

PERRY

& Associates CPAs

PASSION *Beyond the Numbers*

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2022 - 2021**



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Columbus, Ohio 43215
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Village Council
Village of Camden
56 W. Central Ave
Camden, OH 45311

We have reviewed the *Independent Auditor's Report* of the Village of Camden, Preble County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2021 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

July 01, 2024

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VILLAGE OF CAMDEN
PREBLE COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
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, 2022	4
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - Proprietary Fund Type - For the Year Ended December 31, 2022	5
Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis) - Fiduciary Fund Type - For the Year Ended December 31, 2022	6
Notes to the Financial Statements For the Year Ended December 31, 2022	7
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2021	15
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Proprietary Fund Types - For the Year Ended December 31, 2021	16
Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis) - All Fiduciary Fund Types - For the Year Ended December 31, 2021	17
Notes to the Financial Statements For the Year Ended December 31, 2021	18
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	26
Schedule of Findings.....	28
Summary Schedule of Prior Audit Findings	32

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INDEPENDENT AUDITOR'S REPORT

Village of Camden
Preble County
P.O. Box 1
56 West Central Avenue
Camden, Ohio 45311

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 Camden, Preble 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, 2022 and 2021, 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, 2022 and 2021, 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, 2022 and 2021, 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 April 25, 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.



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

April 25, 2024

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Capital Projects	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$ 178,372	\$ 42,801	\$ -	\$ 221,173
Municipal Income Tax	388,011	-	-	388,011
Intergovernmental	83,559	246,906	-	330,465
Charges for Services	60,541	258	-	60,799
Fines, Licenses and Permits	60,202	3,420	-	63,622
Earnings on Investments	12,769	-	-	12,769
Miscellaneous	35,500	-	-	35,500
<i>Total Cash Receipts</i>	<u>818,954</u>	<u>293,385</u>	<u>-</u>	<u>1,112,339</u>
Cash Disbursements				
Current:				
Security of Persons and Property	339,458	-	-	339,458
Public Health Services	3,275	-	-	3,275
Basic Utility Services	20,000	2,930	-	22,930
Transportation	-	189,110	-	189,110
General Government	446,281	-	-	446,281
Debt Service:				
Principal Retirement	480,421	-	-	480,421
Interest and Fiscal Charges	14,369	-	-	14,369
<i>Total Cash Disbursements</i>	<u>1,303,804</u>	<u>192,040</u>	<u>-</u>	<u>1,495,844</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(484,850)</u>	<u>101,345</u>	<u>-</u>	<u>(383,505)</u>
Other Financing Receipts				
Sale of Bonds	467,612	-	-	467,612
<i>Total Other Financing Receipts</i>	<u>467,612</u>	<u>-</u>	<u>-</u>	<u>467,612</u>
<i>Net Change in Fund Cash Balances</i>	(17,238)	101,345	-	84,107
<i>Fund Cash Balances, January 1</i>	<u>2,248,620</u>	<u>368,330</u>	<u>421</u>	<u>2,617,371</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,231,382</u>	<u>\$ 469,675</u>	<u>\$ 421</u>	<u>\$ 2,701,478</u>

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

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Enterprise
Operating Cash Receipts	
Charges for Services	\$ 660,183
<i>Total Operating Cash Receipts</i>	660,183
Operating Cash Disbursements	
Personal Services	177,366
Employee Fringe Benefits	57,041
Contractual Services	426,665
Supplies and Materials	53,439
Other	74,471
<i>Total Operating Cash Disbursements</i>	788,982
<i>Operating Income (Loss)</i>	(128,799)
Non-Operating Receipts (Disbursements)	
Special Assessments	273,244
Capital Outlay	(48,093)
Principal Retirement	(253,695)
Interest and Other Fiscal Charges	(134,467)
<i>Total Non-Operating Receipts (Disbursements)</i>	(163,011)
<i>Net Change in Fund Cash Balances</i>	(291,810)
<i>Fund Cash Balances, January 1</i>	1,135,399
<i>Fund Cash Balances, December 31</i>	\$ 843,589

