

**JEFFERSON TOWNSHIP  
GREENE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**



**GUEYE & ASSOCIATES, CPA, INC.**

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OHIO AUDITOR OF STATE  
KEITH FABER



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Board of Trustees  
Jefferson Township  
3188 Maysville Street  
Bowersville, OH 45307

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

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 02, 2023

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**JEFFERSON TOWNSHIP  
GREENE COUNTY  
DECEMBER 31, 2022 AND 2021**

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## INDEPENDENT AUDITOR'S REPORT

Jefferson Township  
Greene County  
3188 Maysville St  
Bowersville, OH 45307

To the Board of Trustees:

### ***Report on the Audit of the Financial Statements***

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of the Jefferson Township, Greene County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type, and the fiduciary fund type combined total as of and for the years ended December 31, 2022, and December 31, 2021, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type, and fiduciary fund type combined total as of and for the years ended December 31, 2022 and December 31, 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2022, and December 31, 2021, or the changes in financial position for the years then ended.

#### ***Basis for Opinions***

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

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

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

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



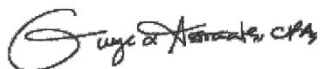
In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Columbus, Ohio  
June 30, 2023

JEFFERSON TOWNSHIP, GREENE COUNTY

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)**  
**All Governmental Fund Types**  
 For the Year Ended 12/31/2022

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>(Memorandum Only)</u>
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 41,964	\$ 242,257	\$ -	\$ 284,221
Charges for Services	-	5,682	-	5,682
Licenses, Permits and Fees	650	38,075	-	38,725
Intergovernmental	21,598	213,299	-	234,897
Earnings on Investments	2,403	518	-	2,921
Miscellaneous	6,516	9,841	-	16,357
	<u>73,131</u>	<u>509,672</u>	<u>-</u>	<u>582,803</u>
<i>Total Cash Receipts</i>				
<b>Cash Disbursements</b>				
Current:				
General Government	81,546	19,618	-	101,164
Public Safety	-	103,946	-	103,946
Public Works	-	195,408	-	195,408
Health	2,708	41,915	-	44,623
Capital Outlay	-	80,852	-	80,852
Debt Service:				
Principal Retirement	-	-	45,867	45,867
Interest and Fiscal Charges	-	-	5,590	5,590
<i>Total Cash Disbursements</i>	<u>84,254</u>	<u>441,739</u>	<u>51,457</u>	<u>577,450</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(11,123)</u>	<u>67,933</u>	<u>(51,457)</u>	<u>5,353</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	-	51,457	51,457
Transfers Out	-	(51,457)	-	(51,457)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>(51,457)</u>	<u>51,457</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	(11,123)	16,476	-	5,353
<i>Fund Cash Balances, January 1</i>	<u>82,529</u>	<u>332,024</u>	<u>-</u>	<u>414,553</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 71,406</u>	<u>\$ 348,500</u>	<u>\$ -</u>	<u>\$ 419,906</u>

See accompanying notes to the basic financial statements

**JEFFERSON TOWNSHIP, GREENE COUNTY**  
*Combined Statement of Additions, Deductions  
and Changes in Fund Balances (Regulatory Cash Basis)  
All Fiduciary Fund Types  
For the Year Ended December 31, 2022*

	Fiduciary Fund Types
	Private Purpose Trust
<b>Additions</b>	
Earnings on Investments (trust funds only)	\$ 20
<i>Total Additions</i>	20
<b>Deductions</b>	
Other Distributions	-
<i>Total Deductions</i>	-
<i>Net Change in Fund Balances</i>	20
<i>Fund Cash Balances, January 1</i>	3,435
<i>Fund Cash Balances, December 31</i>	\$ 3,455

*See accompanying notes to the basic financial statements*

**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Jefferson Township, Greene County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township has also an elected Township Fiscal Officer. The Township provides road and bridge maintenance, cemetery maintenance, fire protection, and emergency medical services. Police protection is provided by the Greene County Sheriff's Department.

***Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations***

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a public entity risk pool, Note 6 to the financial statements provide additional information for this entity. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Fund Accounting***

The Township 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 Township 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 Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

***Road and Bridge Fund*** - This fund receives property tax money for constructing, maintaining, and repairing Township roads and bridges.

***Gasoline Tax Fund*** - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

***Fire District Fund*** - This fund receives the proceeds of a property tax levy for maintaining fire service to the Township.

***Cemetery Fund*** - This fund receives money from the sale of lots and grave openings and closings.

***EMS Ambulance Fund*** - This fund receives money from ambulance patients.

***Motor Vehicle License Tax Fund*** - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

***Permissive Motor Vehicle License Tax Fund*** - This fund receives money from a tax on licenses from Township residents.

**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Debt Service Funds** - These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

**Note Retirement Fund** - This fund receives transfers from the Road and Bridge to pay principal and interest on a building, Fire District to pay principal and interest on a firetruck and building, and Cemetery to pay principal and interest on a Bobcat excavator.

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

The Township's private purpose trust funds are for the benefit of certain individuals. The Township had the following significant private purpose trust funds:

**Beard Trust Fund** - This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the grave upkeep of the Ben Beard family.

**Tressler Trust Fund** - This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Township's cemetery.

***Basis of Accounting***

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

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

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.

**Appropriations** - Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control and appropriations may not exceed estimated resources. The Board of Trustees 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2022 budgetary activity appears in Note 3.

**Jefferson Township**  
Greene County  
Notes to the Financial Statements  
For the Year Ended December 31, 2022

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**Deposits and Investments**

The Township'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 Township 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**Jefferson Township**  
Greene County  
Notes to the Financial Statements  
For the Year Ended December 31, 2022

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$63,907	\$73,131	\$9,224
Special Revenue	514,197	509,672	(4,525)
Debt Service	51,457	51,457	0
Fiduciary	25	20	(5)
<b>Total</b>	<b>\$629,586</b>	<b>\$634,280</b>	<b>\$4,694</b>

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$135,000	\$84,648	\$50,352
Special Revenue	734,453	495,134	239,319
Debt Service	51,457	51,457	0
Fiduciary	2,675	0	2,675
<b>Total</b>	<b>\$923,585</b>	<b>\$631,239</b>	<b>\$292,346</b>

**Note 4 – Deposits and Investments**

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

<b>Cash Management Pool:</b>	2022
Demand deposits	\$285,266
Total deposits	285,266
STAR Ohio	138,095
Total investments	138,095
<i>Total carrying amount of deposits and investments held in the Pool</i>	<b>\$423,361</b>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Township is holding \$0 in unremitted employee payroll withholdings.

**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Deposits**

Deposits are insured by the Federal Deposit 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.

**Investments**

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**Note 5 – Property Taxes**

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

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

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

**Note 6 – Risk Management**

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

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

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

	<u>2021</u>
Cash and investments	\$34,880,599
Actuarial liabilities	\$10,601,444



**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some Township 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 health care and survivor and disability benefits.

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

***Social Security***

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

**Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

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

**Note 9 – Debt**

Debt outstanding at December 31, 2022, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Dump Truck Loan	\$14,540	4.25%
Ambulance Note	<u>\$102,152</u>	3.86%
Total	<u><u>\$116,692</u></u>	

The Township issued a debt in 2018 for a new dump truck. The interest rate is 4.25%. The Township borrowed \$67,000 for this dump truck. At the end of 2022 the balance due on the truck was \$14,540.

The Township issued a new debt in 2020 for a new ambulance. The Township borrowed \$165,000.00. This is a 5-year loan at interest of 3.25%. At the end of 2022 the balance due on the ambulance was \$102,152.

