

**JEROME TOWNSHIP  
UNION COUNTY**

**REGULAR AUDIT**

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

**Wilson, Phillips & Agin, CPA's, Inc.  
1100 Brandywine Blvd. Building G  
Zanesville, Ohio 43701**



OHIO AUDITOR OF STATE  
KEITH FABER



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

Board of Trustees  
Jerome Township  
9777 Industrial Pkwy  
Plain City, Ohio 43064

We have reviewed the *Independent Auditors' Report* of Jerome Township, Union County, prepared by Wilson, Phillips & Agin, CPA's, Inc., 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. Jerome 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

October 05, 2023

**This page intentionally left blank.**

**JEROME TOWNSHIP  
UNION COUNTY  
TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditors' Report	1
 <b>Government-wide Financial Statements:</b>	
Statement of Net Position Year Ended December 31, 2022	4
Statement of Activities Year Ended December 31, 2022	5
 <b>Fund Financial Statements:</b>	
<b>Governmental Funds</b>	
Statement of Cash Basis Assets and Fund Balances, Year Ended December 31, 2022	6
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balance Year Ended December 31, 2022	7
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – General Fund, Year Ended December 31, 2022	8
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – Fire and EMS Fund, Year Ended December 31, 2022	9
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – Road & Bridge Fund, Year Ended December 31, 2022	10
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – Police Fund, Year Ended December 31, 2022	11
<b>Fiduciary Funds</b>	
Statement of Assets and Fund Cash Balances, Year Ended December 31, 2022	12
Statement of Additions, Deductions and Changes in Fund Cash Balance, Year Ended December 31, 2022	13
2022 Notes to Financial Statements	14
 <b>Government-wide Financial Statements:</b>	
Statement of Net Position Year Ended December 31, 2021	36
Statement of Activities Year Ended December 31, 2021	37
 <b>Fund Financial Statements:</b>	
<b>Governmental Funds</b>	
Statement of Cash Basis Assets and Fund Balances, Year Ended December 31, 2021	38
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balance Year Ended December 31, 2021	39
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – General Fund, Year Ended December 31, 2021	40
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – Fire and EMS Fund, Year Ended December 31, 2021	41
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – Road & Bridge Fund, Year Ended December 31, 2021	42
Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances- Budget and Actual (Non-GAAP Budgetary Basis) – Police Fund, Year Ended December 31, 2021	43
2021 Notes to Financial Statements	44
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required By Government Auditing Standards	65

**This page intentionally left blank.**

**WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT**

Jerome Township  
Union County  
9777 Industrial Parkway  
Plain City, Ohio 43064

To the Board of Trustees:

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

***Opinions***

We have audited the accompanying cash basis financial statements of the governmental activities, major funds and aggregate remaining fund information of Jerome Township, Union County, Ohio as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements, which collectively comprised the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund and the aggregate remaining fund information of Jerome Township, Union County, as of December 31, 2022 and 2021, and the respective changes in cash financial positions and the respective budgetary comparisons for the General Fund, Fire and EMS Fund, Road & Bridge Fund and Police Fund, thereof for the year then ended in accordance with the accounting basis described in Note 2.

***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 Financial Statements* section of our report. We are required to be independent of Jerome Township, Union County, 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.

***Emphasis of Matter - Accounting Basis***

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

***Emphasis of Matter***

As discussed in Note 16 to the 2022 and 2021 financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. Our opinions are not modified with respect to this matter.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting 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 Jerome 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 Responsibility 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 a report dated July 17, 2023, on our consideration of Jerome 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. 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 Township's internal control over financial reporting and compliance.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
July 17, 2023

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF NET POSITION-CASH BASIS  
December 31, 2022**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash	\$ 142,694
Investments	10,439,629
<b>Total Assets</b>	<u>\$ 10,582,323</u>
<b>NET POSITION:</b>	
Restricted for:	
Public Safety	\$ 6,008,081
Public Works	94,174
Health	765,384
Unrestricted	<u>3,714,684</u>
<b>Total Net Position</b>	<u><u>\$ 10,582,323</u></u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF ACTIVITIES-CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Cash Disbursements</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Net (Disbursements) Receipts and Changes in Net Assets</b>
<b>Governmental Activities:</b>					
General Government	\$ 684,052	\$ 660,856	\$ -	\$ -	\$ (23,196)
Public Safety	4,352,173	359,147	717,342	1,933,757	(1,341,927)
Public Works	936,174	-	357,144	-	(579,030)
Health	17,402	21,230	262,608	-	266,436
Conservation-Recreation	18,388	-	-	-	(18,388)
Capital Outlay	1,862,357	-	-	-	(1,862,357)
<b>Total Governmental Activities</b>	<b>\$ 7,870,546</b>	<b>\$ 1,041,233</b>	<b>\$ 1,337,094</b>	<b>\$ 1,933,757</b>	<b>\$ (3,558,462)</b>

**General Receipts:**

Property Taxes Levied for:	
General Purposes	196,390
Road Maintenance and Repair	568,436
Fire District	4,474,943
Police Services	379,891
Cable Franchise Fees	46,286
Grants and Entitlements not Restricted to Specific Programs	83,220
Gifts and Donations	38
Earnings on Investment	144,974
Miscellaneous	13,748
<b>Total General Receipts</b>	<b>5,907,926</b>
Change in Net Position	2,349,464
<b>Net Position Beginning of Year</b>	<b>8,232,859</b>
<b>Net Position End of Year</b>	<b>\$ 10,582,323</b>

See notes to the basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
December 31, 2022**