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

VILLAGE OF CAMDEN
PREBLE COUNTY

COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Other Custodial</u>
Additions	
Fines, Licenses and Permits for Distribution	\$ 59,017
<i>Total Additions</i>	<u>59,017</u>
Deductions	
Distributions to Other Governments	14,872
Distributions to Other Funds (Primary Gov't)	49,969
Other Distributions	1,448
<i>Total Deductions</i>	<u>66,289</u>
Net Change in Fund Balances	(7,272)
<i>Fund Cash Balances, January 1</i>	<u>10,539</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 3,267</u>

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

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 1 - Reporting Entity

The Village of Camden (the Village), Preble County, is a body politic and corporate established to exercise 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 and sewer utilities, park operations and police services.

Jointly Governed Organization

The Village participates in a jointly governed organization. Note 11 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) 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.

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 Fund:

State Grant Fund – The Village received a loan from ODOT in prior years to pave streets within the Village.

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

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 – The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Sewer Fund – The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Trash Fund – The trash fund accounts for the provision of trash services to the residents and commercial users 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 activity of the Village's 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) 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 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

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 CAMDEN
PREBLE COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

Budgetary Process (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 2022 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. The Village did not have any *nonspendable* fund balances.

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 CAMDEN
PREBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (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 12.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 945,572	\$ 1,286,566	\$ 340,994
Special Revenue	686,587	293,385	(393,202)
Enterprise	1,134,700	933,427	(201,273)
Total	\$ 2,766,859	\$ 2,513,378	\$ (253,481)

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,992,287	\$ 1,306,249	\$ 1,686,038
Special Revenue	765,667	192,290	573,377
Enterprise	1,605,522	1,226,556	378,966
Total	\$ 5,363,476	\$ 2,725,095	\$ 2,638,381

Note 4 – Deposits and Investments

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

	2022
Cash Management Pool:	
Demand Deposits	\$ 3,123,201
Certificates of Deposit	425,133
Total deposits	\$ 3,548,334

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, 2022, the village is holding \$6,124 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village; 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 CAMDEN
PREBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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 1 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

Workers' Compensation

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

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent, of their gross salaries and the Village contributed an amount equaling 14 percent, of participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 7 - Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Retirement System

4 Village full-time Police 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 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2022.

Note 8 - Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2022. 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.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

Note 9 - Debt

Debt outstanding at December 31, 2022 was as follows:

	Principal	Interest Rate
OWDA Loan #4410	\$ 110,590	4.29%
OWDA Loan #4676	446,713	4.12%
OWDA Loan #4751	911,505	4.47%
OWDA Loan #6027	2,198,735	1.50%
OPWC Loan CT63J	67,500	0.00%
Town Hall Loan	462,076	4.40%
ODOT SIB Loan 2020	507,822	3.00%
Total	\$ 4,704,941	

The Ohio Water Development Authority Loan #4410 relates to water system improvements. The loan will be repaid in semiannual installments of \$5,438 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9 – Debt (Continued)

The Ohio Water Development Authority Loan #4676 relates to the water system improvements. The loan will be repaid in semiannual installments of \$23,739 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority Loan #4751 relates to the water system improvements. The loan will be repaid in semiannual installments of \$44,193 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority Loan #6027 relates to the water system improvements. The loan will be repaid in semiannual installments of \$61,223 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) Loan #CT63J relates to the water system improvements. The loan will be repaid in semiannual installments of \$5,625 over 20 years. The loan is collateralized by water and sewer receipts.

In 2020, the Village entered into a loan agreement with Ohio Department of Transportation (ODOT) to cover paving streets within the Village of Camden at a 0% interest for the first year with payments beginning in 2023.

In 2022, the Village issued Refunding Bonds of \$476,612.62 to refinance the 2015 Town Hall General Obligation Bonds. Principal and interest are paid monthly from the General Fund.

