

GRANVILLE TOWNSHIP
LICKING COUNTY, OHIO

REGULAR AUDIT

**FOR THE YEARS ENDED
DECEMBER 31, 2023 & 2022**



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Columbus, Ohio 43215
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800-282-0370

Board of Trustees
Granville Township
PO Box 315
Granville, OH 43023

We have reviewed the *Independent Auditor's Report* of Granville Township, Licking County, prepared by Julian & Grube, Inc., for the audit period January 1, 2022 through December 31, 2023. 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. Granville Township is responsible for compliance with these laws and regulations.

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

Keith Faber
Auditor of State
Columbus, Ohio

October 04, 2024

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**GRANVILLE TOWNSHIP
LICKING COUNTY, OHIO**

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Independent Auditor's Report

Granville Township
Licking County
PO Box 315
Granville Township, OH 43023

To the Members of the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Granville Township, Licking County, Ohio, which comprises the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental fund type of Granville Township, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) as described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Granville Township, as of December 31, 2023, and 2022, or changes in net position thereof for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Granville Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *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 generally accepted auditing standards 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 Granville 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 Granville Township's ability to continue as a going concern for a reasonable period of time.

Granville Township
Licking County
Independent Auditor's Report

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2024 on our consideration of Granville Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Granville Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Granville Township's internal control over financial reporting and compliance.



Julian & Grube, Inc.
June 17, 2024

Granville Township
Licking County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2023

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
Cash Receipts						
Property and Other Local Taxes	\$ 38,902	\$ 3,586,525	\$ -	\$ -	\$ -	\$ 3,625,427
Charges for Services	-	1,272,667	-	-	-	1,272,667
Licenses, Permits and Fees	19,789	-	-	-	-	19,789
Intergovernmental	49,432	859,466	-	-	-	908,898
Earnings on Investments	441,005	9,318	-	-	2,422	452,745
Miscellaneous	3,250	385,339	-	-	-	388,589
<i>Total Cash Receipts</i>	<u>552,378</u>	<u>6,113,315</u>	<u>-</u>	<u>-</u>	<u>2,422</u>	<u>6,668,115</u>
Cash Disbursements						
Current:						
General Government	260,313	153,122	-	-	-	413,435
Public Safety	-	2,926,192	-	-	-	2,926,192
Public Works	498	769,037	-	-	-	769,535
Health	27,490	194,754	-	-	643	222,887
Human Services	-	-	-	-	-	-
Conservation-Recreation	5,408	-	-	-	-	5,408
Other	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Capital Outlay	3,469	1,191,668	-	-	-	1,195,137
Debt Service:						
Principal Retirement	-	-	94,000	-	-	94,000
Interest and Fiscal Charges	-	-	114,225	-	-	114,225
<i>Total Cash Disbursements</i>	<u>297,178</u>	<u>5,234,773</u>	<u>208,225</u>	<u>-</u>	<u>643</u>	<u>5,740,819</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>255,200</u>	<u>878,542</u>	<u>(208,225)</u>	<u>-</u>	<u>1,779</u>	<u>927,296</u>
Other Financing Receipts (Disbursements)						
Sale of Capital Assets	-	2,272,263	-	-	-	2,272,263
Transfers In	-	-	210,000	1,650,000	-	1,860,000
Transfers Out	-	(1,650,000)	-	(210,000)	-	(1,860,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>622,263</u>	<u>210,000</u>	<u>1,440,000</u>	<u>-</u>	<u>2,272,263</u>
<i>Net Change in Fund Cash Balances</i>	<u>255,200</u>	<u>1,500,805</u>	<u>1,775</u>	<u>1,440,000</u>	<u>1,779</u>	<u>3,199,559</u>
<i>Fund Cash Balances, January 1</i>	<u>2,083,781</u>	<u>12,008,036</u>	<u>9,405</u>	<u>842,686</u>	<u>182,547</u>	<u>15,126,455</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,338,981</u>	<u>\$ 13,508,841</u>	<u>\$ 11,180</u>	<u>\$ 2,282,686</u>	<u>\$ 184,326</u>	<u>\$ 18,326,014</u>

See accompanying notes to the financial statement

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 - Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Granville Township, Licking County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. Police protection is provided by the Licking County Sheriff and within the Village of Granville by their Police Department.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

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

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

Road District Fund This fund receives taxes and intergovernmental money for constructing, maintaining, and repairing Township roads and bridges.

Fire Fund This fund receives taxes and intergovernmental money for the purpose of providing fire and emergency ambulance protection to the community and contracted Townships.

