



**VILLAGE OF ELMWOOD PLACE
HAMILTON COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2020-2019**

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., #A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., #300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., #300
Cambridge, OH 43725
740 435 3417

www.perrycpas.com

OHIO AUDITOR OF STATE
KEITH FABER



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

Village Council
Village of Elmwood Place
6118 Vine St.
Elmwood Place. OH 45216

We have reviewed the *Independent Auditor's Report* of the Village of Elmwood Place, Hamilton County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2019 through December 31, 2020. 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. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Finding for Recovery Partially Repaid Under Audit – Mayor's Court and Income Tax Receipts

The former Village Mayor's Court Clerk, Cheryl Bruce was responsible for collecting and depositing monies received for mayor's court payments made by defendants for court costs, fines, fees and bonds. Ms. Bruce was solely responsible for recording receipts into the mayor's court system for all the defendant payments made to the mayor's court. For the period of January 1, 2017 through March 29, 2019, we identified numerous receipts recorded in the mayor's court system by Ms. Bruce that were not deposited. In addition, we identified 125 manual receipts issued by the Village to defendants that made payments but a receipt was not recorded in the mayor's court system and the monies were not deposited. For the period, we determined the Village collected payments totaling \$608,107 but only deposited \$562,681 resulting in \$45,426 unaccounted for.

In addition to being the Mayor's Court Clerk, Ms. Bruce collected delinquent income tax payments and was responsible for recording receipts in the Village's income tax system and depositing the monies. For the period of January 1, 2017 through December 31, 2017, the Village collected income tax payments totaling \$14,248 but only deposited \$13,438 resulting in \$810 in income tax receipts converted or misappropriated. Ms. Bruce did not record any delinquent income tax payments into the income tax system after 2017. For the period of January 1, 2018 through March 29, 2019, we identified seven manual receipts totaling \$684 issued by Ms. Bruce for income tax payments that were converted or misappropriated.

On February 1, 2021, Ms. Bruce pled guilty to one count of Theft in Office (ORC 2921.41), a felony of the fourth degree, in Hamilton County Common Pleas Court Case No. B 2002342. On March 2, 2021, Ms. Bruce was sentenced to community control and ordered to make restitution totaling \$61,028, including audit costs.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a finding for recovery for public property converted or misappropriated is hereby issued against Ms. Bruce in the amount of \$45,426 in favor of the Village's Mayor's Court Fund and \$15,602 in favor of the Village's General Fund.

Village Council
Village of Elmwood Place
Page -2-

On March 17, 2021 the Village received a payment from its insurance company, Public Entity Risk Services of Ohio, Inc., in the amount of \$46,420, which leaves the deductible and audit costs of \$14,608 as unpaid.

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



Keith Faber
Auditor of State
Columbus, Ohio

May 02, 2022

VILLAGE OF ELMWOOD PLACE
HAMILTON COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report.....	1
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types - For the Year Ended December 31, 2020	3
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type - For the Year Ended December 31, 2020	4
Notes to the Financial Statements 2020	5
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types - For the Year Ended December 31, 2019	13
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type - For the Year Ended December 31, 2019	14
Notes to the Financial Statements 2019	15
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	22

This page intentionally left blank.



313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

150 West Main St.
St. Clairsville, OH 43950
740.695.1569

1310 Market Street, Suite 300
Wheeling, WV 26003
304.232.1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740.435.3417

INDEPENDENT AUDITOR'S REPORT

February 18, 2022

Village of Elmwood Place
Hamilton County
6118 Vine Street
Cincinnati, Ohio 45216

To the Village Council:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
Members: American Institute of Certified Public Accountants
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