	<u>General</u>	<u>Fire &amp; EMS</u>	<u>Road and Bridge</u>	<u>Police</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>						
Cash	\$ 35,265	\$ 65,848	\$ 14,824	\$ 14,627	\$ 12,130	\$ 142,694
Investments	2,580,062	4,817,510	1,084,532	1,070,097	887,428	10,439,629
<b>Total Assets</b>	<u>\$ 2,615,327</u>	<u>\$ 4,883,358</u>	<u>\$ 1,099,356</u>	<u>\$ 1,084,724</u>	<u>\$ 899,558</u>	<u>\$ 10,582,323</u>
<b>Fund Balances:</b>						
Restricted	-	4,883,358	-	1,084,724	899,558	6,867,640
Committed	-	-	1,099,356	-	-	1,099,356
Assigned	190,492	-	-	-	-	190,492
Unassigned	2,424,835	-	-	-	-	2,424,835
<b>Total Fund Balances</b>	<u>\$ 2,615,327</u>	<u>\$ 4,883,358</u>	<u>\$ 1,099,356</u>	<u>\$ 1,084,724</u>	<u>\$ 899,558</u>	<u>\$ 10,582,323</u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>General</u>	<u>Fire &amp; EMS</u>	<u>Road and Bridge</u>	<u>Police</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>CASH RECEIPTS</b>						
Property and Other Local Taxes	\$ 196,390	\$ 4,474,943	\$ 568,436	\$ 379,891	\$ 98,717	\$ 5,718,377
Charges for Services	-	359,147	-	-	-	359,147
Licenses, Permits and Fees	707,142	-	-	-	12,330	719,472
Fines and Forfeitures	18,732	-	-	-	-	18,732
Intergovernmental	83,220	647,333	67,213	43,012	440,871	1,281,649
Earnings on Investments	141,755	-	-	-	3,219	144,974
Miscellaneous	13,786	1,942,023	7,510	-	14,340	1,977,659
<b>Total Receipts</b>	<u>1,161,025</u>	<u>7,423,446</u>	<u>643,159</u>	<u>422,903</u>	<u>569,477</u>	<u>10,220,010</u>
<b>CASH DISBURSEMENTS:</b>						
Current:						
General Government	684,052	-	-	-	-	684,052
Public Safety	-	4,010,539	-	341,634	-	4,352,173
Public Works	10,754	-	431,773	-	493,647	936,174
Health	-	-	-	-	17,402	17,402
Conservation-Recreation	18,388	-	-	-	-	18,388
Capital Outlay	13,934	1,811,561	36,862	-	-	1,862,357
<b>Total Disbursements</b>	<u>727,128</u>	<u>5,822,100</u>	<u>468,635</u>	<u>341,634</u>	<u>511,049</u>	<u>7,870,546</u>
<b>Net Change in Fund Cash Balance</b>	433,897	1,601,346	174,524	81,269	58,428	2,349,464
<b>Cash Fund Balances Beginning of Year</b>	<u>2,181,430</u>	<u>3,282,012</u>	<u>924,832</u>	<u>1,003,455</u>	<u>841,130</u>	<u>8,232,859</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 2,615,327</u>	<u>\$ 4,883,358</u>	<u>\$ 1,099,356</u>	<u>\$ 1,084,724</u>	<u>\$ 899,558</u>	<u>\$ 10,582,323</u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 206,115	\$ 206,115	\$ 196,390	\$ (9,725)
Licenses, Permits and Fees	392,500	392,500	707,142	314,642
Fines and Forfeitures	13,500	13,500	18,732	5,232
Intergovernmental	43,546	43,546	83,220	39,674
Earnings on Investments	38,000	38,000	141,755	103,755
Miscellaneous	9,500	9,500	13,786	4,286
<b>Total Receipts</b>	<u>703,161</u>	<u>703,161</u>	<u>1,161,025</u>	<u>457,864</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
General Government	917,901	914,351	684,052	230,299
Public Works	11,500	11,500	10,754	746
Conservation-Recreation	7,500	19,115	18,388	727
Capital Outlay	10,000	13,935	13,934	1
<b>Total Disbursements</b>	<u>946,901</u>	<u>958,901</u>	<u>727,128</u>	<u>231,773</u>
<b>Net Change in Fund Balance</b>	(243,740)	(255,740)	433,897	689,637
<b>Cash Fund Balances Beginning of Year</b>	<u>2,181,430</u>	<u>2,181,430</u>	<u>2,181,430</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 1,937,690</u>	<u>\$ 1,925,690</u>	<u>\$ 2,615,327</u>	<u>\$ 689,637</u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
FIRE AND EMS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 3,418,137	\$ 4,460,972	\$ 4,474,943	\$ 13,971
Charges for Services	335,124	335,124	359,147	24,023
Intergovernmental	749,248	749,248	647,333	(101,915)
Miscellaneous	-	3,407,700	1,942,023	(1,465,677)
<b>Total Receipts</b>	<u>4,502,509</u>	<u>8,953,044</u>	<u>7,423,446</u>	<u>(1,529,598)</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Safety	3,822,750	4,144,978	4,010,539	134,439
Capital Outlay	226,200	3,383,672	1,811,561	1,572,111
<b>Total Disbursements</b>	<u>4,048,950</u>	<u>7,528,650</u>	<u>5,822,100</u>	<u>1,706,550</u>
<b>Net Change in Fund Balance</b>	453,559	1,424,394	1,601,346	176,952
<b>Cash Fund Balances Beginning of Year</b>	<u>3,282,012</u>	<u>3,282,012</u>	<u>3,282,012</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 3,735,571</u>	<u>\$ 4,706,406</u>	<u>\$ 4,883,358</u>	<u>\$ 176,952</u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 596,414	\$ 596,414	\$ 568,436	\$ (27,978)
Intergovernmental	-	-	67,213	67,213
Miscellaneous	-	-	7,510	7,510
<b>Total Receipts</b>	<u>596,414</u>	<u>596,414</u>	<u>643,159</u>	<u>46,745</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Works	401,399	442,909	431,773	11,136
Capital Outlay	78,400	38,890	36,862	2,028
<b>Total Disbursements</b>	<u>479,799</u>	<u>481,799</u>	<u>468,635</u>	<u>13,164</u>
<b>Net Change in Cash Fund Balances</b>	116,615	114,615	174,524	59,909
<b>Cash Fund Balances Beginning of Year</b>	<u>924,832</u>	<u>924,832</u>	<u>924,832</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u><u>\$ 1,041,447</u></u>	<u><u>\$ 1,039,447</u></u>	<u><u>\$ 1,099,356</u></u>	<u><u>\$ 59,909</u></u>

See notes to basic financial statements.



**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
POLICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 395,558	\$ 395,558	\$ 379,891	\$ (15,667)
Intergovernmental	-	-	43,012	43,012
<b>Total Receipts</b>	<u>395,558</u>	<u>395,558</u>	<u>422,903</u>	<u>27,345</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Safety	420,061	420,061	341,634	78,427
<b>Total Disbursements</b>	<u>420,061</u>	<u>420,061</u>	<u>341,634</u>	<u>78,427</u>
<b>Net Change in Cash Fund Balances</b>	(24,503)	(24,503)	81,269	105,772
<b>Cash Fund Balances Beginning of Year</b>	<u>1,003,455</u>	<u>1,003,455</u>	<u>1,003,455</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 978,952</u>	<u>\$ 978,952</u>	<u>\$ 1,084,724</u>	<u>\$ 105,772</u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF ASSETS AND FUND CASH BALANCES  
FIDUCIARY FUNDS  
December 31, 2022**

	<u>Custodial Funds</u>
<b>ASSETS:</b>	
Cash	\$ -
Investments	-
<b>Total Assets</b>	<u>\$ -</u>
<b>FUND BALANCES</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ -</u>
<b>Total Net Position</b>	<u><u>\$ -</u></u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF ADDITIONS, DEDUCTIONS AND CHANGES IN FUND CASH BALANCES  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Custodial Funds
<b>ADDITIONS:</b>	
Intergovernmental	\$ 1,749,035
<b>Total Additions</b>	\$ 1,749,035
 <b>DEDUCTIONS:</b>	
Payments Made to Individuals, Organizations and Other Governments	\$ 1,734,128
Auditor and Treasurer Fees	14,907
<b>Total Deductions</b>	\$ 1,749,035
 <b>Net Change in Fund Cash Balance</b>	-
 <b>Cash Fund Balances Beginning of Year</b>	-
 <b>Cash Fund Balances End of Year</b>	\$ -

See notes to basic financial statements.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**1. REPORTING ENTITY**

**Reporting Entity**

Jerome Township, Union County, Ohio (the Township), is a body politic and corporate established in 1821 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

The reporting entity is comprised of the primary government.

**Primary Government**

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The primary government of the Township provides the following services to its citizens: general government services, maintenance of Township roads and bridges, fire and emergency medical services and cemetery maintenance. The Township contracts with the Union County Sheriff for added police protection.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As discussed further in the Basis of Accounting section of this Note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

**Basis of Presentation**

The Township's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information

**Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Township that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The statement of net position presents the cash and investment balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the programs goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

**Fund Financial Statements**

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**Fund Accounting**

The Township uses fund accounting 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 divided into one category: governmental.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the Township are financed. The following are the Township's major governmental funds:

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

**Fire & EMS Fund** – The fire and EMS fund accounts for and reports voted property taxes restricted to the operation of the Fire Department and Emergency Medical Services (EMS) as well as charges for ambulance and EMS services.

