

Harrison Township
Montgomery 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

To be submitted.

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$1,328,779	\$9,120,498		\$10,449,277
Charges for Services		1,613,406		1,613,406
Licenses, Permits and Fees	39,735	0		39,735
Fines and Forfeitures	9,252	0		9,252
Intergovernmental	384,594	1,687,618	273,799	2,346,011
Special Assessments		384,708		384,708
Earnings on Investments	442,046	69,064		511,110
Payments in Lieu of Taxes		164,076		164,076
Miscellaneous	46,942	203,552		250,494
<i>Total Cash Receipts</i>	<u>2,251,349</u>	<u>13,242,922</u>	<u>273,799</u>	<u>15,768,070</u>
Cash Disbursements				
Current:				
General Government	551,353	3,763	295,478	850,595
Public Safety		8,852,689		8,852,689
Public Works	10,000	4,508,522		4,518,522
Health	15,635	0		15,635
Development	757,301	0		757,301
Conservation-Recreation	269,162	0		269,162
Other	46,348	5,869	14,321	66,538
Capital Outlay	339,053	441,648		780,701
Debt Service:		0		
Principal Retirement		264,836		264,836
Interest and Fiscal Charges		19,686		19,686
<i>Total Cash Disbursements</i>	<u>1,988,852</u>	<u>14,097,014</u>	<u>309,799</u>	<u>16,395,665</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>262,497</u>	<u>(854,093)</u>	<u>(36,000)</u>	<u>(627,596)</u>

Harrison Township
Montgomery 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

To be submitted.

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Other Financing Receipts (Disbursements)				
Sale of Bonds				0
Sale of Refunding Bonds				0
Sale of Notes				0
Loans Issued				0
Other Debt Proceeds				0
Premium and Accrued Interest on Debt				0
Discount on Debt				0
Payment to Refunded Bond Escrow Agent				0
Sale of Capital Assets		0		0
Transfers In		50,000		50,000
Transfers Out	(50,000)	0	0	(50,000)
Advances In		0		0
Advances Out		0		0
Other Financing Sources				0
Other Financing Uses				0
<i>Total Other Financing Receipts (Disbursements)</i>	<i>(50,000)</i>	<i>50,000</i>	<i>0</i>	<i>0</i>
Special Item				0
Extraordinary Item				0
<i>Net Change in Fund Cash Balances</i>	<i>212,497</i>	<i>(804,093)</i>	<i>(36,000)</i>	<i>(627,596)</i>
<i>Fund Cash Balances, January 1</i>	<i>3,970,549</i>	<i>8,052,759</i>	<i>36,000</i>	<i>12,059,307</i>
<i>Fund Cash Balances, December 31</i>	<i>\$4,183,046</i>	<i>\$7,248,666</i>	<i>\$0</i>	<i>\$11,431,712</i>

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

To be submitted.	Proprietary Fund Types	Totals
	Enterprise	(Memorandum Only)
Operating Cash Receipts		
Charges for Services	\$1,027,100	\$1,027,100
Licenses, Permits and Fees	\$0	0
Fines and Forfeitures	\$0	0
Miscellaneous	\$5,965	5,965
<i>Total Operating Cash Receipts</i>	<i>1,033,065</i>	<i>1,033,065</i>
Operating Cash Disbursements		
Salaries	73,922	73,922
Employee Fringe Benefits	39,928	39,928
Purchased Services	1,151,525	1,151,525
Supplies and Materials	0	0
Claims	0	0
Other	57,814	57,814
<i>Total Operating Cash Disbursements</i>	<i>1,323,189</i>	<i>1,323,189</i>
<i>Operating Income (Loss)</i>	<i>(290,124)</i>	<i>(290,124)</i>
Non-Operating Receipts (Disbursements)		
Property and Other Local Taxes		0
Intergovernmental		0
Special Assessments	282,413	282,413
Miscellaneous Receipts		0
Earnings on Investments (proprietary funds only)		0
Sale of Capital Assets		0
Capital Outlay		0
Principal Retirement		0
Interest and Other Fiscal Charges		0
Discount on Debt		0
Payment to Refunded Bond Escrow Agent		0
Other Financing Sources		0
Other Financing Uses		0
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>282,413</i>	<i>282,413</i>