**Jefferson Township**  
Greene County  
*Notes to the Financial Statements*  
For the Year Ended December 31, 2022

**Amortization**

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

Year Ending December 31:	Dump Truck Loan	Ambulance Note
2023	\$15,166	\$36,290
2024	0	36,290
2025	0	36,291
Total	\$15,166	\$108,871

**Note 10 – Fund Balances**

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

Fund Balances	General	Special Revenue	Total
Nonspendable:			
Outstanding Encumbrances	\$ 394	\$ 1,938	\$ 2,332
Total	\$ 394	\$ 1,938	\$ 2,332

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

**Note 11 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During 2022, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)****All Governmental Fund Type**

For the Year Ended 12/31/2021

	<b>General</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 46,891	\$ 276,627	\$ -	\$ 323,518
Charges for Services	-	6,969	-	6,969
Licenses, Permits and Fees	450	39,044	-	39,494
Intergovernmental	20,340	214,731	-	235,071
Earnings on Investments	154	32	-	186
Miscellaneous	7,368	18,465	-	25,833
	<u>75,203</u>	<u>555,868</u>	<u>-</u>	<u>631,071</u>
<i>Total Cash Receipts</i>				
<b>Cash Disbursements</b>				
Current:				
General Government	78,612	-	-	78,612
Public Safety	-	105,290	-	105,290
Public Works	-	241,252	-	241,252
Health	3,257	29,030	-	32,287
Capital Outlay	800	21,190	-	21,990
Debt Service:				
Principal Retirement	-	-	44,285	44,285
Interest and Fiscal Charges	-	-	7,172	7,172
<i>Total Cash Disbursements</i>	<u>82,669</u>	<u>396,762</u>	<u>51,457</u>	<u>530,888</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(7,466)</u>	<u>159,106</u>	<u>(51,457)</u>	<u>100,183</u>
<b>Other Financing Receipts (Disbursements)</b>				
Sale of Capital Assets	-	1,500	-	1,500
Transfers In	-	-	51,457	51,457
Transfers Out	-	(51,457)	-	(51,457)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>(49,957)</u>	<u>51,457</u>	<u>1,500</u>
<i>Net Change in Fund Cash Balances</i>	<u>(7,466)</u>	<u>109,149</u>	<u>-</u>	<u>101,683</u>
<i>Fund Cash Balances, January 1</i>	<u>89,995</u>	<u>222,875</u>	<u>-</u>	<u>312,870</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 82,529</u>	<u>\$ 332,024</u>	<u>\$ -</u>	<u>\$ 414,553</u>

See the notes to the Financial Statements

JEFFERSON TOWNSHIP, GREENE COUNTY  
**Combined Statement of Additions, Deductions  
and Changes in Fund Balances (Regulatory Cash Basis)**  
**All Fiduciary Fund Types**  
For the Year Ended December 31, 2021

	Fiduciary Fund Types
	Private Purpose Trust
<b>Additions</b>	
Earnings on Investments (trust funds only)	\$1
<i>Total Additions</i>	1
<b>Deductions</b>	
Other Distributions	0
<i>Total Deductions</i>	0
<i>Net Change in Fund Balances</i>	1
<i>Fund Cash Balances, January 1</i>	3,434
<i>Fund Cash Balances, December 31</i>	\$3,435

*See accompanying notes to the basic financial statements*

**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Jefferson Township, Greene County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township has also an elected Township Fiscal Officer. The Township provides road and bridge maintenance, cemetery maintenance, fire protection, and emergency medical services. Police protection is provided by the Greene County Sheriff's Department.

***Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations***

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a public entity risk pool, Note 6 to the financial statements provide additional information for this entity. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Fund Accounting***

The Township 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 Township 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 Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

***Road and Bridge Fund*** - This fund receives property tax money for constructing, maintaining, and repairing Township roads and bridges.

***Gasoline Tax Fund*** - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

***Fire District Fund*** - This fund receives the proceeds of a property tax levy for maintaining fire service to the Township.

***Cemetery Fund*** - This fund receives money from the sale of lots and grave openings and closings.

***EMS Ambulance Fund*** - This fund receives money from ambulance patients.

***Motor Vehicle License Tax Fund*** - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

***Permissive Motor Vehicle License Tax Fund*** - This fund receives money from a tax on licenses from Township residents.

**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Debt Service Funds** - These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

**Note Retirement Fund** - This fund receives transfers from the Road and Bridge to pay principal and interest on a building, Fire District to pay principal and interest on a firetruck and building, and Cemetery to pay principal and interest on a Bobcat excavator.