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

Year ending December 31:	OWDA Loan #4410	OWDA Loan #4676	OWDA Loan #4751	OWDA Loan #6027	OPWC Loan	2020 SIB Loan	2022 Refunding Bonds
2023	\$ 10,551	\$ 40,685	\$ 79,717	\$ 122,445	\$ 11,250	\$ 185,066	\$ 42,640
2024	10,569	40,713	79,921	122,446	11,250	185,066	42,640
2025	10,588	40,741	80,133	122,445	11,250	185,065	42,640
2026	10,608	40,771	80,356	122,446	11,250	-	42,640
2027	10,628	40,802	80,588	122,445	11,250	-	42,640
2028-2032	53,474	204,521	406,812	612,227	11,250	-	213,201
2033-2037	43,243	205,512	414,418	612,227	-	-	202,542
2038-2042	-	-	41,929	612,227	-	-	-
2043-2047	-	-	-	183,668	-	-	-
Total	<u>\$ 149,661</u>	<u>\$ 613,745</u>	<u>\$ 1,263,874</u>	<u>\$ 2,632,576</u>	<u>\$ 67,500</u>	<u>\$ 555,197</u>	<u>\$ 628,943</u>

Note 10 – Contingent Liabilities

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

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 11 – Jointly Governed Organizations

The Camden-Somers Fire and Rescue Protections District, Preble County in a jointly governed organization established by resolution passed by the Village of Camden January 7, 2002 and by Somers Township January 14, 2002, to unite the entities in the management of the district which provides fire, ambulance, emergency medical and rescue services to the residents with these two areas. The District is governed by a Board made up of three representatives appointed by the Village of Camden and three representatives appointed by Somers Township, known as the Camden Somers Fire and Rescue Protection District Board of Trustees. Financial information about the District can be obtained from the District at 111 West Central Ave., Camden, Ohio 45311.

Note 12 – 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:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	\$ 2,445	\$ 250	\$ -	\$ 2,695

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 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. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2022 and 2021, the Village received ARPA funding totaling \$207,498.93. The Village has not yet made a final determination on what the funds will be used for. 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 funding, either federal or state, cannot be estimated.

**VILLAGE OF CAMDEN
PREBLE 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	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 181,699	\$ 41,759	\$ -	\$ 223,458
Municipal Income Tax	364,038	-	-	364,038
Intergovernmental	78,312	388,713	-	467,025
Special Assessments	-	1,180	-	1,180
Charges for Services	114,856	-	-	114,856
Fines, Licenses and Permits	80,070	4,299	-	84,369
Earnings on Investments	11,592	-	-	11,592
Miscellaneous	1,537,810	-	-	1,537,810
<i>Total Cash Receipts</i>	<u>2,368,377</u>	<u>435,951</u>	<u>-</u>	<u>2,804,328</u>
Cash Disbursements				
Current:				
Security of Persons and Property	368,361	-	-	368,361
Public Health Services	2,712	-	-	2,712
Basic Utility Services	16,585	1,856	-	18,441
Transportation	-	119,437	-	119,437
General Government	605,742	-	-	605,742
Capital Outlay	-	138,846	-	138,846
Debt Service:				
Principal Retirement	11,392	-	-	11,392
Interest and Fiscal Charges	7,739	-	-	7,739
<i>Total Cash Disbursements</i>	<u>1,012,531</u>	<u>260,139</u>	<u>-</u>	<u>1,272,670</u>
<i>Net Change in Fund Cash Balances</i>	1,355,846	175,812	-	1,531,658
<i>Fund Cash Balances, January 1 (Restated - See Note 14)</i>	<u>892,774</u>	<u>192,518</u>	<u>421</u>	<u>1,085,713</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 2,248,620</u></u>	<u><u>\$ 368,330</u></u>	<u><u>\$ 421</u></u>	<u><u>\$ 2,617,371</u></u>

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

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Enterprise
Operating Cash Receipts	
Charges for Services	\$ 675,145
<i>Total Operating Cash Receipts</i>	<i>675,145</i>
Operating Cash Disbursements	
Personal Services	163,932
Employee Fringe Benefits	51,650
Contractual Services	241,773
Supplies and Materials	71,655
Other	94,954
<i>Total Operating Cash Disbursements</i>	<i>623,964</i>
<i>Operating Income (Loss)</i>	<i>51,181</i>
Non-Operating Receipts (Disbursements)	
Special Assessments	270,000
Capital Outlay	(35,227)
Principal Retirement	(174,776)
Interest and Other Fiscal Charges	(108,572)
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(48,575)</i>
<i>Net Change in Fund Cash Balances</i>	<i>2,606</i>
<i>Fund Cash Balances, January 1</i>	<i>1,132,793</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 1,135,399</i>

