



Certified Public Accountants, A.C.

**VILLAGE OF CAMDEN
PREBLE COUNTY
Regular Audit
For the Years Ended December 31, 2018 and 2017**

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KEITH FABER



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Village Council
Village of Camden
56 West Central Ave, P.O. Box 1
Camden, Ohio 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, 2017 through December 31, 2018. 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

October 22, 2019

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VILLAGE OF CAMDEN
PREBLE COUNTY

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INDEPENDENT AUDITOR'S REPORT

August 30, 2019

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

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the **Village of Camden**, Preble County, (the Village) as of and for the years ended December 31, 2018 and 2017.

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.

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Auditor's Responsibility (Continued)

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

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

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

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

Though the Village does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Disclaimer of Opinion on Fiduciary Fund Type Receipts and Disbursements on the Regulatory Basis of Accounting, Additional Opinion Qualification and Unmodified Opinion* paragraphs 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, 2018 and 2017, or changes in financial position or cash flows thereof for the years then ended.

Basis for Disclaimer of Opinion on Fiduciary Fund Type Receipts and Disbursements on the Regulatory Basis of Accounting

Fines, Licenses, and Permits Receipts are reported at \$55,908 and \$60,809 for the years ended December 31, 2018 and 2017, respectively, which are 100% of Fiduciary Fund Type receipts for the years ended December 31, 2018 and 2017. Contractual Services Disbursements are reported at \$52,544 and \$61,758 for the years ended December 31, 2018 and 2017, respectively, which are 100% of Fiduciary Fund Type disbursements for the years ended December 31, 2018 and 2017. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as Fines, Licenses, and Permits Receipts and Contractual Services Disbursements. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Disclaimer of Opinion on Fiduciary Fund Type Receipts and Disbursements on the Regulatory Basis of Accounting

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on Fiduciary Fund Type Receipts and Disbursements on the Regulatory Basis of Accounting* paragraph, we were unable to obtain sufficient appropriate audit evidence to opine on the Fiduciary Fund Type's financial statements. Accordingly, we have not opined on these financial statements.

Basis for Additional Qualification of Opinion on General Fund Fines, Licenses, and Permits on the Regulatory Basis of Accounting

Fines, Licenses and Permits are reported at \$27,286 and \$39,930 for the years ended December 31, 2018 and 2017, respectively, which is 3 percent and 5 percent of total General Fund cash receipts for the years ended December 31, 2018 and 2017, respectively. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as Fines, Licenses and Permits. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Additional Opinion Qualification

In our opinion, except for the possible effects of the matter described in the *Basis for Qualification of Opinion on General Fund Fines, Licenses, and Permits on the Regulatory Basis of Accounting* paragraph, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the General Fund Type of the Village of Camden, Preble County, Ohio as of December 31, 2018 and 2017, for the years then ended 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.