An Independently owned member
RSM US Alliance | **RSM**

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Emphasis of Matter

As discussed in Note 13 in 2020 and Note 11 in 2019 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Village. In addition, as discussed in Note 12, during 2020, the Village adopted a change in accounting principle and removed the fund balance classification from the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types. We did not modify our opinions regarding these matters.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2022, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**VILLAGE OF ELMWOOD PLACE
HAMILTON COUNTY**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts				
Property and Other Local Taxes	\$ 252,771	\$ 82,102	\$ -	\$ 334,873
Municipal Income Tax	373,457	-	-	373,457
Intergovernmental	55,543	221,477	88,988	366,008
Charges for Services	221,551	-	-	221,551
Fines, Licenses and Permits	129,950	35,290	-	165,240
Earnings on Investments	53	14	-	67
Miscellaneous	106,207	-	-	106,207
<i>Total Cash Receipts</i>	<u>1,139,532</u>	<u>338,883</u>	<u>88,988</u>	<u>1,567,403</u>
Cash Disbursements				
Current:				
Security of Persons and Property	434,138	167,064	-	601,202
Public Health Services	-	2,398	-	2,398
Basic Utility Services	126,952	-	-	126,952
Transportation	615	43,975	-	44,590
General Government	478,220	12,727	-	490,947
Capital Outlay	-	-	102,225	102,225
Debt Service:				
Principal Retirement	22,268	-	-	22,268
Payment of Capital Appreciation Bond Accretion	6,232	-	-	6,232
<i>Total Cash Disbursements</i>	<u>1,068,425</u>	<u>226,164</u>	<u>102,225</u>	<u>1,396,814</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>71,107</u>	<u>112,719</u>	<u>(13,237)</u>	<u>170,589</u>
Other Financing Receipts				
Sale of Capital Assets	29,266	-	-	29,266
<i>Total Other Financing Receipts (Disbursements)</i>	<u>29,266</u>	<u>-</u>	<u>-</u>	<u>29,266</u>
<i>Net Change in Fund Cash Balances</i>	100,373	112,719	(13,237)	199,855
<i>Fund Cash Balances, January 1</i>	<u>192,659</u>	<u>241,360</u>	<u>14,737</u>	<u>448,756</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 293,032</u>	<u>\$ 354,079</u>	<u>\$ 1,500</u>	<u>\$ 648,611</u>

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

**VILLAGE OF ELMWOOD PLACE
HAMILTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Fiduciary Fund Type
	Custodial
Additions	
Fines, Licenses and Permits for Distribution	\$ 134,839
<i>Total Additions</i>	134,839
Deductions	
Other Distributions	135,161
<i>Total Deductions</i>	135,161
Net Change in Fund Balances	(322)
<i>Fund Cash Balances, January 1</i>	33,944
<i>Fund Cash Balances, December 31</i>	\$ 33,622

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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 - Reporting Entity

The Village of Elmwood Place (Village), Hamilton County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides general government services, street maintenance and repair, park operations, police services and fire protection services.

The Village participates in a public entity risk pool. Note 6 to the financial statements provides 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 additions, deductions and changes in fund balances (regulatory cash basis) for 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 license registration fees restricted for construction, maintenance, and repair of streets within the Village.

Permissive Tax Fund The Permissive Tax Fund accounts for and reports permissive tax receipts restricted for construction, maintenance, and repair of streets within the Village.

Police Levy Fund The Police Levy Fund receives property tax money to fund the police department.

Fire Levy Fund The Fire Levy Fund receives property tax money to fund the fire department.

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (Continued)

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

Revitalization Fund The Revitalization Fund received proceeds from the issuance of bonds in 2010, which are being used for the revitalization of blighted property within the Village.

Linden Street Improvements Fund The Linden Street Improvements Fund receives proceeds from an OPWC grant, which are being used for street improvements on Linden Street within the Village.

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

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 fund accounts for the financial activity of the Village Mayor's Court.

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) for all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires that each fund (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.

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (Continued)

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

A summary of 2020 budgetary activity appears in Note 3.