Open Space Fund This fund receives taxes and intergovernmental money for the purpose of purchasing property and land easements to provide open space areas within the community.

Cemetery Fund This fund receives taxes and intergovernmental money for the purpose of development, maintaining, and repairing community cemeteries.

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

Miscellaneous Debt Services Fund This debt services fund is used to pay the \$4,100,000 US Department of Agriculture (USDA) Rural Development loan which the Township received during the construction of the new Fire Station Project (completed in last 2020). The 30 year debt will be paid from monies received by the Township, including property tax revenues supporting fire and EMT services.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant capital project funds:

Capital Project - Firehouse Fund – This fund receives transfers from the Fire Department Operations Fund, The Opera House Fund, private donations and from a USDA Rural Development Program Loan setting aside funds to construct a new firehouse in accordance with Ohio Revised Code Section 5705.13(C). Actual construction began in 2019 and the Fire Department Personnel and Equipment began using the facility in October 2020. Remaining Funds must be spent on Debt Services or other Capital expenditures.

Permanent Funds These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

Cemetery Endowment Fund The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery.

Basis of Accounting

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

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

Budgetary Process

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

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2023 budgetary activity appears in Note 3.

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Township values U.S. Treasury Notes and common stock at cost. Money market mutual funds are recorded at share values the mutual funds report. Investments with Meeder Investments are limited to Bonds, Commercial Paper and Corporate CD's. Investment in STAR Ohio is measured 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 an NAV per share that approximates fair value.

Capital Assets

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Leases

The Township is the lessor in various leases (as defined by GASB 87) related to land under noncancelable leases. Lease revenue are recognized when they are received/paid.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2023, distributions of \$2,299.38 are reflected as miscellaneous revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$193,000	\$552,378	\$359,378
Special Revenue	5,116,000	8,385,578	3,269,578
Debt Service	210,000	210,000	0
Capital Projects	1,650,000	1,650,000	0
Permanent	1,000	2,422	1,422
Total	\$7,170,000	\$10,800,378	\$3,630,378

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,951,968	\$542,027	\$1,409,941
Special Revenue	16,507,339	7,028,200	9,479,138
Debt Service	209,000	208,225	775
Capital Projects	2,227,912	1,910,000	317,912
Permanent	3,747	643	3,104
Total	\$20,899,966	\$9,689,096	\$11,210,870

Note 4 – Deposits and Investments

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

	2023
<i>Cash Management Pool:</i>	
Demand deposits	\$539,779
Total deposits	539,779
Meeder Investments - Cash & Equivalents (CP)	1,407,195
Meeder Investments - U.S. Governemnt Issued (Bonds)	10,874,621
Meeder Investments - Corporate Issued (CD)	1,250,809
STAR Ohio	4,253,610
Total investments	17,786,235
<i>Total carrying amount of deposits and investments held in the Pool</i>	\$18,326,014

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings.

At December 31, 2023, the Township held no equity securities. Equity securities are not eligible investments for the Township under Ohio law.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

At December 31, 2023, all deposits were properly insured or collateralized as required by Ohio law.

Investments

Starting in the spring of 2016 the Township contracted with a financial broker in an effort to increase revenue by those means allowed within the Township's investment policy. An additional agreement was signed with a custodian financial institution that will make and maintain proper books or account and complete records of all Assets and transactions in the Account. Custodian will preserve for the periods prescribed by applicable federal statute or regulation all records required to be maintained. The account is reconciled utilizing the "cost basis" as reported on the monthly bank statements.

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

Note 5 – Property Taxes

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

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

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

Note 6 – Interfund Balances

There are no outstanding advances at December 31, 2023.

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

The Township reported the following Fund Transfers during 2023:

From Misc Capital Project – Fire House Fund (4901) to Debt Service Fund (3901):	\$210,000
From FD Operation Fund (2191) to Misc Capital Projects – FD Equip Reserve (4903):	\$1,650,000

- The Debt Service Fund (3901) was used to make out 2023 loan payments on the new fire station.
- The Fire Department Equipment Reserve Fund was used to obligate funds for the purchase of a new ladder truck.

Note 7 – Risk Management

Workers’ Compensation

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.

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Automobile liability
- Vehicles
- Property

Commercial Insurance was used until October 1, 2023, when the Township became a member of the Ohio Township Association Risk Management Authority Risk Pool.

