faith, credit, and revenue of the Village. The Bonds will be retired from the EMS Fund.

Amortization of the Village's debt principal and interest is scheduled as follows:

Year ending December 31:	Water Mortgage Revenue Bonds	OPWC CT81M	OPWC CO07O	OWDA #6086	OWDA #6379
2021	\$ 47,799	\$ 3,219	\$ 16,667	\$ 31,052	\$ 5,982
2022	47,811	3,219	16,667	31,052	5,982
2023	47,829	3,219	16,667	31,052	5,982
2024	47,848	3,219	16,667	31,052	5,982
2025	47,860	3,219	16,667	31,052	5,982
2026-2030	238,501	16,097	83,334	155,262	29,908
2031-2035	-	1,610	83,334	77,631	29,908
2036-2040	-	-	83,334	-	29,908
2041-2045	-	-	83,334	-	20,936
2046	-	-	-	-	-
Total	<u>\$ 477,647</u>	<u>\$ 33,802</u>	<u>\$ 416,671</u>	<u>\$ 388,152</u>	<u>\$ 140,569</u>

Year ending December 31:	Life Squad Bond	OWDA #6384
2021	\$ 14,229	\$ 402,139
2022	14,229	402,139
2023	14,229	402,139
2024	14,229	402,139
2025	14,229	402,139
2026-2030	27,822	2,010,693
2031-2035	-	1,407,485
2036-2040	-	-
2041-2045	-	-
2046	-	-
Total	<u>\$ 98,967</u>	<u>\$ 5,428,874</u>

Note 11 – Construction and Contractual Commitments

The Village began the engineering through American Structurepoint for a water tower maintenance project in fiscal year 2020 that could be considered outstanding construction or other contractual commitments as of December 31, 2020. There are currently no loans or grants related to this project.

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 11 – Construction and Contractual Commitments (Continued)

The Village began the engineering through American Structurepoint for a Georgetown Station Culvert Repair project in fiscal year 2020 that could be considered outstanding construction or other contractual commitments as of December 31, 2020. There are currently no loans or grants related to this project.

The Village contracted engineering services through Choice One Inc. for a Fiber Optics Implementation Project in fiscal year 2020 that could be considered outstanding construction or other contractual commitments as of December 31, 2020. A grant in the amount of \$237,803 was awarded from the Appalachian Regional Commission and will be received as construction begins in fiscal year 2021. The total project is estimated around \$500,000 and will need to be completed in fiscal year 2021.

Note 12 – Contingent Liabilities

The Village participates in several state assisted grants that are subject to financial and compliance audits by grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The Village believes that disallowed claims, if any, will not have a material adverse effect on the Village's financial condition.

Note 13 – Public Entity Risk Pool

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six-member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

Note 14 – Fund Balances

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

Fund Balances	General	Special Revenue	Debt Service	Enterprise	Permanent	Total
Nonspendable:						\$0
Unclaimed Monies	\$2,022					2,022
Private Purpose Trust -Corpus					Principal	200,000
Outstanding Encumbrances	116,056	163,195	0	303,065	0	582,316
<i>Total</i>	<u>\$118,078</u>	<u>\$163,195</u>	<u>\$0</u>	<u>\$303,065</u>	<u>\$0</u>	<u>\$784,338</u>

**VILLAGE OF GEORGETOWN
BROWN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 14 – Fund Balances (Continued)

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

Note 15 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The Village'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. (*customize as needed*) 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.

During 2020, the Village received CARES Act funding. Of the amounts received, no funding was sub-granted to other governments and organization; no funds were returned to the granting agency, and no funding was spent on-behalf of other governments.

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
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800-282-0370

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

Village of Georgetown
Brown County
301 S. Main Street
Georgetown, Ohio 45121

To the Village Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary 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 the Village of Georgetown, Brown County, (the Village), and have issued our report thereon dated August 29, 2024, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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 Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
August 29, 2024



**VILLAGE OF GEORGETOWN
BROWN COUNTY**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2021 AND 2020

Finding Number	Finding Summary	Status	Additional Information
2019-001	Financial Reporting Errors	Corrected	
2019-002	Budgetary Posting Errors	Corrected	

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF GEORGETOWN

BROWN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 10/8/2024

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

This report is a matter of public record and is available online at
www.ohioauditor.gov