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

The Township's private purpose trust funds are for the benefit of certain individuals. The Township had the following significant private purpose trust funds:

**Beard Trust Fund** - This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the grave upkeep of the Ben Beard family.

**Tressler Trust Fund** - This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Township's cemetery.

***Basis of Accounting***

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

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

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.

**Appropriations** - Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control and appropriations may not exceed estimated resources. The Board of Trustees 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2021 budgetary activity appears in Note 3.

**Jefferson Township**  
Greene County  
Notes to the Financial Statements  
For the Year Ended December 31, 2021

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**Deposits and Investments**

The Township'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 Township 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 Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**Jefferson Township**  
Greene County  
Notes to the Financial Statements  
For the Year Ended December 31, 2021

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$64,600	\$75,203	\$10,603
Special Revenue	514,599	557,368	42,769
Debt Service	51,457	51,457	0
Fiduciary	10	1	(9)
<b>Total</b>	<b>\$630,666</b>	<b>\$684,029</b>	<b>\$53,363</b>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$140,278	\$83,081	\$57,197
Special Revenue	681,185	449,900	231,285
Debt Service	51,457	51,457	0
Fiduciary	2,700	0	2,700
<b>Total</b>	<b>\$875,620</b>	<b>\$584,438</b>	<b>\$291,182</b>

**Note 4 – Deposits and Investments**

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

<b>Cash Management Pool:</b>	2021
Demand deposits	\$282,215
Total deposits	282,215
STAR Ohio	135,773
Total investments	135,773
<i>Total carrying amount of deposits and investments held in the Pool</i>	<b>\$417,988</b>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Township is holding \$0 in unremitted employee payroll withholdings.



**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Deposits**

Deposits are insured by the Federal Deposit 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.

**Investments**

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**Note 5 – Property Taxes**

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

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

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

**Note 6 – Risk Management**

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

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

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

	<u>2021</u>
Cash and investments	\$34,880,599
Actuarial liabilities	\$10,601,444

**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Some Township 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 health care and survivor and disability benefits.

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

***Social Security***

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

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

**Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

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

**Note 9 – Debt**

Debt outstanding at December 31, 2021, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Dump Truck Loan	\$28,480	4.25%
Ambulance Note	<u>\$134,079</u>	3.86%
Total	<u><u>\$162,559</u></u>	

The Township issued a debt in 2018 for a new dump truck. The interest rate is 4.25%. The Township borrowed \$67,000 for this dump truck. At the end of 2021 the balance due on the truck was \$28,480.

The Township issued a new debt in 2020 for a new ambulance. The Township borrowed \$165,000.00. This is a 5-year loan at interest of 3.25%. At the end of 2021 the balance due on the ambulance was \$134,079.

**Jefferson Township**  
*Greene County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Amortization**

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

Year Ending December 31:	Dump Truck Loan	Ambulance Note
2022	\$15,167	\$36,290
2023	15,167	36,290
2024	0	36,290
2025		36,291
Total	\$30,334	\$145,161

**Note 10 – Fund Balances**

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

Fund Balances	General	Special Revenue	Total
Nonspendable:			
Outstanding Encumbrances	\$ 392	\$ 1,681	\$ 2,073
Total	\$ 392	\$ 1,681	\$ 2,073

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

**Note 11 – COVID-19**

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



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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*

Jefferson Township  
Greene County  
3188 Maysville Street,  
PO Box 116  
Bowersville, Ohio 45307

To the Township Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental, and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of the Jefferson Township, Greene County (the Township) and have issued our report thereon dated June 30, 2023, wherein we noted the Township followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

### ***Report on Internal Control Over Financial Reporting***

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

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

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

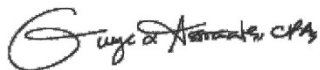
Jefferson Township  
Greene County  
Independent Auditor's Report On Internal Control Over  
Financial Reporting And On Compliance And Other Matters  
Required By *Government Auditing Standards*  
Page 2

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Columbus, Ohio  
June 30, 2023

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# OHIO AUDITOR OF STATE KEITH FABER



**JEFFERSON TOWNSHIP**

**GREENE COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 8/15/2023**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)