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

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Other Custodial
Additions	
Fines, Licenses and Permits for Distribution	\$ 88,421
<i>Total Additions</i>	88,421
Deductions	
Distributions to Other Governments	15,547
Distributions to Other Funds (Primary Gov't)	67,969
Other Distributions	1,845
<i>Total Deductions</i>	85,361
Net Change in Fund Balances	3,060
<i>Fund Cash Balances, January 1 (Restated - See Note 14)</i>	7,479
<i>Fund Cash Balances, December 31</i>	\$ 10,539

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

**VILLAGE OF CAMDEN
PREBLE COUNTY**

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

Note 1 - Reporting Entity

The Village of Camden (the Village), Preble County, is a body politic and corporate established to exercise 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 and sewer utilities, park operations and police services.

Jointly Governed Organization

The Village participates in a jointly governed organization. Note 11 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) 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.

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 Fund:

State Grant Fund – The Village received a loan from ODOT in prior years to pave streets within the Village.

**VILLAGE OF CAMDEN
PREBLE COUNTY**

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

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 – The water fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Sewer Fund – The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Trash Fund – The trash fund accounts for the provision of trash services to the residents and commercial users 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 activity of the Village's 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) 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 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

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 CAMDEN
PREBLE COUNTY

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Budgetary Process (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 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.

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. The Village did not have any *nonspendable* fund balances.

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 CAMDEN
PREBLE COUNTY**

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (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 12.

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	\$ 2,245,810	\$ 2,368,377	\$ 122,567
Special Revenue	533,020	435,951	(97,069)
Enterprise	905,500	945,145	39,645
Total	\$ 3,684,330	\$ 3,749,473	\$ 65,143

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,687,900	\$ 1,015,418	\$ 1,672,482
Special Revenue	669,120	260,406	408,714
Enterprise	1,231,376	944,013	287,363
Total	\$ 4,588,396	\$ 2,219,837	\$ 2,368,559

Note 4 – Deposits and Investments

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

	2021
Cash Management Pool:	
Demand Deposits	\$ 3,347,617
Certificates of Deposit	415,692
Total deposits	\$ 3,763,309

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 \$8,918 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Village; 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 CAMDEN
PREBLE COUNTY**

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

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 1 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

Workers' Compensation

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

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

**VILLAGE OF CAMDEN
PREBLE COUNTY**

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

Note 7 - Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Retirement System

4 Village full-time Police 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 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2021.

Note 8 - Postemployment Benefits

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

Note 9 - Debt

Debt outstanding at December 31, 2021 was as follows:

	Principal	Interest Rate
OWDA Loan #4410	\$ 119,407	4.29%
OWDA Loan #4676	479,585	4.12%
OWDA Loan #4751	973,666	4.47%
OWDA Loan #6027	2,330,944	1.50%
OPWC Loan CT63J	78,750	0.00%
Town Hall Loan	481,270	3.10%
ODOT SIB Loan 2020	507,822	3.00%
Total	\$ 4,971,444	

The Ohio Water Development Authority Loan #4410 relates to water system improvements. The loan will be repaid in semiannual installments of \$5,438 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority Loan #4676 relates to the water system improvements. The loan will be repaid in semiannual installments of \$23,739 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Water Development Authority Loan #4751 relates to the water system improvements. The loan will be repaid in semiannual installments of \$44,193 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

**VILLAGE OF CAMDEN
PREBLE COUNTY**

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

Note 9 – Debt (Continued)

The Ohio Water Development Authority Loan #6027 relates to the water system improvements. The loan will be repaid in semiannual installments of \$61,223 including interest over 30 years. The loan is collateralized by water receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) Loan #CT63J relates to the water system improvements. The loan will be repaid in semiannual installments of \$5,625 over 20 years. The loan is collateralized by water and sewer receipts.