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Special Revenue and Capital Projects Funds of the Village of Camden, Preble County, Ohio, as of December 31, 2018 and 2017, for the years then ended 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2019, 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 and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**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, 2018**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts				
Property and Other Local Taxes	\$ 183,407	\$ 41,381	\$ -	\$ 224,788
Municipal Income Tax	343,719	-	-	343,719
Intergovernmental	62,533	102,646	-	165,179
Charges for Services	54,993	-	-	54,993
Fines, Licenses and Permits	27,286	-	-	27,286
Earnings on Investments	2,077	-	-	2,077
Miscellaneous	150,453	-	-	150,453
<i>Total Cash Receipts</i>	<u>824,468</u>	<u>144,027</u>	<u>-</u>	<u>968,495</u>
Cash Disbursements				
Current:				
Security of Persons and Property	303,272	-	-	303,272
Public Health Services	150	-	-	150
Basic Utility Services	14,965	1,959	-	16,924
Transportation	-	105,751	-	105,751
General Government	289,077	-	-	289,077
Capital Outlay	46,578	-	-	46,578
Debt Service:				
Principal Retirement	48,862	65,000	-	113,862
Interest and Fiscal Charges	10,807	-	-	10,807
<i>Total Cash Disbursements</i>	<u>713,711</u>	<u>172,710</u>	<u>-</u>	<u>886,421</u>
<i>Net Change in Fund Cash Balances</i>	110,757	(28,683)	-	82,074
<i>Fund Cash Balances, January 1</i>	<u>632,916</u>	<u>145,220</u>	<u>421</u>	<u>778,557</u>
Fund Cash Balances, December 31				
Restricted	-	116,537	421	116,958
Assigned	332,605	-	-	332,605
Unassigned	411,068	-	-	411,068
<i>Fund Cash Balances, December 31</i>	<u>\$ 743,673</u>	<u>\$ 116,537</u>	<u>\$ 421</u>	<u>\$ 860,631</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)
ALL PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Proprietary Fund Types	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$ 679,258	\$ -	\$ 679,258
Fines, Licenses and Permits	-	55,908	55,908
<i>Total Operating Cash Receipts</i>	<u>679,258</u>	<u>55,908</u>	<u>735,166</u>
Operating Cash Disbursements			
Personal Services	145,961	-	145,961
Employee Fringe Benefits	44,461	-	44,461
Contractual Services	250,773	52,544	303,317
Supplies and Materials	58,120	-	58,120
Other	138,935	-	138,935
<i>Total Operating Cash Disbursements</i>	<u>638,250</u>	<u>52,544</u>	<u>690,794</u>
<i>Operating Income</i>	<u>41,008</u>	<u>3,364</u>	<u>44,372</u>
Non-Operating Receipts (Disbursements)			
Special Assessments	270,585	-	270,585
Capital Outlay	(15,494)	-	(15,494)
Principal Retirement	(191,384)	-	(191,384)
Interest and Other Fiscal Charges	(117,497)	-	(117,497)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(53,790)</u>	<u>-</u>	<u>(53,790)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(12,782)</u>	<u>3,364</u>	<u>(9,418)</u>
<i>Fund Cash Balances, January 1</i>	<u>980,712</u>	<u>674</u>	<u>981,386</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 967,930</u>	<u>\$ 4,038</u>	<u>\$ 971,968</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, 2018

Note 1 – Reporting Entity

The Village of Camden (the Village), Preble County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police services.

The Village contracts with the Camden-Somers Fire and Rescue to receive fire and emergency medical services.

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 and 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 sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village has 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 tax registration fees restricted for construction, maintenance and repair of streets within the Village.

Permissive Motor Vehicle License – The Permissive Motor Vehicle License Fund accounts for and reports money funds distributed to the Village from vehicle registration municipal permissive tax funds for use in accordance with statute.

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 has the following significant capital project fund:

State Grant Fund – The State Grant Fund received proceeds from the Ohio Public Works Commission. The proceeds were used for the removal of concrete curbs, installation of curb and gutter, installation of storm sewer and storm inlets, pavement widening, and a new asphalt surface course.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 2 – Summary of Significant Accounting Policies (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 Operating Fund accounts for the provision of sewer services to the residents and commercial users located 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 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, and 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 commitments are made. Encumbrances outstanding at year end are cancelled, and reappropriated in the subsequent year. Encumbrances at year end are carried forward and need not be reappropriated in the subsequent year.

A summary of 2018 budgetary activity appears in Note 3.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

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 CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,087,648	\$ 824,468	\$ (263,180)
Special Revenue	137,000	144,027	7,027
Enterprise	897,000	949,843	52,843
Total	\$ 2,121,648	\$ 1,918,338	\$ (203,310)

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,344,629	\$ 717,926	\$ 626,703
Special Revenue	253,629	173,229	80,400
Enterprise	1,247,038	965,678	281,360
Total	\$ 2,845,296	\$ 1,856,833	\$ 988,463

Note 4 – Deposits and Investments

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

	2018
Demand deposits	\$ 1,448,405
Certificates of deposit	384,194
Total deposits	\$ 1,832,599

Deposits

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 CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

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 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 (if material).

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

The Village is insured 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

Ten 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% 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, 2018.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 7 – Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members’ wages, respectively. The Village has paid all contributions required through December 31, 2018.

