

***VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO***

AUDIT REPORT

FOR THE YEARS ENDED DECEMBER 31, 2015 & 2014





Dave Yost • Auditor of State

Village Council
Village of Amberley
7149 Ridge Road
Cincinnati, Ohio 45237

We have reviewed the *Independent Auditor's Report* of the Village of Amberley, Hamilton County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2014 thru December 31, 2015. 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 Amberley is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 23, 2016

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VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Audit Report
For the Years Ended December 31, 2015 & 2014

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INDEPENDENT AUDITOR'S REPORT

Village of Amberley
Hamilton County
7149 Ridge Road
Cincinnati, Ohio 45237

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 the related notes of the Village of Amberley, Hamilton County, Ohio (the Village), as of and for the years ended December 31, 2015 and 2014.

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 opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

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

As described in Note 1 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, to satisfy these requirements.

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2015 and 2014, or changes in financial position or cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Village of Amberley, Hamilton County, as of December 31, 2015 and 2014, and its combined cash receipts and disbursements 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 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2016, 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.



Charles E. Harris & Associates, Inc.
June 21, 2016

VILLAGE OF AMBERLEY
HAMILTON COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
All Governmental Fund Types
For the Year Ended December 31, 2015

	Governmental Fund Types			Totals- (Memorandum Only)
	General	Special Revenue	Capital Projects	
Receipts:				
Property Taxes	\$ 961,150	\$ 1,488,918	\$ -	\$ 2,450,068
Municipal Income Tax	2,707,306	-	-	2,707,306
Intergovernmental	355,308	411,448	-	766,756
Charges for Services	305,889	20,844	-	326,733
Fines, Licenses and Permits	187,909	18,495	-	206,404
Earnings on Investments	27,247	3,222	-	30,469
Miscellaneous	34,154	-	-	34,154
Total Cash Receipts	4,578,963	1,942,927	-	6,521,890
Disbursements:				
Current:				
Security of Persons & Property	1,356,875	1,797,302	-	3,154,177
Public Health Services	145,636	-	-	145,636
Community Environment	-	374	-	374
Basic Utility Services	172,546	-	-	172,546
Transportation	823,554	407,442	-	1,230,996
General Government	1,262,359	581	-	1,262,940
Capital Outlay	-	-	47,705	47,705
Total Cash Disbursements	3,760,970	2,205,699	47,705	6,014,374
Total Receipts Over/(Under) Disbursements	817,993	(262,772)	(47,705)	507,516
Other Financing Receipts (Disbursements):				
Sale of Capital Asset	9,299	-	-	9,299
Transfer in	-	290,000	150,000	440,000
Transfer out	(440,000)	-	-	(440,000)
Other Financing Uses	(11,814)	-	-	(11,814)
Total Other Financing Receipts (Disbursements)	(442,515)	290,000	150,000	(2,515)
Net Change in Fund Cash Balances	375,478	27,228	102,295	505,001
Fund Cash Balances, January 1, 2015	4,119,468	589,479	323,784	5,032,731
Fund Cash Balances, December 31				
Nonspendable	14,399	-	-	14,399
Restricted	-	616,707	-	616,707
Assigned	41,341	-	426,079	467,420
Unassigned	4,439,206	-	-	4,439,206
Fund Cash Balances, December 31, 2015	\$ 4,494,946	\$ 616,707	\$ 426,079	\$ 5,537,732

See Accompanying Notes to the Financial Statements.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES -ALL PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUND TYPES
For the Year Ended December 31, 2015**

	<u>Proprietary Fund Types Enterprise</u>	<u>Fiduciary Fund Types Agency</u>	<u>Totals- (Memorandum Only)</u>
Operating Receipts:			
Charges for Services	\$ 301,156	\$ 54,557	\$ 355,713
Total Operating Receipts	301,156	54,557	355,713
Operating Disbursements:			
Personal Services & Employee Benefits	6,823	-	6,823
Contractual Services	101,121	119,815	220,936
Supplies and Materials	2,874	-	2,874
Total Operating Disbursements	110,818	119,815	230,633
Excess of Receipts Over/(Under) Disbursements	190,338	(65,258)	125,080
Non-Operating Receipts (Disbursements):			
Intergovernmental	-	1,000,124	1,000,124
Earnings on Investments	3,232	-	3,232
Capital Outlay	(141,443)	-	(141,443)
Distribution of Fines	-	(129,332)	(129,332)
Distribution of JEDZ funds	-	(892,907)	(892,907)
Fines, Licenses and Permits	-	126,474	126,474
Other Financing Sources	-	46,171	46,171
Other Financing Uses	-	(101,070)	(101,070)
Total Non-Operating Receipts	(138,211)	49,460	(88,751)
Net Change in Fund Cash Balance	52,127	(15,798)	36,329
Fund Cash Balance, January 1, 2015	579,258	107,006	686,264
Fund Cash Balance, December 31, 2015	\$ 631,385	\$ 91,208	\$ 722,593

See Accompanying Notes to the Financial Statements.