In 2014, the Village took out a line of credit from First Financial Bank to rebuild it's Town Hall. The amount of credit was for \$600,000. The Village is repaying this line of credit on a monthly basis at \$3,371 a month. No amortization schedule is currently available.

In 2020, the Village entered into a loan agreement with Ohio Department of Transportation (ODOT) to cover paving streets within the Village of Camden at a 0% interest for the first year with payments beginning in 2023.

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

Year ending December 31:	OWDA Loan #4410	OWDA Loan #4676	OWDA Loan #4751	OWDA Loan #6027	OPWC Loan	2020 SIB Loan
2022	\$ 10,535	\$ 40,659	\$ 79,522	\$ 122,445	\$ 11,250	\$ -
2023	10,551	40,685	79,717	122,446	11,250	185,066
2024	10,569	40,713	79,921	122,445	11,250	185,066
2025	10,588	40,741	80,133	122,446	11,250	185,065
2026	10,608	40,771	80,356	122,445	11,250	-
2027-2031	53,359	204,345	405,483	612,227	22,500	-
2032-2036	53,986	205,298	412,759	612,227	-	-
2037-2041	-	41,192	125,505	612,227	-	-
2042-2046	-	-	-	306,114	-	-
Total	<u>\$ 160,196</u>	<u>\$ 654,404</u>	<u>\$ 1,343,396</u>	<u>\$ 2,755,022</u>	<u>\$ 78,750</u>	<u>\$ 555,197</u>

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding for 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 – Jointly Governed Organizations

The Camden-Somers Fire and Rescue Protections District, Preble County in a jointly governed organization established by resolution passed by the Village of Camden January 7, 2002 and by Somers Township January 14, 2002, to unite the entities in the management of the district which provides fire, ambulance, emergency medical and rescue services to the residents with these two areas. The District is governed by a Board made up of three representatives appointed by the Village of Camden and three representatives appointed by Somers Township, known as the Camden Somers Fire and Rescue Protection District Board of Trustees. Financial information about the District can be obtained from the District at 111 West Central Ave., Camden, Ohio 45311.

**VILLAGE OF CAMDEN
PREBLE COUNTY**

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

Note 12 – 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	Capital Projects	Total
Outstanding Encumbrances	\$ 2,887	\$ 267	\$ -	\$ 3,154

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 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. 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 funding, either federal or state, cannot be estimated.

Note 14 – Restatement of Fund Balances

The Village's fund cash balances at January 1, 2021 have been restated for a prior year voided check and for errors in prior year payments from the Mayor's Court Fund to the General Fund. These adjustments resulted in the following changes in fund balances at January 1, 2021:

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
Fund Balance at December 31, 2020 as Previously Reported	\$ 896,050	\$ 192,518	\$ 421	\$ 1,088,989
Error in prior year Mayor's Court payments	(3,326)	-	-	(3,326)
Adjustment for prior year voided check	50	-	-	50
Fund Balance January 1, 2021 as Restated	\$ 892,774	\$ 192,518	\$ 421	\$ 1,085,713

	Other Custodial
Fund Balance at December 31, 2020 as Previously Reported	\$ 4,153
Error in prior year Mayor's Court payments	3,326
Fund Balance January 1, 2021 as Restated	\$ 7,479

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

Village of Camden
Preble County
P.O. Box 1
56 West Central Avenue
Camden, Ohio 45311

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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, 2022 and 2021 and the related notes to the financial statements of the Village of Camden, Preble County, (the Village) and have issued our report thereon dated April 25, 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 opinions 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as items 2022-001 and 2022-003 that we consider to be material weaknesses.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2022-002 and 2022-003.

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.