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 2018. The portion of employer contributions allocated to health for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2018 was as follows:

	<u>Principal</u>	<u>Interest</u>
Ohio Public Works Commission CT63J	\$ 112,500	0.00%
Ohio Water Development Authority Loan #4410	132,912	4.29%
Ohio Water Development Authority Loan #4676	530,094	4.12%
Ohio Water Development Authority Loan #4751	1,068,532	4.47%
Ohio Water Development Authority Loan #6027	2,544,811	1.50%
First Financial - Line of Credit	551,687	3.10%
Ohio Department of Transportation SIB Loan	200,000	3.00%
Total	<u>\$ 5,140,536</u>	

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 payment amount has been revised in 2017.

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 payment amount has been revised in 2017.

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 payment amount has been revised in 2017.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

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 payment amount has been revised in 2017.

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 30 years. The loan is collateralized by water and sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

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. We will be starting on Phase II of the rebuild in 2019 and will be adding to this line of credit. No amortization schedule is currently available. The carrying value at December 31, 2018 is \$551,687.

In 2015, the Village entered into a loan agreement with Ohio Department of Transportation to cover paving streets within the Village of Camden at a 0% interest with payments beginning in 2018. We made our first payment in 2018 for \$100,000 leaving a total on the loan of \$200,000 which we will be paying off in 2019. No amortization schedule is currently available.

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
2019	\$ 10,496	\$ 40,598	\$ 79,071	\$ 122,446	\$ 11,250
2020	10,510	40,622	79,246	122,446	11,250
2021	10,526	40,646	79,428	122,446	11,250
2022	10,543	40,672	79,619	122,446	11,250
2023	10,561	40,699	79,817	122,446	11,250
2024-2028	53,092	203,938	402,405	612,230	56,250
2029-2033	53,656	204,797	408,919	612,230	-
2034-2038	27,080	143,972	332,998	612,230	-
2039-2043	-	-	-	612,230	-
Total	<u>\$ 186,464</u>	<u>\$ 755,944</u>	<u>\$ 1,541,503</u>	<u>\$ 2,448,920</u>	<u>\$ 112,500</u>

Note 10 – Contingent Liabilities

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.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

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 – Subsequent Events

During 2019, Phase II of the Town Hall Construction was started. Phase II of the project will include additional debt.

**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, 2017**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts				
Property and Other Local Taxes	\$ 167,740	\$ 40,356	\$ -	\$ 208,096
Municipal Income Tax	307,536	-	-	307,536
Intergovernmental	62,174	104,522	-	166,696
Charges for Services	33,190	-	-	33,190
Fines, Licenses and Permits	39,930	-	-	39,930
Earnings on Investments	428	-	-	428
Miscellaneous	8,905	-	-	8,905
<i>Total Cash Receipts</i>	<u>619,903</u>	<u>144,878</u>	<u>-</u>	<u>764,781</u>
Cash Disbursements				
Current:				
Security of Persons and Property	227,637	3,000	-	230,637
Basic Utility Services	11,715	1,900	-	13,615
Transportation	-	76,693	-	76,693
General Government	175,014	-	-	175,014
Capital Outlay	111,520	-	-	111,520
Debt Service:				
Principal Retirement	11,858	-	-	11,858
Interest and Fiscal Charges	9,914	-	-	9,914
<i>Total Cash Disbursements</i>	<u>547,658</u>	<u>81,593</u>	<u>-</u>	<u>629,251</u>
<i>Net Change in Fund Cash Balances</i>	72,245	63,285	-	135,530
<i>Fund Cash Balances, January 1</i>	<u>560,671</u>	<u>81,935</u>	<u>421</u>	<u>643,027</u>
Fund Cash Balances, December 31				
Restricted	-	145,220	421	145,641
Assigned	321,861	-	-	321,861
Unassigned	311,055	-	-	311,055
<i>Fund Cash Balances, December 31</i>	<u>\$ 632,916</u>	<u>\$ 145,220</u>	<u>\$ 421</u>	<u>\$ 778,557</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)
ALL PROPRIETARY AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Proprietary Fund Types	Fiduciary Fund Type	Totals
	Enterprise	Agency	(Memorandum Only)
Operating Cash Receipts			
Charges for Services	\$ 630,975	\$ -	\$ 630,975
Fines, Licenses and Permits	-	60,809	60,809
<i>Total Operating Cash Receipts</i>	<u>630,975</u>	<u>60,809</u>	<u>691,784</u>
Operating Cash Disbursements			
Personal Services	129,270	-	129,270
Employee Fringe Benefits	38,021	-	38,021
Contractual Services	264,376	61,758	326,134
Supplies and Materials	61,983	-	61,983
Other	77,512	-	77,512
<i>Total Operating Cash Disbursements</i>	<u>571,162</u>	<u>61,758</u>	<u>632,920</u>
<i>Operating Income</i>	<u>59,813</u>	<u>(949)</u>	<u>58,864</u>
Non-Operating Receipts (Disbursements)			
Special Assessments	329,037	-	329,037
Capital Outlay	(19,133)	-	(19,133)
Principal Retirement	(216,493)	-	(216,493)
Interest and Other Fiscal Charges	(124,319)	-	(124,319)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(30,908)</u>	<u>-</u>	<u>(30,908)</u>
<i>Net Change in Fund Cash Balances</i>	28,905	(949)	27,956
<i>Fund Cash Balances, January 1</i>	<u>951,807</u>	<u>1,623</u>	<u>953,430</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 980,712</u>	<u>\$ 674</u>	<u>\$ 981,386</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, 2017