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

To be submitted.	Proprietary Fund Types	Totals
	Enterprise	(Memorandum Only)
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	(7,711)	(7,711)
Capital Contributions		0
Special Item		0
Extraordinary Item		0
Transfers In		0
Transfers Out		0
Advances In		0
Advances Out		0
<i>Net Change in Fund Cash Balances</i>	(7,711)	(7,711)
<i>Fund Cash Balances, January 1</i>	1,379,947	1,379,947
<i>Fund Cash Balances, December 31</i>	\$1,372,236	\$1,372,236
<i>See accompanying notes to the basic financial statements</i>		

Harrison Township
Montgomery County, Ohio
Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)
All Fiduciary Fund Types
For the Year Ended December 31, 2023

	Fudiciary Fund Types		Totals
	Custodial		
	Fire Bonds		(Memorandum Only)
To be submitted.			
Additions			
Property and Other Local Taxes Collected for Distribution			\$0
Charges for Services			0
Fines, Licenses and Permits for Distribution			0
Earnings on Investments (trust funds only)			0
Gifts and Donations (trusts funds only)			0
Intergovernmental			0
Special Assessment Collections for Distribution			0
Deposits Received	22,960		22,960
Amounts Held for Employees			0
Amounts Received as Fiscal Agent			0
Other Amounts Collected for Distribution	0		0
<i>Total Additions</i>	<u>22,960</u>	<u>0</u>	<u>22,960</u>
Deductions			
Distributions as Fiscal Agent	0		0
Distributions to Other Governments			0
Distributions to Other Funds (Primary Gov't)			0
Distributions of Deposits	44,182		44,182
Distributions on Behalf of Employees			0
Other Distributions			0
<i>Total Deductions</i>	<u>44,182</u>	<u>0</u>	<u>44,182</u>
<i>Net Change in Fund Balances</i>	<u>(21,222)</u>	<u>0</u>	<u>(21,222)</u>
<i>Fund Cash Balances, January 1</i>	<u>114,987</u>		<u>114,987</u>
<i>Fund Cash Balances, December 31</i>	<u>\$93,765</u>	<u>\$0</u>	<u>\$93,765</u>

See accompanying notes to the basic financial statements

Harrison Township
Montgomery 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 Harrison Township, Montgomery County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Fiscal Officer is also publicly elected. The Township provides general government services, road, zoning, community development, and fire protection and emergency medical services. The Township contracts with the Montgomery County Sheriff's Office for police protection.

Public Entity Risk Pool

The Township participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Road and Bridge Fund The road and bridge fund accounts for and reports all disbursements restricted or committed to roads, including improvements, paving, snow removal, salt and gravel, blacktop, maintenance, payroll, supplies, purchases, fuel, and vehicle equipment and maintenance. This fund is also used for construction of new and future facilities.

Police Fund The police fund accounts for and reports proceeds from property taxes restricted for police department operations and protection services.

Fire District Fund The fire district fund accounts for and reports proceeds from property taxes restricted for the fire department and life squad protection and emergency services.

COVID Relief Fund – This fund is used to account for federal funding monies disbursed to aide with expenditures related to the COVID-19 pandemic.

Harrison Township
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Enterprise Funds These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Township had the following significant enterprise fund:

Garbage and Waste Disposal Fund – The garbage and waste disposal fund accounts for and reports charges restricted to garbage and waste collection, as well as payment to a private trash removal service.

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

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Township's custodial fund accounts for monies received from insurance companies and reimburses residents when their buildings are fixed.

Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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. Appropriations lapse at year end.

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and re-appropriated in the subsequent year.

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.

Money market mutual funds are recorded at share values the mutual funds report. 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.

Harrison Township
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

Non-spendable The Township classifies assets as *non-spendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, non-spendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the non-spendable 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 11.