VILLAGE OF AMBERLEY
HAMILTON COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
All Governmental Fund Types
For the Year Ended December 31, 2014

	Governmental Fund Types			Totals- (Memorandum Only)
	General	Special Revenue	Capital Projects	
Receipts:				
Property Taxes	\$ 966,513	\$ 1,501,243	\$ -	\$ 2,467,756
Municipal Income Tax	3,034,506	-	-	3,034,506
Intergovernmental	340,881	405,188	-	746,069
Charges for Services	342,855	20,576	-	363,431
Fines, Licenses and Permits	174,823	5,388	-	180,211
Earnings on Investments	18,232	3,490	-	21,722
Miscellaneous	52,341	4,750	-	57,091
Total Cash Receipts	4,930,151	1,940,635	-	6,870,786
Disbursements:				
Current:				
Security of Persons & Property	1,320,330	1,766,472	-	3,086,802
Public Health Services	142,619	-	-	142,619
Leisure Time Activities	-	86	-	86
Basic Utility Services	206,796	-	-	206,796
Transportation	827,210	253,246	-	1,080,456
General Government	1,178,425	618	-	1,179,043
Capital Outlay	-	-	361,857	361,857
Total Cash Disbursements	3,675,380	2,020,422	361,857	6,057,659
Total Receipts Over/(Under) Disbursements	1,254,771	(79,787)	(361,857)	813,127
Other Financing Receipts (Disbursements):				
Sale of Capital Asset	8,330	-	-	8,330
Transfer in	-	120,000	104,233	224,233
Transfer out	(224,223)	-	-	(224,223)
Other Financing Sources	113,372	-	-	113,372
Other Financing Uses	(6,635)	-	-	(6,635)
Total Other Financing Receipts (Disbursements)	(109,156)	120,000	104,233	115,077
Net Change in Fund Cash Balances	1,145,615	40,213	(257,624)	928,204
Fund Cash Balances, January 1, 2014	2,973,853	549,266	581,408	4,104,527
Fund Cash Balances, December 31				
Nonspendable	14,519	-	-	14,519
Restricted	-	589,479	-	589,479
Assigned	93,280	-	323,784	417,064
Unassigned	4,011,669	-	-	4,011,669
Fund Cash Balances, December 31, 2014	\$ 4,119,468	\$ 589,479	\$ 323,784	\$ 5,032,731

See Accompanying Notes to the Financial Statements.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES -ALL PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUND TYPES
For the Year Ended December 31, 2014**

	<u>Proprietary Fund Types Enterprise</u>	<u>Fiduciary Fund Types Agency</u>	<u>Totals- (Memorandum Only)</u>
Operating Receipts:			
Charges for Services	\$ 332,725	\$ 48,684	\$ 381,409
Total Operating Receipts	332,725	48,684	381,409
Operating Disbursements:			
Personal Services & Employee Benefits	6,569	-	6,569
Contractual Services	48,874	92,106	140,980
Supplies and Materials	42	-	42
Total Operating Disbursements	55,485	92,106	147,591
Excess of Receipts Over/(Under) Disbursements	277,240	(43,422)	233,818
Non-Operating Receipts (Disbursements):			
Intergovernmental	-	838,834	838,834
Earnings on Investments	3,122	-	3,122
Capital Outlay	(362,867)	-	(362,867)
Distribution of fines	-	(103,386)	(103,386)
Distribution of JEDZ funds	-	(683,840)	(683,840)
Fines, Licenses and Permits	-	109,432	109,432
Other Financing Sources	-	23,950	23,950
Other Financing Uses	-	(76,138)	(76,138)
Total Non-Operating Receipts	(359,745)	108,852	(250,893)
Net Change in Fund Cash Balance	(82,505)	65,430	(17,075)
Fund Cash Balance, January 1, 2014	661,763	41,576	703,339
Fund Cash Balance, December 31, 2014	\$ 579,258	\$ 107,006	\$ 686,264

See Accompanying Notes to the Financial Statements.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

The Village of Amberley, Hamilton County (the Village) is a body corporate and politic established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected seven member Council (including Mayor) and a Village Manager. The Village provides general governmental services, park maintenance, street maintenance, fire and police services and sewer services. The Village participates in the Center for Local Government Benefits Pool, a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

B. 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.

C. CASH

Investments are included in the fund cash balances. Accordingly, purchases of investments are not recorded as disbursements and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

D. FUND ACCOUNTING

The Village maintains its accounting records in accordance with the principles of "Fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements.

VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. FUND ACCOUNTING - (Continued)

The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity, which stands separate from the activities reported in other funds. The restrictions associated with each class of funds are as follows:

Governmental Fund Types:

General Fund: The general operating fund of the Village. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

Special Revenue Funds: These funds are used to account for proceeds from special sources (other than from trusts or for capital projects) that are restricted to expenditures for specific purposes. The Village has the following significant Special Revenue funds:

- Street Construction, Maintenance, and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village streets.
- Police and Fire Disability and Pension Fund - This fund receives property tax monies to fund police and fire pension accrued liability obligations.
- Police Levy Fund – This fund receives monies collected from a special levy to fund a large portion of police personnel expenses.

Capital Projects Fund: 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:

- Capital Projects Fund – This fund receives monies transferred from the Village's General Fund to purchase capital assets and fund capital improvements.

Proprietary Fund Types:

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.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. FUND ACCOUNTING - (Continued)

The Village has the following significant Enterprise Fund:

- Storm Water Utility Fund - This fund receives charges for services from residents to cover repair and maintenance costs of storm water basins.

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 had the following significant Agency Funds:

Agency Funds:

- Mayor's Court Fund - This fund accounts for the collection and distribution of court fines and forfeitures.
- Kenwood SWJEDZ – This fund collects and disburses monies in accordance with a contract agreement with Sycamore Township to create a joint economic development zone.

E. BUDGETARY PROCESS

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually. A budget of estimated cash receipts and disbursements is prepared by the Clerk, approved by the Village Council, and submitted to the county auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

1. 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. Appropriations lapse at year end.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. BUDGETARY PROCESS – (Continued)

2. Estimated Resources

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

3. 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 2015 and 2014 budgetary activity appears in Note 4.

F. 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.

1. Nonspendable- The Village classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.
2. 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.
3. Committed- The Village Council can commit amounts via formal action (resolution or ordinance). The Village must adhere to these commitments unless the Council amends the resolution or ordinance. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.
4. Assigned- Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restrict 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 the Village Council.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. FUND BALANCE - (Continued)

5. 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.

G. PROPERTY, PLANT AND EQUIPMENT

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

H. 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.

2. EQUITY IN POOLED CASH AND CASH EQUIVALENTS

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

	<u>2015</u>	<u>2014</u>
Demand Deposits	\$1,009,318	\$ 967,471
Certificates of Deposit	5,251,007	4,751,524
Total Deposits	\$6,260,325	\$5,718,995

Deposits: Deposits are either (1) insured by the Federal Deposit Insurance Corporation, (2) collateralized by securities specifically pledged by the financial institution to the Village, or (3) collateralized by the financial institution's public entity deposit pool.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

3. 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.

4. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2015 and 2014 follows:

2015 Budgeted vs Actual Receipts

<u>Fund:</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General Fund	\$ 4,478,725	\$ 4,588,262	\$ 109,537
Special Revenue Funds	2,156,708	2,232,927	76,219
Capital Project Funds	150,000	150,000	-
Enterprise Funds	325,000	304,388	(20,612)
Fiduciary Funds	1,224,400	1,227,326	2,926

2015 Budgeted vs Actual Budgetary Basis Disbursements

<u>Fund:</u>	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>
General Fund	\$ 4,464,711	\$ 4,254,125	\$ 210,586
Special Revenue Funds	2,671,197	2,259,471	411,726
Capital Project Funds	464,308	47,705	416,603
Enterprise Funds	883,595	359,189	524,406
Fiduciary Funds	1,336,378	1,243,124	93,254

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

4. BUDGETARY ACTIVITY – (Continued)

<u>Fund:</u>	<u>2014 Budgeted vs Actual Receipts,</u>		<u>Variance</u>
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	
General Fund	\$ 4,193,104	\$ 5,051,853	\$ 858,749
Special Revenue Funds	1,975,381	2,060,635	85,254
Capital Project Funds	-	104,233	104,233
Enterprise Funds	325,000	335,847	10,847
Fiduciary Funds	1,047,000	1,020,900	26,100