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

April 25, 2024

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2022-001

Material Weakness

Financial Reporting

Accurate financial reporting is the responsibility of the Clerk-Treasurer and is essential to ensure information provided to the readers of the financial statements is accurate. The Village should have procedures in place to prevent or detect material misstatements for the accurate presentation of the Village's financial statements. The Village did not always accurately post receipts and disbursements to the Village's accounting system. The following errors were noted:

- Debt payments that should have been allocated between principal and interest were posted to Security of Persons and Property in the General Fund and to Contractual Services in the Water, Sewer, and Trash Funds in 2022 and 2021;
- Debt proceeds for the 2022 Refunding Bonds and the repayment of the Town Hall Loan were not posted to the accounting system in 2022;
- Interest on one CD account was not posted to the accounting system in 2022;
- OPWC passthrough activity was not posted as an Intergovernmental receipt and an offsetting Capital Outlay disbursement in the Street Construction, Maintenance, and Repair Fund in 2021;
- Eight county auto license tax receipts were posted entirely to the Street Construction, Maintenance, and Repair Fund when 7.5% of each receipt should have been allocated to the State Highway Fund in 2021;
- Mayor's Court activity was not properly posted in the Custodial Fund in 2022 and 2021. The Clerk-Treasurer would net the receipts and disbursements on the bank statement each month and enter either a receipt, disbursement, or fund balance adjustment into UAN. Adjustments have been made to remove these net postings and to record the proper amounts in the Custodial Fund;
- Drug Law Enforcement Fund activity was not properly posted in 2022 and 2021. Like with Mayor's Court, the Clerk-Treasurer would net the receipts and disbursements on the bank statement each month and enter either a receipt, disbursement, or fund balance adjustment into UAN. Upon further review of the receipt source for this fund and through consultation with AOS, it was determined this activity should not be in a Special Revenue Fund and should instead be reported in the General Fund. Adjustments have been made to remove these net postings and to record the proper amounts in the General Fund as well as to adjust the beginning fund balance of the Drug Law Enforcement Fund to the General Fund; and
- Receipts and disbursements for the Court Computerization Fund were not properly recorded for the first half of 2022 and all of 2021.

Not posting receipts and disbursements accurately resulted in the financial statements requiring several reclassifications and adjustments. The financial statements reflect all reclassifications and adjustments. The Village has made these adjustments to its accounting system.

VILLAGE OF CAMDEN
PREBLE COUNTY

SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2022-001 (Continued)

Material Weakness (Continued)

Financial Reporting (Continued)

The following reclassifications were inconsequential to the overall financial statements of the Village for December 31, 2022 and 2021 and were not posted to the financial statements or ledgers:

- Four Special Assessment receipts were recorded as Charges for Services instead of Special Assessments in the General Fund in 2022 and 2021;
- A radio grant receipt was recorded as Charges for Services instead of Intergovernmental in the General Fund in 2021;
- A receipt for insurance proceeds was recorded as Charges for Services instead of Miscellaneous in the General Fund in 2021; and
- Eleven Auto License Tax receipts were recorded as Property and Other Local Taxes instead of Intergovernmental in the State Highway Fund in 2022.

Corrections were also made to the notes to the financial statements both to correct errors and to adjust for audit adjustments.

To help ensure accuracy and reliability in the financial reporting process, we recommend that management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues and expenses are properly identified and classified on the financial statements.

We also recommend the Clerk-Treasurer refer to the Ohio Village Handbook and other Auditor of State resources for guidance to determine the proper establishment of receipt and disbursement accounts and posting of receipts and disbursements.

Officials' Response – We did not receive a response from Officials to this finding.

FINDING NUMBER 2022-002

Noncompliance

Ohio Rev. Code § 2743.70 states, in part, the court, in which any person is convicted of or pleads guilty to any offense other than a traffic offense that is not a moving violation, shall impose the following sum as costs in the case in addition to any other court costs that the court is required by law to impose upon the offender: (a) Thirty dollars, if the offense is a felony; (b) Nine dollars, if the offense is a misdemeanor. The court shall not waive the payment of the thirty- or nine-dollar court costs, unless the court determines that the offender is indigent and waives the payment of all court costs imposed upon the indigent offender. All such moneys shall be transmitted on the first business day of each month by the clerk of the court to the treasurer of state and deposited by the treasurer in the reparations fund.