**Road and Bridge Fund** – The road and bridge fund accounts for and reports property tax (inside millage) restricted to the construction, reconstruction, resurfacing and repair of Township roads and bridges.

**Police Fund** – The police fund accounts for and reports voted property taxes restricted to providing police protection.

The other governmental funds of the Township account for and report grants and other resources, whose use is restricted, committed or assigned to a particular purpose.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. The Township does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The Township's custodial fund account amounts collected and distributed on behalf of another government or organization. The Township's custodial funds are used to account for tax increment financing (TIF) arrangements.

**Basis of Accounting**

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note. There were no modifications having substantial support.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

**Budgetary Process**

All funds, except custodial funds are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources, and the appropriations resolution, which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the township may appropriate. The appropriations resolution is the Township's authorization to spend resources and set limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year. Unexpended appropriations lapse at year-end. Encumbrances open at year-end are re-appropriated the following year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Investments**

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records.

Investments are reported as assets. 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 negative receipts (contra revenue), respectively.

During 2022, the Township invested in nonnegotiable certificates of deposit, U.S. Treasury Bills, a money market mutual fund and STAR Ohio. The nonnegotiable certificates of deposit are reported at cost. The Township's money market mutual fund investment is recorded at the amount reported by Fifth Third Bank on December 31, 2022.

STAR Ohio (the State Treasury Asset Reserve of Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The Township measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2022 was \$141,755, which includes \$119,782 assigned from other Township Funds.

**Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets represent monies restricted for use in regards to road maintenance, cemetery and capital projects.

**Inventory and Prepaid Items**

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**Capital Assets**

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

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Interfund Receivables/Payables**

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

**Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's cash basis of accounting.

**Employer Contributions to Cost-Sharing Pension Plans**

The Township recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

**Leases**

For 2022, GASB No. 87, Leases was effective. The GASB pronouncement had no effect on beginning net position/fund balance. The Township is the lessee (as defined by GASB No. 87) in various leases related to equipment under noncancelable leases. Lease payables are not reflected under the Township's cash basis of accounting. Lease disbursements are recognized when they are paid.

**Net Position**

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for special revenue funds. The Township's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**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 nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.



**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 or enabling legislation (Township resolutions).

Enabling legislation authorizes the Township to assess, levy, charge or otherwise mandate payment of resources (from external resources providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Township can be compelled by an external party such as citizens, public interest groups or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

**Committed** – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees removes or change the specified use by taking the same type of action (resolution) it employed to previously commit the amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Township Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** – Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by ordinance, or by State Statute. State Statute authorizes the Township Fiscal Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

**Unassigned** – Unassigned fund balance is the residual classification for the general fund and includes amounts not contained 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.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Internal Activity**

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented on the financial statements.

**3. BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Budget Basis presented for the General Fund and any major special revenue fund are prepared on the budgetary basis to provide a meaningful comparisons of actual results with the budget.

**4. DEPOSITS AND INVESTMENTS**

Monies held by the Township are classified by State into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in 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.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**4. DEPOSITS AND INVESTMENTS (Continued)**

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuance of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligation described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligation of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio).
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirement have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the fiscal officer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Township did not have any undeposited cash on hand for 2022.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**4. DEPOSITS AND INVESTMENTS (Continued)**

**Deposits:**

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, \$0 of the Township's bank balance of \$107,635 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the township and deposited a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured: or participation in 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. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**Investments**

As of December 31, 2022, the Township had the following investments:

	Cost	Fair Value
Money Market Mutual Fund	\$ 9,189	\$ 9,189
Certificates of Deposit	3,047,000	2,819,160
U.S. Treasury Bills	756,366	757,007
STAR Ohio	6,627,074	6,627,074
Total Portfolio	<u>\$ 10,439,629</u>	<u>\$ 10,212,430</u>

	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-2	3-5
Money Market Mutual Fund	\$ 9,189	\$ 9,189	\$ -	\$ -
Certificates of Deposit	2,819,160	779,612	928,978	1,110,570
U.S Treasury Bills	757,007	757,007		
STAR Ohio	6,627,074	6,627,074	-	-
Total Investments	<u>\$ 10,212,430</u>	<u>\$ 8,172,882</u>	<u>\$ 928,978</u>	<u>\$ 1,110,570</u>

**Credit Risk:** STAR Ohio carries a rating of AAAm by Standard and Poor's. The Township has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires the STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**4. DEPOSITS AND INVESTMENTS (Continued)**

**Custodial Credit Risk:** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township has no investment policy dealing with investment custodial risk beyond the requirements in Ohio Revised Code Section 135.14(M)(2) which states, “payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian (Treasurer, Board, Trustee)

**5. PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2022 for real and public utility property taxes represent collections of 2021 taxes.

2021 real property taxes are levied after October 1, 2022, on assessed value at January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2022.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2022, was \$20.80 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2022 property tax receipts were based are as follows:

Real Property	\$ 531,793,050
Public Utility Personal Property	<u>10,615,270</u>
Total Assessed Value	<u>\$ 542,408,320</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

**Tax Abatements**

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, the Township is required to disclose certain information about tax abatements as defined in the Statement. For purposes of GASB Statement No. 77, a tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity- promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the local government or its citizens. A description of each of the abatement programs utilized in the Township follows.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**5. PROPERTY TAXES (Continued)**

**Enterprise Zone Program**

The Ohio Enterprise Zone Program is an economic development tool administered by municipal and county governments that provides real property tax exemptions to businesses making investments in Ohio. Enterprise zones are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investment. The Enterprise Zone Program can provide tax exemptions for a portion of the value of new real property investment when the investment is made in conjunction with a project that includes job creation. Existing land values and existing building values are not eligible. The zone’s geographic area is identified by the local communities involved in the creation of the zone.

Once a zone is defined, the local legislative authority participating in the creation must petition the Director of the Ohio Development Services Agency (ODSA). The Director must then certify the area for it to become an active Enterprise Zone. Local communities may offer tax incentives for non-retail projects that are establishing or expanding operations in the State of Ohio. Tax incentives are negotiated at the local level, and an enterprise zone agreement must be in place before the project begins.

Businesses located in an Enterprise Zone may negotiate exemptions on new property tax from investment for up to seventy-five percent for ten years. For commercial projects, job retention and/or creation is also required. Taxes are abated as the increase in assessed value resulting from the investment is not included (or included at a lesser amount) in the assessed value used for property tax computation for the taxpayer. Agreements must be in place before the project begins. Pursuant to the terms of such agreements, if the actual number of employee positions created or retained by the business in any three-year period during which the agreement is in effect is not equal to or greater than seventy-five percent of the number of employee positions estimated to be created or retained under the agreement, the business shall repay the amount of taxes on property that would have been payable had the property not been exempted. In addition, the local governments may terminate or modify the exemptions from taxation granted under the agreement if the terms of the agreement are not met.