Note 1 – Reporting Entity

The Village of Camden (the Village), Preble County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides water and sewer utilities, park operations, and police services.

The Village contracts with the Camden-Somers Fire and Rescue to receive fire and emergency medical services.

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 and 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 sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village has 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 tax 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 has the following significant capital project fund:

State Grant Fund – The State Grant Fund received proceeds from the Ohio Public Works Commission. The proceeds were used for the removal of concrete curbs, installation of curb and gutter, installation of storm sewer and storm inlets, pavement widening, and a new asphalt surface course.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 2 – Summary of Significant Accounting Policies (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 Operating Fund accounts for the provision of sewer services to the residents and commercial users located within the Village.

Refuse Fund – This fund charges for services from residents to cover refuse services costs.

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 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, and 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 commitments are made. Encumbrances outstanding at year end are cancelled, and reappropriated in the subsequent year. Encumbrances outstanding at year end are carried forward and need not be reappropriated.

A summary of 2017 budgetary activity appears in Note 3.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 693,250	\$ 619,903	\$ (73,347)
Special Revenue	137,600	144,878	7,278
Enterprise	959,700	960,012	312
Total	\$ 1,790,550	\$ 1,724,793	\$ (65,757)

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 890,785	\$ 547,658	\$ 343,127
Special Revenue	170,843	81,593	89,250
Enterprise	1,213,153	931,107	282,046
Total	\$ 2,274,781	\$ 1,560,358	\$ 714,423

Note 4 – Deposits and Investments

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

	2017
Demand deposits	\$ 1,377,827
Certificates of deposit	382,116
Total deposits	\$ 1,759,943

Deposits

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 CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 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 (if material).

Commercial Insurance

The Village has obtained commercial insurance for the following risks:

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

The Village is insured 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

Ten 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% 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, 2017.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 8 – Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members’ wages, respectively. The Village has paid all contributions required through December 31, 2017.

Note 10 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 1 percent during calendar year 2017. OP&F contributes 0.5 percent to fund these benefits.