VILLAGE OF CAMDEN
PREBLE COUNTY

SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2022-002 (Continued)

Noncompliance (Continued)

Ohio Rev. Code § 2949.091 states, in part, the court, in which any person is convicted of or pleads guilty to any offense shall impose one of the following sums as costs in the case in addition to any other court costs that the court is required by law to impose upon the offender: (i) Thirty dollars if the offense is a felony; (ii) Twenty dollars if the offense is a misdemeanor other than a traffic offense that is not a moving violation; (iii) Ten dollars if the offense is a traffic offense that is not a moving violation, excluding parking violations. All moneys collected during a month shall be transmitted on or before the twentieth day of the following month by the clerk of the court to the treasurer of state and deposited by the treasurer of state to the credit of the indigent defense support fund established under section 120.08 of the Revised Code. The court shall not waive the payment of the additional thirty-, twenty-, or ten-dollar court costs, unless the court determines that the offender is indigent and waives the payment of all court costs imposed upon the indigent offender.

Ohio Rev. Code § 2949.094 states, in part, the court in which any person is convicted of or pleads guilty to any moving violation shall impose an additional court cost of ten dollars upon the offender. The court shall not waive the payment of the ten dollars unless the court determines that the offender is indigent and waives the payment of all court costs imposed upon the indigent offender. The clerk of the court shall transmit thirty-five per cent of all additional court costs collected pursuant to this division during a month on or before the twenty-third day of the following month to the state treasury of which ninety-seven per cent shall be credited to the drug law enforcement fund created under section 5502.68 of the Revised Code and the remaining three per cent shall be credited to the justice program services fund created under section 5502.67 of the Revised Code. The clerk shall transmit fifteen per cent of all additional court costs so collected during a month on or before the twenty-third day of the following month to the county or municipal indigent drivers alcohol treatment fund under the control of that court, as created by the county or municipal corporation under division (H) of section 4511.191 of the Revised Code. The clerk shall transmit fifty per cent of all additional court costs so collected during a month on or before the twenty-third day of the following month to the state treasury to be credited to the indigent defense support fund created pursuant to section 120.08 of the Revised Code.

Upon review of the Mayor's Court receipts in 2022 and 2021, it was noted that the correct amount of fines were charged, however, the fines were not allocated and disbursed correctly on a number of cases. As this was a pervasive issue, all Mayor's Court receipts were reviewed for both years, in which it was noted that one receipt in 2022 and 50 receipts in 2021 had improper allocations. In 2022, the Treasurer of State (TOS) Trauma and EMS Fund was underpaid by \$30. In 2021, the TOS Indigent Defense Support Fund was underpaid by \$390, the TOS Reparations Fund was underpaid by \$360, and the TOS Trauma and EMS Fund was underpaid by \$40. It was also noted in 2021 that the Mayor's Court Fund owes the Drug Fund \$539, The Computer Fund owes the Mayor's Court Fund \$10, and the General Fund owes the Mayor's Court Fund \$76.

We recommend the Clerk of Courts review the Ohio Rev. Code sections noted above and ensure the fines collected are being allocated and disbursed in accordance with these sections.

Officials' Response – We did not receive a response from Officials to this finding.

VILLAGE OF CAMDEN
PREBLE COUNTY

SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2022-003

Material Weakness/Noncompliance

Ohio Rev. Code Section 5705.09 requires, in part, each subdivision to establish a bond retirement fund for the retirement of serial bonds, notes or certificates of indebtedness.

During 2022, the Village issued a bond refunding and did not establish a debt service fund to account for the bond proceeds or the retirement of the bond.

We recommend the Village establish a debt service fund to account for the retirement of the 2022 refunding bond. New funds established should be approved by Village Council and documented in the minutes.

Officials' Response – We did not receive a response from Officials to this finding.

**VILLAGE OF CAMDEN
PREBLE COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

Finding Number	Finding Summary	Status	Additional Information
2020-001	Financial Reporting	Not Corrected	Repeated as Finding 2022-001
2020-002	Mayor's Court Computerization Fees	Partially Corrected	Moved to Management Letter
2020-003	Ohio Revised Code Sections 135.18, 135.181, and 135.182	Corrected	N/A
2020-004	Ohio Revised Code Section 733.40	Partially Corrected	Moved to Management Letter
2020-005	Ohio Revised Code Sections 2743.70, 2949.091, and 2949.094	Partially Corrected	Repeated as Finding 2022-002

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF CAMDEN

PREBLE 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 7/11/2024

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