A summary of the property taxes foregone by the Township for abatement programs within the Township for the year ended December 31, 2022 follows:

Program	Amount
Enterprise Zones (entered into by Township)	\$ 4,199
Enterprise Zones (entered into by Union County)	21,379
	\$ 25,578

**6. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township has contracted with several companies for various types of insurance coverage. Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

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

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**7. DEFINED BENEFIT PENSION PLAN**

**Ohio Public Employees Retirement System**

Plan Description - Township employees, other than full-time police and firefighters participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional plan and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, OH 43215-4642 or by calling (800) 222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age forty-eight with a reduced benefit.



**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the combined plan is no longer available for member selection.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions as follows:

	State and Local	Public Safety	Law Enforcement
<b>2022 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	*	**
<b>2022 Actual Contribution Rates</b>			
Employer:			
Pension*****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	0.0	0.0	0.0
<b>Total Employer</b>	<b>14.0 %</b>	<b>18.1 %</b>	<b>18.1 %</b>
Employee	10.0 %	12.0 %	13.0 %
* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.			
** This rate is determined by the OPERS' Board and has no maximum rate established by the ORC.			
*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.			
***** These pension and employer health care rates is for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension			

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$69,639 for year 2022.

**Ohio Police & Fire Pension Fund (OP&F)**

Plan Description – Township full-time firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon obtaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal. Service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit. The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries under optional plans, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have fifteen or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3 percent of the member's base pension benefit. The COLA amount for members who have less than fifteen years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3 percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the 30<sup>th</sup> day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent. Members who retired prior to July 24, 1986, or their surviving beneficiaries under the optional plans are entitled to cost-of-living increases. The annual increase is paid on July 1 of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police		Firefighters	
<b>2022 Statutory Maximum Contribution Rates</b>				
Employer	19.50	%	24.00	%
Employee:				
January 1, 2019 through December 31, 2019	12.25	%	12.25	%
<b>2022 Actual Contribution Rates</b>				
Employer:				
Pension	19.00	%	23.50	%
Post-employment Health Care Benefits	0.50		0.50	
<b>Total Employer</b>	<b>19.50</b>	<b>%</b>	<b>24.00</b>	<b>%</b>
Employee:	12.25	%	12.25	%

Employer contribution rates are expressed as a percentage of covered payroll. The Township’s contractually required contribution to OP&F was \$530,325 for 2022.

**Social Security**

The Township had employees who contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participant. The employee 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.

**8. POSTEMPLOYMENT BENEFITS**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan – a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the Combined Plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug- plans from a range of options and may select optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouse and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered- to retirees and eligible dependents. This allowance is based on the retiree’s years of service and age when they first enrolled on OPERS coverage.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**8. POSTEMPLOYMENT BENEFITS (Continued)**

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between fifty-one percent and ninety percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least seventy-five percent of the base allowance.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS discontinued the group plans 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.

In order to qualify for post-employment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with thirty or more years of qualifying service. Members in Group B are eligible at any age with thirty-two years of qualifying service, or at age fifty-two with thirty-one years of qualifying service. Members in Group C are eligible for coverage with thirty-two years of qualifying service and a minimum age of fifty-five. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately on the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at a rate at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**8. POSTEMPLOYMENT BENEFITS (Continued)**

Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4.0 percent.

Employer contribution rates are actuarially determined are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$69,639 for the year 2022.

**Ohio Police and Fire Pension Fund**

Plan Description – The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for healthcare and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre sixty-five populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient/s participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**8. POSTEMPLOYMENT BENEFITS (Continued)**

Funding Policy – The Ohio Revised Code provides for contributions requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contributions may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contribution for retiree health care benefits. For 2020, the portion of employer contributions allocated to heal care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded.

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Township’s contractually required contribution to OP&F was \$530,325 for 2022.

**9. DEBT**

As a result of the use of the cash basis of accounting in this report, obligations related to long term debt are not reported as liabilities in the financial statements. However, these long-term obligations are disclosed below.

***Leases***

The Township leases various equipment through lease arrangements. One of these leases qualify as a financed purchase for accounting purposes. Payments are made from the funds that purchase the assets. The assets acquired through this financed purchase are cardiac monitors at a cost of \$51,267.

The future payments under this financed purchase as of December 31, 2022, are as followed:

Year	Amounts
2023	\$ 12,817
Total Future Payments	12,817
Less amount representing interest	-
Present value of future payments	\$ 25,634

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**10. COMMITMENTS**

Pursuant to a three-year contract commenced on January 1, 2022 between the Union County Sheriff, Jerome Township and Millcreek Township, the Sheriff provides four full-time deputies with a normal work week totaling 160 hours exclusively to Jerome and Millcreek Townships to supplement existing law enforcement coverage. The Sheriff assumes full responsibility for hiring, training, assignment, supervision, discipline and dismissal of all assigned personnel and the Townships pay the actual cost of compensating the officers' salary, OPERS benefits, workers' compensation, Medicare, medical and life insurance. The Township paid \$309,770 pursuant to this contract in 2022. The Sheriff bill the townships in quarterly installments with Jerome Township paying 80% of the cost and Millcreek Township paying 20% of the cost. In addition, the Jerome Township Board of Trustees entered into an agreement with the Union County Sheriff, the Union County Commissioners and Dublin City Schools to provide 25% of the funding for a Safety Resource Officer to be provided by the Union County Sheriff to the two schools newly constructed in Jerome Township. The Township paid \$22,730 pursuant to this contract in 2022.

Pursuant to Township policies, accumulated earned but unused vacation, compensatory time and sick leave is eligible for payment to employees at the time of separation or retirement. These accumulated benefits are not reflected as a liability under the Township's cash basis of accounting. On December 31, 2022 this accumulated earned benefit is estimated to be \$571,408, the majority of which (\$535,031) would be paid from the Fire Fund.

**11. CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding of any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, management believes that no refunds will be required.

**12. PUBLIC ENTITY RISK POOL**

The Township participates in the Bureau of Workers Compensation (BWC) group rating program through Sedgewick. Participation in this program authorizes Sedgewick to represent the Township for all workers' compensation matters before the BWC and Industrial Commission of Ohio and to receive discounted premium rates.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**13. FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for major governmental funds and all other governmental funds as of December 31, 2021 are presented below:

Fund Balance	General	Fire & EMS	Road & Bridge	Police	Other Gov. Funds	Total
<b>Restricted</b>						
Road Maint. & Improve.	\$ -	\$ -	\$ -	\$ -	\$ 94,174	\$ 94,174
Fire	-	4,571,157	-	-	40,000	4,611,157
EMS	-	312,201	-	-	-	312,201
Law Enforcement	-	-	-	1,084,724	-	1,084,724
Cemetery	-	-	-	-	765,384	765,384
<b>Total Restricted</b>	<b>-</b>	<b>4,883,358</b>	<b>-</b>	<b>1,084,724</b>	<b>899,558</b>	<b>6,867,640</b>
<b>Committed</b>						
Road Maint. & Improve.	-	-	1,099,356	-	-	1,099,356
<b>Total Committed</b>	<b>-</b>	<b>-</b>	<b>1,099,356</b>	<b>-</b>	<b>-</b>	<b>1,099,356</b>
<b>Assigned</b>						
Sub. Year	190,492	-	-	-	-	190,492
Appropriations	-	-	-	-	-	-
Unassigned	2,424,835	-	-	-	-	2,424,835
<b>Total Fund Balances</b>	<b>\$ 2,615,327</b>	<b>\$ 4,883,358</b>	<b>\$ 1,099,356</b>	<b>\$ 1,084,724</b>	<b>\$ 899,558</b>	<b>\$ 10,582,323</b>

**14. CONCENTRATION OF LABOR SUBJECT TO COLLECTIVE BARGAINING AGREEMENT**

The Township's firefighters, which comprise a majority of the Township's employees, are represented by a union. The existing union agreement commenced on January 1, 2021 and runs through December 31, 2023.