<u>Fund:</u>	<u>2014 Budgeted vs Actual Budgetary Basis Disbursements</u>		<u>Variance</u>
	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	
General Fund	\$ 4,344,260	\$ 3,999,518	\$ 344,742
Special Revenue Funds	2,445,560	2,043,401	402,159
Capital Project Funds	551,361	361,857	189,504
Enterprise Fund	820,687	480,724	339,963
Fiduciary Funds	1,056,375	955,540	100,835

5. RETIREMENT SYSTEMS

The Village's firefighters and police officers belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For January 1, 2014-June 30, 2014 OP&F participants contributed 10.75% of their wages. For July 1, 2014-June 30, 2015 participants contributed 10.75%. For July 1, 2015-December 31, 2015 participants contributed 12.25%. For 2014 and 2015, the Village contributed to OP&F an amount equal to 19.5 of full-time police members' wages and 24% of full-time firefighters' wages, respectively. For 2014 and 2015, OPERS members contributed 10% of their gross wages while the Village contributed 14% of covered payroll. The Village has paid all contributions required through December 31, 2015.

6. RISK MANAGEMENT

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

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

6. RISK MANAGEMENT – (Continued)

The Village has obtained commercial insurance for the following risks:

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

Settlement amounts did not exceed insurance coverage for the past three years. Limits have not been reduced from prior year.

SHARED RISK POOL

The Village is a member of the Center for Local Governments Benefits Pool (Benefits Pool), a public entity shared risk pool. The Benefits Pool's primary purpose and objective is establishing and carrying out a cost effective health program for its member organizations. Each member is entitled to appoint one Director on the Board of Directors.

The Jefferson Health Plan serves as the fiscal agent for the Benefits Pool. The Benefits Pool contracts with The Jefferson Health Plan, a risk-sharing, claims servicing and insurance purchasing pool, comprised of 75 members, including two insurance consortiums. Each participant appoints a member of the insurance plan's assembly. The Benefits Pools business and affairs are conducted by a nine member Board of Directors elected from the assembly. The Benefits Pool offers medical, dental, and prescription drug coverage to the members, with the opportunity to choose from several different benefit plans. The Benefits Pool is responsible for claims up to \$150,000 per individual. Benefits Pool participants also participate in a shared risk internal pool for individual claims between \$150,000 and \$500,000, and all claims within this range are paid from the shared internal risk pool. For all individual claims exceeding \$500,000, stop loss coverage is purchased. All Benefits Pool participants also pay a monthly administrative fee for fiscal services and third party administrative services.

In the event that the Village would withdraw from the Benefits Pool, the Village would be required to give 90 day written notice prior to the effective date of withdraw, be responsible for any current payments due as well as the Village's share of any reserve deficit of the Benefits Pool. To obtain information for the Benefits Pool, write to the fiscal agent, The Jefferson Health Plan, 2023 Sunset Boulevard, Steubenville, Ohio 43952.

**VILLAGE OF AMBERLEY
HAMILTON COUNTY, OHIO
Notes to the Financial Statements
For the Years Ended December 31, 2015 and 2014**

7. INCOME TAX

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

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

8. JOINTLY-GOVERNED ORGANIZATION

The Village and Sycamore Township entered into an agreement to form a Joint Economic Development Zone (JEDZ) in 2013. Amberley administers and collects an income tax assessed by the JEDZ and remits approximately 90% of the collections to Sycamore Township who in turn provides improvements to the property within the boundaries of the JEDZ. Collections are reflected in the Agency funds as intergovernmental receipts and disbursements to Sycamore Township are reflected as Distributions of JEDZ funds.

9. CONTINGENT LIABILITES

The Village is a defendant in a lawsuit seeking an injunction precluding the Village from entering into a development agreement with a third party. Although management cannot presently determine the outcome of this lawsuit, it is possible, but remote that the claim will result in a material adverse loss.

10. PRIOR PERIOD ADJUSTMENT

The beginning balance of the General fund at January 1, 2014 was increased by \$1,449 and Agency Funds was decreased by the same amount to reclassify the balance of the Unclaimed monies fund.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Village of Amberley
Hamilton County
7149 Ridge Road
Cincinnati, Ohio 45237

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 by fund type of the Village of Amberley, Hamilton County (the Village), as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated June 21, 2016, 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.

Internal Controls 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 opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Village's internal control. Accordingly, we have not opined on it.

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


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

Compliance and Other Matters

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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



Charles E. Harris & Associates, Inc.
June 21, 2016

SCHEDULE OF PRIOR AUDIT FINDINGS

The prior audit report, for the years ended December 31, 2013 and 2012 reported no material citations or recommendations.



Dave Yost • Auditor of State

VILLAGE OF AMBERLEY

HAMILTON 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
SEPTEMBER 6, 2016