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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

Note 3 - Budgetary Activity

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

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,140,182	\$ 1,168,798	\$ 28,616
Special Revenue	374,936	338,883	(36,053)
Capital Projects	88,988	88,988	-
Total	\$ 1,604,106	\$ 1,596,669	\$ (7,437)

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,310,916	\$ 1,070,959	\$ 239,957
Special Revenue	534,160	226,655	307,505
Capital Projects	103,725	102,225	1,500
Total	\$ 1,948,801	\$ 1,399,839	\$ 548,962

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. The carrying amount of deposits at December 31 was as follows:

Demand deposits \$ 682,233

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the Village is holding \$1,838 in unremitted employee payroll withholdings.

Deposits are insured by the Federal Depository 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.

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 5 – Taxes

Property Taxes

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

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

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

Income Taxes

The Village levies a municipal income tax of 2 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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

Note 6 - Risk Management

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

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

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool 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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages in 2020. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2020.

Social Security

The Village's firefighters 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 8 - Postemployment Benefits

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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 9 - Debt

Debt outstanding at December 31, 2020 was as follows:

	Principal	Interest Rate
OPWC Oak Street Improvements Loan	\$ 7,638	0.00%
Fire Truck Capital Lease US Bank Equipment Finance	8,298	3.35%
Police Vehicles Capital Lease First Capital Equipment Leasing	84,961	4.71%
Total	\$ 100,897	

The Village was awarded a \$15,275 loan by the Ohio Public Works Commission on April 3, 2009, for the Oak Street Improvements Project. The loan requires semi-annual payments of \$382 on January 1 and July 1 of each year for 20 years, with the first principal payment made on January 1, 2011. The final payment is due on July 1, 2030.

Leases

During 2017, the Village entered into a capital lease purchase agreement with US Bank Equipment Finance in the amount of \$19,750. The capital lease is for a used fire truck and related equipment. The Village is making monthly payments of \$357.96, including interest at 3.35%, commencing January 15, 2018 with a final payment due December 15, 2022.

During 2019, the Village entered into a capital lease purchase agreement with the First Capital Equipment Leasing Corporation in the amount of \$102,901. The capital lease is for two police utility vehicles. The Village is making monthly payments of \$1,985.16, including interest at 4.709%, commencing December 1, 2019 with a final payment due November 1, 2024.

Amortization

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

Year Ending December 31:	OPWC Oak Street Improvements Loan	Fire Truck Capital Lease	Police Vehicles Capital Lease	Total
2021	\$ 764	\$ 4,295	\$ 23,822	\$ 28,881
2022	764	4,296	23,822	28,882
2023	764	-	23,822	24,586
2024	764	-	21,837	22,601
2025	764	-	-	764
2026 – 2030	3,818	-	-	3,818
Total	\$7,638	\$ 8,591	\$ 93,303	\$ 109,532

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 10 – Contingent Liabilities

A settlement was reached in a lawsuit involving the implementation of a speed camera automated enforcement program by the Village. The Village will repay a total of \$125,000, plus settlement and administrative costs, to be paid in monthly installments of \$2,500 until satisfied. As of December 31, 2020, the outstanding balance is \$75,000 plus remaining settlement and administrative costs.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. 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 11 – Fund Balances

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

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$ 2,534	\$ 491	\$ 3,025
<i>Total</i>	\$ 2,534	\$ 491	\$ 3,025

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

Note 12 – Change in Accounting Principles

For 2020, the Village has made changes to their cash basis reporting model. These changes include modifications to the definition of fiduciary funds, adding a separate Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis) -- All Fiduciary Fund Types, and removing the fund balance classifications from the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types.

The effect of this change had no effect on beginning cash balances.

Note 13 – 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 impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