**15. DEVELOPMENT AGREEMENT**

In October 2010, the Township entered into a development agreement with the Jerome Village Community Authority and Jerome Village Company, LLC. The Township had approved the development plan for Jerome Village, a "new community development program" organized pursuant to ORC Chapter 349. The planned community will include facilities for commercial, residential, cultural, educational and recreational activities. It was recognized that the development of such a community has and would continue to create an economic and administrative burden on the Township's provision of services. Terms of the agreement require the Community Authority to make fire safety contribution of land and up to \$5,500,000 for the construction and equipment of a Township fire station facility; a total of \$2,150,000 general contribution; and a consultant contribution of up to \$50,000 for a total contribution of \$7,700,000. The fire safety contribution commenced in 2022 with the contribution of land and contributions totaling \$1,928,752 for construction costs were remitted to the Township in 2021. The general contribution which was payable over ten years was met in 2021. In 2021, the parties entered into a memorandum of understanding to amend the development agreement to provide for an additional \$1,000,000 for the construction and equipment of a Township fire station facility and an additional general contribution of \$1,250,000 to be paid over a ten-year period commencing in 2023.



**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**16. COVID-19**

The United States and the State of Ohio declared a state of emergency in March 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 did receive COVID-19 funding. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

In 2022 the Township received \$262,608 from the American Rescue Plan.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF NET POSITION-CASH BASIS  
December 31, 2021**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash	\$ 293,440
Investments	7,939,419
<b>Total Assets</b>	<u>\$ 8,232,859</u>
<b>NET POSITION:</b>	
Restricted for:	
Public Safety	\$ 4,325,467
Public Works	302,181
Health	498,949
Unrestricted	<u>3,106,262</u>
<b>Total Net Position</b>	<u><u>\$ 8,232,859</u></u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF ACTIVITIES-CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Net (Disbursements) Receipts and Changes in Net Assets
<b>Governmental Activities:</b>					
General Government	\$ 698,339	\$ 537,429	\$ -	\$ -	\$ (160,910)
Public Safety	3,855,847	356,075	809,213	-	(2,690,559)
Public Works	492,264	-	340,826	-	(151,438)
Health	79,734	20,100	261,563	-	201,929
Conservation-Recreation	10,785	9,470	-	-	(1,315)
Capital Outlay	650,067	-	-	-	(650,067)
<b>Total Governmental Activities</b>	<u>\$ 5,787,036</u>	<u>\$ 923,074</u>	<u>\$ 1,411,602</u>	<u>\$ -</u>	<u>\$ (3,452,360)</u>

**General Receipts:**

Property Taxes Levied for:	
General Purposes	185,198
Road Maintenance and Repair	534,626
Fire District	2,823,801
Police Services	363,424
Cable Franchise Fees	44,296
Grants and Entitlements not Restricted to Specific Programs	74,468
Gifts and Donations	50
Sale of Capital Assets	8,314
Earnings on Investment	39,858
Miscellaneous	<u>521,803</u>
<b>Total General Receipts</b>	<u>4,595,838</u>
Change in Net Position	1,143,478
<b>Net Position Beginning of Year</b>	<u>7,089,381</u>
<b>Net Position End of Year</b>	<u>\$ 8,232,859</u>

See notes to the basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
December 31, 2021**

	<u>General</u>	<u>Fire &amp; EMS</u>	<u>Road and Bridge</u>	<u>Police</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>						
Cash	\$ 77,752	\$ 116,979	\$ 32,963	\$ 35,766	\$ 29,980	\$ 293,440
Investments	2,103,678	3,165,033	891,869	967,689	811,150	7,939,419
<b>Total Assets</b>	<u>\$ 2,181,430</u>	<u>\$ 3,282,012</u>	<u>\$ 924,832</u>	<u>\$ 1,003,455</u>	<u>\$ 841,130</u>	<u>\$ 8,232,859</u>
<b>Fund Balances:</b>						
Restricted	-	3,282,012	-	1,003,455	841,130	5,126,597
Committed	-	-	924,832	-	-	924,832
Assigned	243,740	-	-	-	-	243,740
Unassigned	1,937,690	-	-	-	-	1,937,690
<b>Total Fund Balances</b>	<u>\$ 2,181,430</u>	<u>\$ 3,282,012</u>	<u>\$ 924,832</u>	<u>\$ 1,003,455</u>	<u>\$ 841,130</u>	<u>\$ 8,232,859</u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>General</u>	<u>Fire &amp; EMS</u>	<u>Road and Bridge</u>	<u>Police</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>CASH RECEIPTS</b>						
Property and Other Local Taxes	\$ 185,198	\$ 2,823,801	\$ 534,626	\$ 363,424	\$ -	\$ 3,907,049
Charges for Services	9,470	356,075	-	-	-	365,545
Licenses, Permits and Fees	581,725	-	-	-	14,950	596,675
Fines and Forfeitures	16,875	-	-	-	-	16,875
Intergovernmental	74,468	744,525	63,297	41,440	526,698	1,450,428
Earnings on Investments	38,095	-	-	-	1,763	39,858
Miscellaneous	521,853	6,373	11,787	-	5,757	545,770
<b>Total Receipts</b>	<u>1,427,684</u>	<u>3,930,774</u>	<u>609,710</u>	<u>404,864</u>	<u>549,168</u>	<u>6,922,200</u>
<b>CASH DISBURSEMENTS:</b>						
Current:						
General Government	698,339	-	-	-	-	698,339
Public Safety	-	3,556,359	-	299,488	-	3,855,847
Public Works	10,594	-	321,346	-	160,324	492,264
Health	-	-	-	-	79,734	79,734
Conservation-Recreation	10,785	-	-	-	-	10,785
Capital Outlay	5,914	378,916	157,453	-	107,784	650,067
<b>Total Disbursements</b>	<u>725,632</u>	<u>3,935,275</u>	<u>478,799</u>	<u>299,488</u>	<u>347,842</u>	<u>5,787,036</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	702,052	(4,501)	130,911	105,376	201,326	1,135,164
<b>Other Financing Sources (Uses)</b>						
Sale of Capital Assets	-	8,314	-	-	-	8,314
<b>Total Other Financing Sources (Uses)</b>	-	8,314	-	-	-	8,314
<b>Net Change in Fund Cash Balance</b>	702,052	3,813	130,911	105,376	201,326	1,143,478
<b>Cash Fund Balances Beginning of Year</b>	<u>1,479,378</u>	<u>3,278,199</u>	<u>793,921</u>	<u>898,079</u>	<u>639,804</u>	<u>7,089,381</u>
<b>Cash Fund Balances End of Year</b>	<u><u>\$ 2,181,430</u></u>	<u><u>\$ 3,282,012</u></u>	<u><u>\$ 924,832</u></u>	<u><u>\$ 1,003,455</u></u>	<u><u>\$ 841,130</u></u>	<u><u>\$ 8,232,859</u></u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 190,335	\$ 190,335	\$ 185,198	\$ (5,137)
Charges for Services	7,500	7,500	9,470	1,970
Licenses, Permits and Fees	357,500	357,500	581,725	224,225
Fines and Forfeitures	11,500	11,500	16,875	5,375
Intergovernmental	36,264	36,264	74,468	38,204
Earnings on Investments	85,000	85,000	38,095	(46,905)
Miscellaneous	400,000	400,000	521,853	121,853
<b>Total Receipts</b>	<u>1,088,099</u>	<u>1,088,099</u>	<u>1,427,684</u>	<u>339,585</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
General Government	709,524	792,919	698,339	94,580
Public Works	11,500	11,725	10,594	1,131
Conservation-Recreation	7,500	12,966	10,785	2,181
Capital Outlay	15,000	5,914	5,914	-
<b>Total Disbursements</b>	<u>743,524</u>	<u>823,524</u>	<u>725,632</u>	<u>97,892</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	344,575	264,575	702,052	437,477
<b>Other Financing Sources (Uses)</b>				
Other Debt Proceeds	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-	-
<b>Net Change in Fund Balance</b>	344,575	264,575	702,052	437,477
<b>Cash Fund Balances Beginning of Year</b>	<u>1,479,378</u>	<u>1,479,378</u>	<u>1,479,378</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u><u>\$ 1,823,953</u></u>	<u><u>\$ 1,743,953</u></u>	<u><u>\$ 2,181,430</u></u>	<u><u>\$ 437,477</u></u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
FIRE AND EMS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 2,862,103	\$ 2,862,103	\$ 2,823,801	\$ (38,302)
Charges for Services	200,124	200,124	356,075	155,951
Intergovernmental	618,489	618,489	744,525	126,036
Miscellaneous	-	-	6,373	6,373
<b>Total Receipts</b>	<u>3,680,716</u>	<u>3,680,716</u>	<u>3,930,774</u>	<u>250,058</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Safety	3,873,211	3,865,025	3,556,359	308,666
Capital Outlay	152,000	485,186	378,916	106,270
<b>Total Disbursements</b>	<u>4,025,211</u>	<u>4,350,211</u>	<u>3,935,275</u>	<u>414,936</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	(344,495)	(669,495)	(4,501)	664,994
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	-	8,314	8,314
<b>Total Other Financing Sources (Uses)</b>	-	-	8,314	8,314
<b>Net Change in Fund Balance</b>	(344,495)	(669,495)	3,813	673,308
<b>Cash Fund Balances Beginning of Year</b>	<u>3,278,199</u>	<u>3,278,199</u>	<u>3,278,199</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u><u>\$ 2,933,704</u></u>	<u><u>\$ 2,608,704</u></u>	<u><u>\$ 3,282,012</u></u>	<u><u>\$ 673,308</u></u>