Risk Pool Membership

Granville Township became a member of the Ohio Township Association Risk Management Authority (The Pool) on October 1, 2023. The Pool assumes the risk of loss up to the limits of the Granville Township’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Automobile liability
- Vehicles
- Property

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

<u>2022</u>	
Cash and investments	\$32,288,098
Actuarial liabilities	\$9,146,434

The reported information is the most recent information available at the time the footnotes were prepared.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The Township’s Roads, Cemetery, Business Office and Elected Officials belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2023.

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages and the employer’s contributed to OP&F an amount equal to 24% of full-time fire fighters’ wages. The Township Trustees elected to pick-up 2% of OP&F participants share of retirement as part of their updated benefits package effective 3/1/2020 which changed the rates to 10.25% for the employee and 26% for the employer. Again in 2021, the Township Trustees elected to pick-up an additional 2% (4% total) of OP&F participants share of retirement as part of their updated benefits package effective 2/28/2021 which changed the rates to 8.25% for the employee and 28% for the employer. Again in 2022, the Township Trustees elected to pick-up an additional 2% (6% total) of OP&F participants share of retirement as part of their updated benefits package effective 1/12/2022 which changed the rates to 6.25% for the employee and 30% for the employer. The Township has paid all contributions required through December 31, 2023.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
OP&F- full time firefighters	7-1-2015 thru 2-28-2020	12.25%	24%
OP&F- full time firefighters	3-1-2020 thru 02-27-2021	10.25%	26%
OP&F- full time firefighters	2-28-2021 thru 12-31-2021	8.25%	28%
OP&F - full time firefighters	1-1-2022 thru 12-31-2023	6.25%	30%
OPERS – Local	2012-2023	10%	14%

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Social Security

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

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5 percent to fund these benefits.

Note 10 – Debt

Debt outstanding at December 31, 2023, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds	<u>\$3,737,000</u>	3%
Total	<u><u>\$3,737,000</u></u>	

In 2019, the Township secured a \$4,100,000, 30-year fixed rate USDA Rural Development Loan to help pay for the construction of the new fire station which opened in October 2020.

Financed Purchases

The Township does not have any material Financed Purchases.

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Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Amortization

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

Year Ending December 31:	General Obligation Bonds
2024	\$208,383
2025	208,450
2026	208,428
2027	208,315
2028	208,113
2029-2033	1,041,113
2034-2038	1,039,368
2039-2043	1,039,375
2044-2048	1,037,743
2049	207,568
Total	<u>\$5,406,856</u>

Note 11 – Contingent Liabilities

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

Note 12 – Related Organizations

The Township Trustees have an agreement with the Granville Recreation District to manage the parks and facilities on some of the properties owned by the Township Trustees.

Note 13 – Fund Balances

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

Fund Balances	General	Special Revenue	Debt Service	Capital Projects	Permanent	Total
Nonspendable:						
Corpus	-	-	-	-	176,759	176,759
Outstanding Encumbrances	244,849	143,429	-	1,700,000	-	2,088,278
Total	<u>\$244,849</u>	<u>\$143,429</u>	<u>\$0</u>	<u>\$1,700,000</u>	<u>\$176,759</u>	<u>\$2,265,037</u>

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

Note 14 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. The Township will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Granville Township
Licking County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2022

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Totals (Memorandum Only)
Cash Receipts						
Property and Other Local Taxes	\$ 38,126	\$ 2,660,754	\$ -	\$ -	\$ -	\$ 2,698,880
Charges for Services	-	769,807	-	-	-	769,807
Licenses, Permits and Fees	25,982	-	-	-	-	25,982
Intergovernmental	46,516	724,022	-	-	-	770,538
Earnings on Investments	166,260	3,781	-	-	2,041	172,082
Miscellaneous	19,979	358,629	-	-	-	378,608
<i>Total Cash Receipts</i>	<u>296,863</u>	<u>4,516,993</u>	<u>-</u>	<u>-</u>	<u>2,041</u>	<u>4,815,897</u>
Cash Disbursements						
Current:						
General Government	205,882	119,116	-	-	-	324,998
Public Safety	-	2,305,760	-	-	-	2,305,760
Public Works	-	717,175	-	-	-	717,175
Health	25,882	147,060	-	-	-	172,942
Conservation-Recreation	-	-	-	-	-	-
Capital Outlay	-	75,484	-	-	-	75,484
Debt Service:						
Principal Retirement	-	-	92,000	-	-	92,000
Interest and Fiscal Charges	-	-	117,000	-	-	117,000
<i>Total Cash Disbursements</i>	<u>231,764</u>	<u>3,364,595</u>	<u>209,000</u>	<u>-</u>	<u>-</u>	<u>3,805,359</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>65,099</u>	<u>1,152,398</u>	<u>(209,000)</u>	<u>-</u>	<u>2,041</u>	<u>1,010,538</u>
Other Financing Receipts (Disbursements)						
Sale of Capital Assets	-	2,400	-	-	-	2,400
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>2,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,400</u>
<i>Net Change in Fund Cash Balances</i>	65,099	1,154,798	(209,000)	-	2,041	1,012,938
<i>Fund Cash Balances, January 1</i>	<u>2,018,682</u>	<u>10,853,238</u>	<u>218,405</u>	<u>842,686</u>	<u>180,506</u>	<u>14,113,517</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,083,781</u>	<u>\$ 12,008,036</u>	<u>\$ 9,405</u>	<u>\$ 842,686</u>	<u>\$ 182,547</u>	<u>\$ 15,126,455</u>