Note 11 – Debt

Debt outstanding at December 31, 2017 was as follows:

	<u>Principal</u>	<u>Interest</u>
Ohio Public Works Commission Loan CT63J	\$ 123,750	0.00%
Ohio Water Development Authority Loan #2712	29,006	3.50%
Ohio Water Development Authority Loan #4410	137,925	4.29%
Ohio Water Development Authority Loan #4676	548,899	4.12%
Ohio Water Development Authority Loan #4751	1,103,638	4.47%
Ohio Water Development Authority Loan #6027	2,628,146	1.50%
First Financial - Line of Credit	574,419	3.10%
Ohio Department of Transportation SIB Loan	300,000	3.00%
Total	<u>\$ 5,445,783</u>	

The Ohio Water Development Authority (OWDA) Loan #2712 relates to wastewater treatment plant improvements that were mandated by the OEPA. The loan will be repaid in semiannual installments of \$35,751 including interest over 20 years. The loan is collateralized by sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

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 payment amount has been revised in 2017.

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 payment amount has been revised in 2017.

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 11 – Debt (Continued)

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 payment amount has been revised in 2017.

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 30 years. The loan is collateralized by water and sewer receipts. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

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. We will be starting on Phase II of the rebuild in 2019 and will be adding to this line of credit. No amortization schedule is currently available. The carrying amount reported for this loan in the prior year audit report at December 31, 2016 was \$600,000. The correct carrying amount for this loan at December 31, 2016 was 596,452. The carrying value at December 31, 2017 is \$574,419.

In 2015, the Village entered into a loan agreement with Ohio Department of Transportation to cover paving streets within the Village of Camden at a 0% interest with payments beginning in 2018 for a total loan amount of \$300,000. The loan payments when started will be paid out of the Permissive Motor Vehicle License Tax and Street Construction, Maintenance, and Repair Funds. No amortization schedule is currently available.

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

Year ending December 31:	OWDA Loan #2712	OWDA Loan #4410	OWDA Loan #4676	OWDA Loan #4751	OWDA Loan #6027	OPWC Loan CT63J
2018	\$ 29,440	\$ 10,480	\$ 40,575	\$ 78,905	\$ 122,446	\$ 11,250
2019	-	10,496	40,598	79,071	122,446	11,250
2020	-	10,510	40,622	79,246	122,446	11,250
2021	-	10,526	40,646	79,428	122,446	11,250
2022	-	10,542	40,672	79,619	122,446	11,250
2023-2027	-	52,992	203,786	401,265	612,230	56,250
2028-2032	-	53,534	204,611	407,499	612,230	22,500
2033-2037	-	37,862	185,009	415,275	612,230	-
2038-2042	-	-	-	-	612,230	-
2043-2047	-	-	-	-	122,446	-
Total	\$ 29,440	\$ 186,462	\$ 755,944	\$ 1,541,403	\$ 2,326,474	\$ 123,750

VILLAGE OF CAMDEN
PREBLE COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Note 12 – Contingent Liabilities

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.

The Village is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village's financial condition.

Note 13 – 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 14 – Subsequent Events

During 2019, Phase II of the Town Hall Construction was started. Phase II of the project will include additional debt.



Certified Public Accountants, A.C.

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

August 30, 2019

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

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 of the **Village of Camden**, Preble County (the Village) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements and have issued our report thereon dated August 30, 2019, 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 did not express an opinion on the Fiduciary Fund Type. We also qualified our opinion on fines, licenses and permits receipts in the General Fund.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of audit findings that we consider a material weakness. We consider finding 2018-001 to be a material weakness.

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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 determination of financial statement amounts. 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 several instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of audit findings as item 2018-002 through 2018-004.

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 communication is not suitable for any other purpose.



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

VILLAGE OF CAMDEN
PREBLE COUNTY
SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2018-001

Material Weakness

Posting Receipts, Disbursements and Classification of Fund Balances

The Village should have procedures and controls in place to help prevent and detect errors in financial reporting. Fund balances should be properly classified based on Governmental Accounting Standards Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*.

During 2018 and 2017, receipts, disbursements and fund balances were not always posted or classified correctly. The following errors were noted:

- Debt payments were not always properly recorded during 2018 and 2017;
- Subsequent year appropriations that exceeded estimated receipts in the General Fund were classified as Unassigned instead of Assigned in the General Fund in 2018 and 2017;
- Property Tax Settlement rollbacks were not properly recorded in 2018 and 2017;
- Mayor’s Court receipts and disbursements were not recorded in the Village’s accounting system or annual financial report in 2018 and 2017.