See notes to basic financial statements.

**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 549,281	\$ 549,281	\$ 534,626	\$ (14,655)
Intergovernmental	-	-	63,297	63,297
Miscellaneous	-	-	11,787	11,787
<b>Total Receipts</b>	<u>549,281</u>	<u>549,281</u>	<u>609,710</u>	<u>60,429</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Works	401,969	400,294	321,346	78,948
Capital Outlay	148,000	175,675	157,453	18,222
<b>Total Disbursements</b>	<u>549,969</u>	<u>575,969</u>	<u>478,799</u>	<u>97,170</u>
<b>Net Change in Cash Fund Balances</b>	(688)	(26,688)	130,911	157,599
<b>Cash Fund Balances Beginning of Year</b>	<u>793,921</u>	<u>793,921</u>	<u>793,921</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 793,233</u>	<u>\$ 767,233</u>	<u>\$ 924,832</u>	<u>\$ 157,599</u>

See notes to basic financial statements.



**JEROME TOWNSHIP  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
POLICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 371,843	\$ 371,843	\$ 363,424	\$ (8,419)
Intergovernmental	-	-	41,440	41,440
<b>Total Receipts</b>	<u>371,843</u>	<u>371,843</u>	<u>404,864</u>	<u>33,021</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Safety	440,245	440,245	299,488	140,757
<b>Total Disbursements</b>	<u>440,245</u>	<u>440,245</u>	<u>299,488</u>	<u>140,757</u>
<b>Net Change in Cash Fund Balances</b>	(68,402)	(68,402)	105,376	173,778
<b>Cash Fund Balances Beginning of Year</b>	<u>898,079</u>	<u>898,079</u>	<u>898,079</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u><u>\$ 829,677</u></u>	<u><u>\$ 829,677</u></u>	<u><u>\$ 1,003,455</u></u>	<u><u>\$ 173,778</u></u>

See notes to basic financial statements.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2021**

**1. REPORTING ENTITY**

**Reporting Entity**

Jerome Township, Union County, Ohio (the Township), is a body politic and corporate established in 1821 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

The reporting entity is comprised of the primary government.

**Primary Government**

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The primary government of the Township provides the following services to its citizens: general government services, maintenance of Township roads and bridges, fire and emergency medical services and cemetery maintenance. The Township contracts with the Union County Sheriff for added police protection.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As discussed further in the Basis of Accounting section of this Note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

**Basis of Presentation**

The Township's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information

**Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Township that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The statement of net position presents the cash and investment balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the programs goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

**Fund Financial Statements**

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

**Fund Accounting**

The Township uses fund accounting 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 divided into one category: governmental.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the Township are financed. The following are the Township's major governmental funds:

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

**Fire & EMS Fund** – The fire and EMS fund accounts for and reports voted property taxes restricted to the operation of the Fire Department and Emergency Medical Services (EMS) as well as charges for ambulance and EMS services.

**Road and Bridge Fund** – The road and bridge fund accounts for and reports property tax (inside millage) restricted to the construction, reconstruction, resurfacing and repair of Township roads and bridges.

**Police Fund** – The police fund accounts for and reports voted property taxes restricted to providing police protection.

The other governmental funds of the Township account for and report grants and other resources, whose use is restricted, committed or assigned to a particular purpose.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting**

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note. There were no modifications having substantial support.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

**Budgetary Process**

All funds, except custodial funds are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources, and the appropriations resolution, which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the township may appropriate. The appropriations resolution is the Township's authorization to spend resources and set limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year. Unexpended appropriations lapse at year-end. Encumbrances open at year-end are re-appropriated the following year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Investments**

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records.

Investments are reported as assets. 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 negative receipts (contra revenue), respectively.

During 2021, the Township invested in nonnegotiable certificates of deposit, a money market mutual fund and STAR Ohio. The nonnegotiable certificates of deposit are reported at cost. The Township's money market mutual fund investment is recorded at the amount reported by Fifth Third Bank on December 31, 2021.

STAR Ohio (the State Treasury Asset Reserve of Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The Township measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2021 was \$38,095, which includes \$32,606 assigned from other Township Funds.

**Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets represent monies restricted for use in regards to road maintenance, cemetery and capital projects.

**Inventory and Prepaid Items**

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**Capital Assets**

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

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Interfund Receivables/Payables**

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

**Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's cash basis of accounting.

**Employer Contributions to Cost-Sharing Pension Plans**

The Township recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

**Long-Term Obligations**

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments are reported when paid.

**Net Position**

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for special revenue funds. The Township's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**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 nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 or enabling legislation (Township resolutions).