See accompanying notes to the financial statement

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Granville Township, Licking County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Trustees also serve as the Trustees of the Granville Township Roads District. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. Police protection is provided by the Licking County Sheriff and within the Village of Granville by their Police Department.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

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

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

Road District Fund This fund receives taxes and intergovernmental money for constructing, maintaining, and repairing Township roads and bridges.

Fire Fund This fund receives taxes and intergovernmental money for the purpose of providing fire and emergency ambulance protection to the community and contracted Townships.

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

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Miscellaneous Debt Services Fund This debt services fund is used to pay the \$4,100,000 US Department of Agriculture (USDA) Rural Development loan which the Township received during the construction of the new Fire Station Project (completed in last 2020). The 30 year debt will be paid from monies received by the Township, including property tax revenues supporting fire and EMT services.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township did not have any significant Capital Project funds in 2022.

Permanent Funds These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

Cemetery Endowment Fund The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery.

Basis of Accounting

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

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

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2022 budgetary activity appears in Note 3.

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Township values U.S. Treasury Notes and common stock at cost. Money market mutual funds are recorded at share values the mutual funds report. Investments with Meeder Investments are limited to Bonds, Commercial Paper and Corporate CD's. Investment in STAR Ohio is measured 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 an NAV per share that approximates fair value.

Capital Assets

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Leases

The Township is the lessor in various leases (as defined by GASB 87) related to land under non-cancelable leases. Lease revenues are recognized when they are received/paid.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2023, distributions of \$1,089 are reflected as miscellaneous revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

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

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

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$142,000	\$296,863	\$154,863
Special Revenue	2,815,000	4,519,393	1,704,393
Permanent	-	2,041	2,041
Total	\$2,957,000	\$4,818,297	\$1,861,297

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$811,597	\$260,319	\$551,278
Special Revenue	10,897,359	3,465,779	7,431,580
Debt Service	210,000	209,000	1,000
Total	\$11,918,956	\$3,935,098	\$7,983,858

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 4 – Deposits and Investments

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

	2022
<i>Cash Management Pool:</i>	
Demand deposits	\$277,153
Total deposits	277,153
Meeder Investments - Cash & Equivalents (CP)	96,852
Meeder Investments - U.S. Government Issued (Bonds)	7,950,992
Meeder Investments - Corporate Issued (CD)	3,278,474
STAR Ohio	3,522,984
Total investments	14,849,302
<i>Total carrying amount of deposits and investments held in the Pool</i>	<i>\$15,126,455</i>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings.

At December 31, 2022, the Township held no equity securities. Equity securities are not eligible investments for the Township under Ohio law.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

At December 31, 2022, all funds on deposit were insured or collateralized as required by Ohio law.

Investments

Starting in the spring of 2016 the Township contracted with a financial broker in an effort to increase revenue by those means allowed within the Township’s investment policy. An additional agreement was signed with a custodian financial institution that will make and maintain proper books or account and complete records of all Assets and transactions in the Account. Custodian will preserve for the periods prescribed by applicable federal statute or regulation all records required to be maintained. The account is reconciled utilizing the “cost basis” as reported on the monthly bank statements.

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

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 5 – Property Taxes

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

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

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

Note 6 – Interfund Balances

There are no outstanding advances at December 31, 2022.

Note 7 – Risk Management

Workers' Compensation

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.