VILLAGE OF ELMWOOD PLACE
HAMILTON COUNTY

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 249,093	\$ 81,542	\$ -	\$ 330,635
Municipal Income Tax	368,877	-	-	368,877
Intergovernmental	69,482	85,881	20,000	175,363
Charges for Services	321,765	-	-	321,765
Fines, Licenses and Permits	159,490	10,206	-	169,696
Earnings on Investments	93	11	-	104
Miscellaneous	12,882	-	1,500	14,382
<i>Total Cash Receipts</i>	<u>1,181,682</u>	<u>177,640</u>	<u>21,500</u>	<u>1,380,822</u>
Cash Disbursements				
Current:				
Security of Persons and Property	635,861	76,692	-	712,553
Leisure Time Activities	751	-	-	751
Basic Utility Services	112,300	-	-	112,300
Transportation	4,424	64,598	-	69,022
General Government	515,084	8,112	-	523,196
Capital Outlay	102,901	-	24,534	127,435
Debt Service:				
Principal Retirement	4,961	-	-	4,961
Interest and Fiscal Charges	2,465	-	-	2,465
<i>Total Cash Disbursements</i>	<u>1,378,747</u>	<u>149,402</u>	<u>24,534</u>	<u>1,552,683</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(197,065)</u>	<u>28,238</u>	<u>(3,034)</u>	<u>(171,861)</u>
Other Financing Receipts				
Other Debt Proceeds	102,901	-	-	102,901
Sale of Capital Assets	26,945	-	-	26,945
<i>Total Other Financing Receipts</i>	<u>129,846</u>	<u>-</u>	<u>-</u>	<u>129,846</u>
<i>Net Change in Fund Cash Balances</i>	<u>(67,219)</u>	<u>28,238</u>	<u>(3,034)</u>	<u>(42,015)</u>
<i>Fund Cash Balances, January 1</i>	<u>259,878</u>	<u>213,122</u>	<u>17,771</u>	<u>490,771</u>
Fund Cash Balances, December 31				
Restricted	-	241,360	14,737	256,097
Assigned	14,537	-	-	14,537
Unassigned	178,122	-	-	178,122
<i>Fund Cash Balances, December 31</i>	<u>\$ 192,659</u>	<u>\$ 241,360</u>	<u>\$ 14,737</u>	<u>\$ 448,756</u>

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

**VILLAGE OF ELMWOOD PLACE
HAMILTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Fiduciary Fund Type
	Agency
Non-Operating Cash Receipts	
Other Financing Sources	\$ 213,917
<i>Total Non-Operating Cash Receipts</i>	213,917
Non-Operating Cash Disbursements	
Other Financing Uses	182,711
<i>Total Non-Operating Cash Disbursements</i>	182,711
<i>Net Change in Fund Cash Balances</i>	31,206
<i>Fund Cash Balances, January 1</i>	2,738
<i>Fund Cash Balances, December 31</i>	\$ 33,944

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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 1 - Reporting Entity

The Village of Elmwood Place (Village), Hamilton County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides general government services, street maintenance and repair, park operations, police services and fire protection services.

The Village participates in a public entity risk pool. Note 6 to the financial statements provides 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 fiduciary fund types which are organized on a fund type basis.

Fund Accounting

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

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

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

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 license registration fees restricted for construction, maintenance, and repair of streets within the Village.

Permissive Tax Fund The Permissive Tax Fund accounts for and reports permissive tax receipts restricted for construction, maintenance, and repair of streets within the Village.

Police Levy Fund The Police Levy Fund receives property tax money to fund the police department.

Fire Levy Fund The Fire Levy Fund receives property tax money to fund the fire department.

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 - Summary of Significant Accounting Policies (Continued)

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

Revitalization Fund The Revitalization Fund received proceeds from the issuance of bonds in 2010, which are being used for the revitalization of blighted property within the Village.

Linden Street Improvements Fund The Linden Street Improvements Fund receives proceeds from an OPWC grant, which are being used for street improvements on Linden Street within the Village.

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

Agency funds are purely custodial in nature and 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 agency fund accounts for the financial activity of the Village Mayor's Court.

Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency 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 reappropriated.

A summary of 2019 budgetary activity appears in Note 3.

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 - Summary of Significant Accounting Policies (Continued)

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

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

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

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

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

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

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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 3 - Budgetary Activity

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

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,220,204	\$ 1,311,528	\$ 91,324
Special Revenue	169,105	177,640	8,535
Capital Projects	21,500	21,500	-
Total	\$ 1,410,809	\$ 1,510,668	\$ 99,859

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,473,897	\$ 1,393,284	\$ 80,613
Special Revenue	256,113	161,544	94,569
Capital Projects	37,771	37,771	-
Total	\$ 1,767,781	\$ 1,592,599	\$ 175,182

Note 4 – Deposits and Investments

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

Demand deposits \$ 482,700

Deposits are insured by the Federal Depository 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.