Harrison Township
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2023 follows:

<u>Fund Type</u>	<u>2023 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Budgeted Receipts</u>	<u>Variance</u>
General	\$1,825,042	\$2,251,349	(\$426,307)
Special Revenue	\$12,466,508	\$13,315,881	(\$849,374)
Capital Projects	\$273,799	\$273,799	\$0
Enterprise	\$1,330,200	\$1,315,478	\$14,722
Totals	<u>\$15,895,549</u>	<u>\$17,156,507</u>	<u>(\$1,260,959)</u>

<u>Fund Type</u>	<u>2023 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$3,814,707	\$2,038,852	\$1,775,855
Special Revenue	\$16,158,625	\$14,141,196	\$2,017,429
Capital Projects	\$309,799	\$309,799	\$0
Enterprise	\$1,327,079	\$1,323,189	\$3,889
Totals	<u>\$21,610,210</u>	<u>\$17,813,036</u>	<u>\$3,797,173</u>

Note 4 – Deposits and Investments

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

<i>Cash Management Pool:</i>	<u>2023</u>
Demand deposits	\$ 419,422
Certificates of deposit	\$ 5,818,725
Cash on Hand	\$ 150
Total deposits	<u>\$ 6,238,297</u>
Commerical Paper	\$ 1,787,621
Money Market Fund	\$ 5,225
US Government Agency Notes	\$ 1,145,289
US Treasury Notes	\$ 197,208
STAR Ohio	\$ 3,524,073
Total investments	<u>\$ 6,659,416</u>
Total carrying amount of deposits and investments held in the Pool	<u>\$ 12,897,712</u>

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.

Harrison Township
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Investments

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

Note 5 – Property Taxes

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

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

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

In 2021 voters in the Township renewed the 6 mill, 5 year, Police & EMS levy originally passed in 2016.

Note 6 – Risk Management

Risk Pool Membership

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

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

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

	<u>2023</u>
Cash and investments	\$
Actuarial liabilities	\$

Harrison Township
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

Ohio Police and Fire Retirement System

All of the Township's certified 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 percent of their wages. The Township contributed to OP&F an amount equal to 24 percent of full-time fire fighters' wages. The Township has paid all contributions required through 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 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2023. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2023. 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.

Harrison Township
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Debt

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

	<u>Principal</u>	<u>Interest Rate</u>
2019 Freightliner Vacuum Truck	\$ 28,662.00	4.65%
2022 Western Star Dump Trucks	\$ 262,710.22	1.17%
2023 Surburban-01	\$ 27,673.03	5.75%
2023 Surburban-02	\$ 29,762.82	5.75%
Tymco Street Sweeper	\$ 169,355.21	5.48%
Sutphen Custom Pumper Fire Engine	\$ 549,829.88	5.76%
Total	\$ 518,163.28	

Leases

The Township leases vehicles and other equipment under non-cancelable leases. The Township disbursed all required lease costs for the year ended December 31, 2023.

Amortization

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

Year Ending December 31:	2019 Freightliner Vacuum Truck Lease	2022 Western Star Dump Trucks Lease	2023 Surburban-01 SUV	2023 Surburban-02 SUV	2023 Tymco Street Sweeper	2023 Sutphen Custom Pumper Fire Engine
2024	\$ 35,976.00	\$ 137,155.95	\$ 30,326.97	\$ 32,617.18	\$ 48,447.00	\$ 128,056.27
2025		\$ 137,155.95			\$ 48,447.00	\$ 128,056.27
2026					\$ 48,447.00	\$ 128,056.27
2027					\$ 48,447.00	\$ 128,056.27
2028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,056.27
Totals	\$ 35,976.00	\$ 274,311.90	\$ 30,326.97	\$ 32,617.18	\$ 193,788.00	\$ 640,281.35

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – 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. 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 facilities effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>
Non-spendable:	
Unclaimed Monies	\$359
Total	<u>\$359</u>

Harrison Township
Montgomery 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. These restricted and committed amounts in the special revenue funds and the assigned amount in the general fund would include outstanding encumbrances however there were none at December 31, 2023.

Note 12 – Change in Accounting Principle

In 2021, the Township made changes to their cash basis reporting model. These changes include modifications to the definition of fiduciary funds, adding a separate combined statement of additions, deductions, and changes in fund balances (regulatory cash basis) – all fiduciary fund types, and removing the fund balance classifications from the combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) – all governmental fund types.

This change had no effect on the beginning cash balances of all Township fund types.

Note 13 – 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. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The Township's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Prior to 2023, the Township spent all of the CARES Act funding.