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

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

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The Township's Roads, Cemetery, Business Office and Elected Officials belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

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

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Ohio Police and Fire Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages and the employer’s contributed to OP&F an amount equal to 24% of full-time fire fighters’ wages. The Township Trustees elected to pick-up 2% of OP&F participants share of retirement as part of their updated benefits package effective 3/1/2020 which changed the rates to 10.25% for the employee and 26% for the employer. Again in 2021, the Township Trustees elected to pick-up an additional 2% (4% total) of OP&F participants share of retirement as part of their updated benefits package effective 2/28/2021 which changed the rates to 8.25% for the employee and 28% for the employer. Again in 2022, the Township Trustees elected to pick-up an additional 2% (6% total) of OP&F participants share of retirement as part of their updated benefits package effective 1/12/2022 which changed the rates to 6.25% for the employee and 30% for the employer. The Township has paid all contributions required through December 31, 2022.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
OP&F- full time firefighters	7-1-2015 thru 2-28-2020	12.25%	24%
OP&F- full time firefighters	3-1-2020 thru 02-27-2021	10.25%	26%
OP&F- full time firefighters	2-28-2021 thru 12-31-2021	8.25%	28%
OP&F - full time firefighters	1-1-2022 thru 12-31-2022	6.25%	30%
OPERS – Local	2012-2022	10%	14%

Social Security

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

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

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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

Note 10 – Debt

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

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds	<u>\$3,831,000</u>	3%
Total	<u><u>\$3,831,000</u></u>	

In 2019, the Township secured a \$4,100,000, 30-year fixed rate USDA Rural Development Loan to help pay for the construction of the new fire station which opened in October 2020.

Leases

The Township does not have any material leases.

Amortization

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

Year Ending <u>December 31:</u>	General Obligation Bonds
2023	\$208,225
2024	208,383
2025	208,450
2026	208,430
2027	208,315
2028-2032	1,040,618
2033-2037	1,039,648
2038-2042	1,039,918
2043-2047	1,038,005
2048-2049	<u>415,090</u>
Total	<u><u>\$5,615,082</u></u>

Note 11 – Construction and Contractual Commitments

The Township received the remaining USDA Rural Development Loan in 2021, bringing the total to the agreed upon \$4,100,000. In addition, all outstanding construction bills were paid early in 2021. Remaining funds will be transferred to the debt services fund or used for other capital expenditures.

Granville Township
Licking County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 12 – Related Party Transactions

The Township Trustees have an agreement with the Granville Recreation District to manage the parks and facilities on some of the properties owned by the Township Trustees.

Note 13 – Fund Balances

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

Fund Balances	General	Special Revenue	Debt Service	Capital Projects	Permanent	Total
Nonspendable:						
Corpus	-	-	-	-	176,759	176,759
Outstanding Encumbrances	28,555	101,184	-	-	-	129,738
Total	<u>\$28,555</u>	<u>\$101,184</u>	<u>\$0</u>	<u>\$0</u>	<u>\$176,759</u>	<u>\$306,497</u>

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

Note 14 – American Rescue Plan

In 2022 the Township received \$230,338.99 in additional ARP funding, bringing the total balance to \$458,853.43. These funds, along with ARP money from Licking County and the Village of Granville are earmarked for a waterline replacement project within the Burtridge & Spring Valley neighborhoods located within the Township. The projects were bid out in January 2023 and awarded in February 2023. The project is expected to be completed in 2024. Any remaining ARP funds will also be projected to be spent in 2024. These amounts are reflected as general government under the American Rescue Plan Special Revenue Fund on the accompanying financial statements.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

Granville Township
Licking County
PO Box 315
Granville, OH 43023

To the Members of the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type of Granville Township, Licking County, Ohio, as of and for the years ended December 31, 2023, and 2022 and the related notes to the financial statements and have issued our report thereon dated June 17, 2024, wherein we noted Granville Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Granville 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Granville Township's internal control. Accordingly, we do not express an opinion on the effectiveness of Granville 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 Granville 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.

Report on Compliance and Other Matters

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

Granville Township

Licking County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Granville 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 Granville Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.

June 17, 2024

**GRANVILLE TOWNSHIP
LICKING COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2023 AND 2022**

Finding Number	Finding Summary	Status	Additional Information
2021-001	<u>Significant Deficiency – Financial Statement Presentation</u> – The Township had an audit adjustment identified and subsequently posted to the financial statements, in addition to modifications to the Township’s notes.	Corrected	N/A

OHIO AUDITOR OF STATE KEITH FABER



GRANVILLE TOWNSHIP

LICKING 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 10/17/2024

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

This report is a matter of public record and is available online at
www.ohioauditor.gov