Enabling legislation authorizes the Township to assess, levy, charge or otherwise mandate payment of resources (from external resources providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Township can be compelled by an external party such as citizens, public interest groups or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

**Committed** – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees removes or change the specified use by taking the same type of action (resolution) it employed to previously commit the amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Township Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** – Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by ordinance, or by State Statute. State Statute authorizes the Township Fiscal Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

**Unassigned** – Unassigned fund balance is the residual classification for the general fund and includes amounts not contained 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.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Internal Activity**

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented on the financial statements.

**3. BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Budget Basis presented for the General Fund and any major special revenue fund are prepared on the budgetary basis to provide a meaningful comparisons of actual results with the budget.

**4. DEPOSITS AND INVESTMENTS**

Monies held by the Township are classified by State into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in 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.



**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2021**

**4. DEPOSITS AND INVESTMENTS (Continued)**

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuance of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligation described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligation of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio).
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirement have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the fiscal officer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Township did not have any undeposited cash on hand for 2021.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**4. DEPOSITS AND INVESTMENTS (Continued)**

**Deposits:**

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, \$0 of the Township's bank balance of \$293,440 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the township and deposited a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured: or participation in 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. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**Investments**

As of December 31, 2021, the Township had the following investments:

	Cost	Fair Value
Money Market Mutual Fund	\$ 282,781	\$ 282,781
Certificates of Deposit	3,500,000	3,466,405
STAR Ohio	4,156,638	4,156,638
Total Portfolio	<u>\$ 7,939,419</u>	<u>\$ 7,905,824</u>

	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-2	3-5
Money Market Mutual Fund	\$ 282,781	\$ 282,781	\$ -	\$ -
Certificates of Deposit	3,466,405	758,353	497,570	2,210,482
STAR Ohio	4,156,638	4,156,638	-	-
Total Investments	<u>\$ 7,905,824</u>	<u>\$ 5,197,772</u>	<u>\$ 497,570</u>	<u>\$ 2,210,482</u>

**Credit Risk:** STAR Ohio carries a rating of AAAM by Standard and Poor's. The Township has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires the STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

**Custodial Credit Risk:** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township has no investment policy dealing with investment custodial risk beyond the requirements in Ohio Revised Code Section 135.14(M)(2) which states, "payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian (Treasurer, Board, Trustee)

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**5. PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2021 for real and public utility property taxes represent collections of 2020 taxes.

2020 real property taxes are levied after October 1, 2021, on assessed value at January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2021.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2021, was 17.90 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2021 property tax receipts were based are as follows:

Real Property	\$ 490,871,470
Public Utility Personal Property	10,009,780
Total Assessed Value	\$ 500,881,250

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

**Tax Abatements**

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 77, Tax Abatement Disclosures, the Township is required to disclose certain information about tax abatements as defined in the Statement. For purposes of GASB Statement No. 77, a tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity- promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the local government or its citizens. A description of each of the abatement programs utilized in the Township follows.

**Enterprise Zone Program**

The Ohio Enterprise Zone Program is an economic development tool administered by municipal and county governments that provides real property tax exemptions to businesses making investments in Ohio. Enterprise zones are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investment. The Enterprise Zone Program can provide tax exemptions for a portion of the value of new real property investment when the investment is made in conjunction with a project that includes job creation. Existing land values and existing building values are not eligible. The zone’s geographic area is identified by the local communities involved in the creation of the zone.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**5. PROPERTY TAXES (Continued)**

**Enterprise Zone Program (Continued)**

Once a zone is defined, the local legislative authority participating in the creation must petition the Director of the Ohio Development Services Agency (ODSA). The Director must then certify the area for it to become an active Enterprise Zone. Local communities may offer tax incentives for non-retail projects that are establishing or expanding operations in the State of Ohio. Tax incentives are negotiated at the local level, and an enterprise zone agreement must be in place before the project begins.

Businesses located in an Enterprise Zone may negotiate exemptions on new property tax from investment for up to seventy-five percent for ten years. For commercial projects, job retention and/or creation is also required. Taxes are abated as the increase in assessed value resulting from the investment is not included (or included at a lesser amount) in the assessed value used for property tax computation for the taxpayer. Agreements must be in place before the project begins. Pursuant to the terms of such agreements, if the actual number of employee positions created or retained by the business in any three-year period during which the agreement is in effect is not equal to or greater than seventy-five percent of the number of employee positions estimated to be created or retained under the agreement, the business shall repay the amount of taxes on property that would have been payable had the property not been exempted. In addition, the local governments may terminate or modify the exemptions from taxation granted under the agreement if the terms of the agreement are not met.

A summary of the property taxes foregone by the Township for abatement programs within the Township for the year ended December 31, 2021 follows:

Program	Amount
Enterprise Zones (entered into by Township)	\$ 3,473
Enterprise Zones (entered into by Union County)	17,685
	\$ 21,158

**6. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township has contracted with several companies for various types of insurance coverage. Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

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

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**7. DEFINED BENEFIT PENSION PLAN**

**Ohio Public Employees Retirement System**

Plan Description - Township employees, other than full-time police and firefighters participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional plan and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, OH 43215-4642 or by calling (800) 222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions as follows:

	State and Local	Public Safety	Law Enforcement
<b>2021 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	*	**
<b>2021 Actual Contribution Rates</b>			
Employer:			
Pension*****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	0.0	0.0	0.0
<b>Total Employer</b>	<b>14.0 %</b>	<b>18.1 %</b>	<b>18.1 %</b>
Employee	10.0 %	12.0 %	13.0 %
* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.			
** This rate is determined by the OPERS' Board and has no maximum rate established by the ORC.			
*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.			
***** These pension and employer health care rates is for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension			

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$61,430 for year 2021.

**Ohio Police & Fire Pension Fund (OP&F)**

Plan Description – Township full-time firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon obtaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal. Service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit. The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement with less than 15 years of service credit on July 1, 2013, will in the consumer price index over the 12 month period ending of the 30<sup>th</sup> day of September of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3 percent of their base pension or disability benefit.



**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police		Firefighters	
<b>2021 Statutory Maximum Contribution Rates</b>				
Employer	19.50	%	24.00	%
Employee:				
January 1, 2019 through December 31, 2019	12.25	%	12.25	%
<b>2021 Actual Contribution Rates</b>				
Employer:				
Pension	19.00	%	23.50	%
Post-employment Health Care Benefits	0.50		0.50	
<b>Total Employer</b>	<b>19.50</b>	<b>%</b>	<b>24.00</b>	<b>%</b>
Employee:	12.25	%	12.25	%

Employer contribution rates are expressed as a percentage of covered payroll. The Township’s contractually required contribution to OP&F was \$495,514 for 2021.

**Social Security**

The Township had employees who contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participant.

The employee 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.

**8. POSTEMPLOYMENT BENEFITS**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan – a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the Combined Plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**8. POSTEMPLOYMENT BENEFITS (Continued)**

In order to qualify for post-employment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately on the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at a rate at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$61,430 for the year 2021.

**Ohio Police and Fire Pension Fund**

Plan Description – The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for healthcare and Medicare Part B reimbursements.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**8. POSTEMPLOYMENT BENEFITS (Continued)**

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contributions requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contributions may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contribution for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Township's contractually required contribution to OP&F was \$495,514 for 2021.

**9. DEBT**

As a result of the use of the cash basis of accounting in this report, obligations related to long term debt are not reported as liabilities in the financial statements. However, these long-term obligations are disclosed below.