Note 5 – Taxes

Property Taxes

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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 5 – Taxes (Continued)

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

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

Income Taxes

The Village levies a municipal income tax of 2 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

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

Note 6 - Risk Management

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

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

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>2019</u>
Cash and investments	\$38,432,610
Actuarial liabilities	14,705,917

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 7 - Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Retirement System

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

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

Social Security

The Village's firefighters 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, 2019.

Note 8 - Postemployment Benefits

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

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

Note 9 - Debt

Debt outstanding at December 31, 2019 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
OPWC Oak Street Improvements Loan	\$ 8,020	0.00%
Fire Truck Capital Lease US Bank Equipment Finance	12,244	3.35%
Police Vehicles Capital Lease First Capital Equipment Leasing	102,901	4.71%
Total	<u>\$ 123,165</u>	

The Village was awarded a \$15,275 loan by the Ohio Public Works Commission on April 3, 2009, for the Oak Street Improvements Project. The loan requires semi-annual payments of \$382 on January 1 and July 1 of each year for 20 years, with the first principal payment made on January 1, 2011. The final payment is due on July 1, 2030.

VILLAGE OF ELMWOOD PLACE
Hamilton County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 9 – Debt (Continued)

Leases

During 2017, the Village entered into a capital lease purchase agreement with US Bank Equipment Finance in the amount of \$19,750. The capital lease is for a used fire truck and related equipment. The Village is making monthly payments of \$357.96, including interest at 3.35%, commencing January 15, 2018 with a final payment due December 15, 2022.

During 2019, the Village entered into a capital lease purchase agreement with the First Capital Equipment Leasing Corporation in the amount of \$102,901. The capital lease is for two police utility vehicles. The Village is making monthly payments of \$1,985.16, including interest at 4.709%, commencing December 1, 2019 with a final payment due November 1, 2024.

Amortization

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

Year Ending December 31:	OPWC Oak Street Improvements Loan	Fire Truck Capital Lease	Police Vehicles Capital Lease	Total
2020	\$ 382	\$ 4,296	\$ 23,822	\$ 28,500
2021	764	4,295	23,822	28,881
2022	764	4,296	23,822	28,882
2023	764	-	23,822	24,586
2024	764	-	21,837	22,601
2025 – 2029	3,818	-	-	3,818
2030	764	-	-	764
Total	\$8,020	\$12,887	\$117,125	\$138,032

Note 10 – Contingent Liabilities

A settlement was reached in a lawsuit involving the implementation of a speed camera automated enforcement program by the Village. The Village will repay a total of \$125,000, plus settlement and administrative costs, to be paid in monthly installments of \$2,500 until satisfied. As of December 31, 2019, the outstanding balance is \$100,000 plus remaining settlement and administrative costs.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor. 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 11 – COVID-19

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

This page intentionally left blank.



313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

150 West Main St.
St. Clairsville, OH 43950
740.695.1569

1310 Market Street, Suite 300
Wheeling, WV 26003
304.232.1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740.435.3417

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

February 18, 2022

Village of Elmwood Place
Hamilton County
6118 Vine Street
Cincinnati, Ohio 45216

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and fiduciary fund type as of and for the year ended December 31, 2019, and related notes of the **Village of Elmwood Place**, Hamilton County, (the Village) and have issued our report thereon dated February 18, 2022, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Village. We also noted that the Village adopted a change in accounting principle and removed the fund balance classification from the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types.

Internal Control Over Financial Reporting

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

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

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
Members: American Institute of Certified Public Accountants
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.



Internal Control Over Financial Reporting (Continued)

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

Compliance and Other Matters

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

Purpose of this Report

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF ELMWOOD PLACE

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 5/5/2022

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

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