Not posting receipts, disbursements, or classifying fund balances accurately resulted in the financial statements requiring adjustments and reclassifications. The Village has made all adjustments to its accounting system. The financial statements reflect all adjustments and reclassifications.

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 are properly identified and classified on the financial statements.

We also recommend the Fiscal Officer refer to the Ohio Village Handbook for guidance to determine the proper establishment of receipt and disbursement accounts and posting of receipts and disbursements. The Fiscal Officer should refer to Auditor of State Technical Bulletin 2011-004 for assistance in properly classifying fund balances.

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

FINDING NUMBER 2018-002

Noncompliance

Ohio Rev. Code Section 2335.25 states that each clerk of a court of record shall enter in a journal or cashbook, an accurate account of all moneys collected or received in their official capacity, on the days of the receipt in the order of time so received. The clerk shall be the receiver of all moneys payable into their office, whether collected by public officers of court or tendered by other persons.

The Village did not maintain a proper cashbook record of receipts for the Mayor’s Court account during 2018 and 2017. The Village did not complete the cashbook with a docket or ticket number for each receipt. Without this information, we were unable to agree receipts from the cashbook to the docket and the corresponding tickets.

VILLAGE OF CAMDEN
PREBLE COUNTY
SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2018-002 (Continued)

Noncompliance (Continued)

We determined no bank to book reconciliations were done for 2018 or 2017. Because the cashbook is not properly maintained, a reconciliation to the bank statement may not be possible. Failure to reconcile the cashbook to the bank statement could lead to misappropriation of funds without management or Council preventing, detecting or timely correcting misstatements.

We recommend the Village maintain a cashbook and record all of the Mayor's Court receipts along with a docket and ticket number in order to ensure the amounts in the cashbook agree to the corresponding docket and ticket number.

We recommend the Village maintain a cashbook and record all of the Mayor's Court receipts along with a docket and ticket number in order to ensure the amounts in the cashbook agree to the corresponding docket and ticket number.

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

FINDING NUMBER 2018-003

Noncompliance

Ohio Revised Code 733.40 requires, except as otherwise provided in Ohio Revised Code Section 4511.193, all fines, forfeitures, and cost in ordinance cases and all fees collected by the mayor, or which in any manner come into his or her hands, or which are due to such mayor or a marshal, chief of police, or other officer of the municipal corporation, any other fees and expenses which have been advanced out of the treasury of the municipal corporation, and all money received by such mayor for the use of such municipal corporation, shall be paid by clerk into the Village's treasury on the first Monday of each month.

Our review of the Village's Mayor's Court disclosed the following:

- Mayor's Court remittances were not made timely to the Village's General Fund. These weaknesses could allow recording errors and irregularities to occur and remain undetected.

We recommend the Village distribute the correct fines collected by the Village's Mayor's Court to the Village's General Fund and other applicable agencies by the required dates.

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

VILLAGE OF CAMDEN
PREBLE COUNTY
SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2018-004

Noncompliance

Ohio Rev. Code Sections 2743.70 and 2949.091 require 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, to impose and collect additional costs to be used for the State's Reparations Fund and the State's General Fund, respectively. All such moneys collected during a month under Ohio Rev. Code Section 2743.70 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. All such moneys collected during a month under Ohio Rev. Code Section 2949.091 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 into the General Fund.

During the audit period, the Village Mayor's Court collected, but failed to remit payments to the State in a timely manner. The Village Mayor's Court should remit moneys owed to the State in a timely manner.

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

VILLAGE OF CAMDEN
PREBLE COUNTY
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

Finding Number	Finding Summary	Status	Additional Information
2016-001	Cash Reconciliations & Annual Financial Statements	Corrected	N/A
2016-002	Posting of Financial Activity	Not Corrected	Repeated as Finding 2018-001
2016-003	Service Organization Oversight	Corrected	N/A

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF CAMDEN

PREBLE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 7, 2019**