***Leases***

The Township leases various equipment through lease arrangements. One of these leases qualify as a financed purchase for accounting purposes. Payments are made from the funds that purchase the assets. The assets acquired through this financed purchase are cardiac monitors at a cost of \$51,267.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**9. DEBT (Continued)**

The future payments under this financed purchase as of December 31, 2021, are as followed:

Year	Amounts
2022	\$ 12,817
2023	12,817
Total Future Payments	25,634
Less amount representing interest	-
Present value of future payments	\$ 25,634

**10. COMMITMENTS**

Pursuant to a three-year contract commenced on January 1, 2019 between the Union County Sheriff, Jerome Township and Millcreek Township, the Sheriff provides four full-time deputies with a normal work week totaling 120 hours exclusively to Jerome and Millcreek Townships to supplement existing law enforcement coverage. The Sheriff assumes full responsibility for hiring, training, assignment, supervision, discipline and dismissal of all assigned personnel and the Townships pay the actual cost of compensating the officers' salary, OPERS benefits, workers' compensation, Medicare, medical and life insurance. The Township paid \$289,228 pursuant to this contract in 2021. The Sheriff bill the townships in quarterly installments with Jerome Township paying 80% of the cost and Millcreek Township paying 20% of the cost. Prior to year-end, the parties entered into a new three-year contract commencing January 1, 2022 providing for the same level of service. In addition, the Jerome Township Board of Trustees entered into an agreement with the Union County Sheriff, the Union County Commissioners and Dublin City Schools to provide 25% of the funding for a Safety Resource Officer to be provided by the Union County Sheriff to the two schools newly constructed in Jerome Township.

Pursuant to Township policies, accumulated earned but unused vacation, compensatory time and sick leave is eligible for payment to employees at the time of separation or retirement. These accumulated benefits are not reflected as a liability under the Township's cash basis of accounting. On December 31, 2021 this accumulated earned benefit is estimated to be \$544,751, the majority of which (\$524,978) would be paid from the Fire Fund.

**11. CONTINGENT LIABILITIES**

The Township is the defendant in a lawsuit. Although management cannot presently determine the outcome of this suit, they believe the resolution of this matter will not materially adversely affect the Township's financial condition.

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding of any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, management believes that no refunds will be required.

**12. PUBLIC ENTITY RISK POOL**

The Township participates in the Bureau of Workers Compensation (BWC) group rating program through Sedgewick. Participation in this program authorizes Sedgewick to represent the Township for all workers' compensation matters before the BWC and Industrial Commission of Ohio and to receive discounted premium rates.

**JEROME TOWNSHIP  
UNION COUNTY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021**

**13. FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for major governmental funds and all other governmental funds as of December 31, 2021 are presented below:

Fund Balance	General	Fire & EMS	Road & Bridge	Police	Other Gov. Funds	Total
<b>Restricted</b>						
Road Maint. & Improve.	\$ -	\$ -	\$ -	\$ -	\$ 302,181	\$ 302,181
Fire	-	3,068,365	-	-	40,000	3,108,365
EMS	-	213,647	-	-	-	213,647
Law Enforcement	-	-	-	1,003,455	-	1,003,455
Cemetery	-	-	-	-	498,949	498,959
<b>Total Restricted</b>	<b>-</b>	<b>3,282,012</b>	<b>-</b>	<b>1,003,455</b>	<b>841,130</b>	<b>5,126,597</b>
<b>Committed</b>						
Road Maint. & Improve.	-	-	924,832	-	-	924,832
<b>Total Committed</b>	<b>-</b>	<b>-</b>	<b>924,832</b>	<b>-</b>	<b>-</b>	<b>924,832</b>
<b>Assigned</b>						
Sub-Year Appropriations	243,740	-	-	-	-	243,740
<b>Unassigned</b>						
	1,937,690	-	-	-	-	1,937,690
<b>Total Fund Balances</b>	<b>\$ 2,181,430</b>	<b>\$ 3,282,012</b>	<b>\$ 924,832</b>	<b>\$ 1,003,455</b>	<b>\$ 841,130</b>	<b>\$ 8,232,859</b>

**14. CONCENTRATION OF LABOR SUBJECT TO COLLECTIVE BARGAINING AGREEMENT**

The Township's firefighters, which comprise a majority of the Township's employees, are represented by a union. The existing union agreement commenced on January 1, 2021 and runs through December 31, 2023.

**15. DEVELOPMENT AGREEMENT**

In October 2010, the Township entered into a development agreement with the Jerome Village Community Authority and Jerome Village Company, LLC. The Township had approved the development plan for Jerome Village, a "new community development program" organized pursuant to ORC Chapter 349. The planned community will include facilities for commercial, residential, cultural, educational and recreational activities. It was recognized that the development of such a community has and would continue to create an economic and administrative burden on the Township's provision of services. Terms of the agreement require the Community Authority to make fire safety contribution of land and up to \$5,500,000 for the construction and equipment of a Township fire station facility; a total of \$2,150,000 general contribution; and a consultant contribution of up to \$50,000 for a total contribution of \$7,700,000. The fire safety contribution is payable conditioned on 1,200 residential building permits being issued for the community and the Jerome Village Town Center being developed. The general contribution is payable over ten years. The consultant contribution is payable as related expenses are incurred by the Township. Contributions totaling \$500,000 were remitted to the Township in 2021. Prior to year-end, the parties entered into a memorandum of understanding to amend the development agreement to provide for an additional \$1,000,000 for the construction and equipment of a Township fire station facility and an additional general contribution of \$1,250,000 to be paid over a ten-year period commencing in 2023.

**JEROME TOWNSHIP**  
**UNION COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2021**

**16. COVID-19**

The United States and the State of Ohio declared a state of emergency in March 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 did receive COVID-19 funding. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

In 2021 the Township received \$261,563 from the American Rescue Plan.

**17. SUBSEQUENT EVENTS**

Prior to year-end, the Jerome Township Board of Trustees as the defendant in a lawsuit, approved a Consent Decree with the plaintiffs. This Consent Decree which was approved by the Federal Court subsequent to year-end provides for the Township to rezone the land affiliated with each of the developments which are a party to the suit as planned development districts and approve each of the developments; that all future land added in the Jerome Village development will be added to the Joint Economic Development agreement; the Townships to receive an additional \$1,000,000 from the Jerome Village Company, LLC and the Jerome Village Community Authority for the construction and equipment of a Township fire station facility; the Township is to receive an additional general contribution from Nationwide Realty Investors, Ltd. Of \$1,250,000 to be paid over a ten-year period commencing in 2023; the Township to pay certain plaintiffs \$250,000 (all damages to plaintiffs as provided by the Consent Decree will be made by the Township's general liability insurance carrier, and will not come out of the Township's coffers).

**WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701**

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

Jerome Township  
Union County  
9777 Industrial Parkway  
Plain City, Ohio 43064

To the Township Trustees:

We have audited, in accordance with auditing standards general accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jerome Township, Union County as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated July 17, 2023, wherein we noted the Township uses a special purpose framework other than generally accepted accounting principles. We also noted the financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the Township.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Jerome Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 Township'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..

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Jerome Township's financial statements are free of 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 Standard*.

***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.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
July 17, 2023



# OHIO AUDITOR OF STATE KEITH FABER



**JEROME TOWNSHIP**

**UNION 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 10/17/2023**

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)