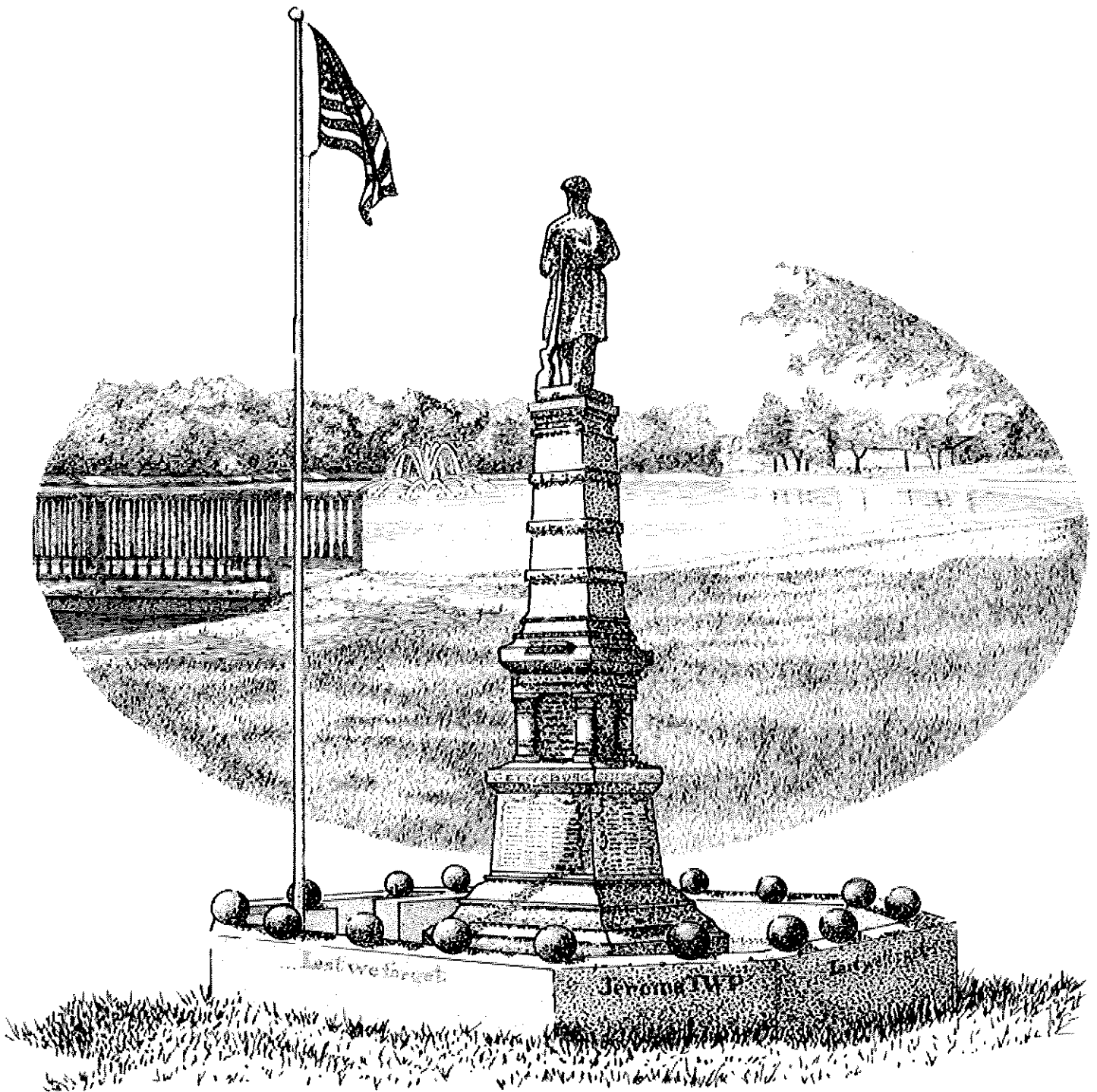


# Jerome Township

Union County, Ohio

## Financial Statements

For the Year Ended December 31, 2021



*Jerome Township — Founded 1821*

**Jerome Township  
Union County, Ohio**

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**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

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This management's discussion and analysis of Jerome Township's (the Township) financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2021, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

**Financial Highlights**

Key financial highlights for 2021 are as follows:

- Net position of governmental activities increased \$1,143,479 (16.1%), from the prior year. The funds most affected during the year were the General Fund which had receipts in excess of disbursements of \$543,380, the Coronavirus Local Fiscal Recovery Fund which had receipts in excess of disbursements of \$261,563, the Zoning Fund which had receipts in excess of disbursements of \$158,672, the Road and Bridge Fund which had receipts in excess of disbursements of \$130,911, the Police Fund which had receipts in excess of disbursements of \$105,377, the Permissive Motor Vehicle License Tax Fund which had receipts in excess of disbursements of \$38,688, and the Fire & EMS Funds which had combined receipts in excess of disbursements of \$3,814.
- The Township's general receipts are primarily from property taxes and intergovernmental receipts. Property taxes represented 56.4% of the total cash received for governmental activities during the year. Property tax receipts for 2021 increased by \$402,989 (11.5%) from the prior year as development within the Township continues.

**Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

**Report Components**

The Statement of Net Position and the Statement of Activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on the cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

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**Reporting the Township as a Whole**

The Statement of Net Position and the Statement of Activities reflect how the Township did financially during 2021, within the limitations of the cash basis of accounting. The Statement of Net Position presents the cash balances and investments of the governmental activities of the Township at year end. The Statement of Activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other non-financial factors as well, such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the Statement of Net Position and the Statement of Activities, the Township has only one type of activity to report:

Governmental activities - Most of the Township's basic services are reported here, including police, fire, roads and parks. Property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**Reporting the Township's Most Significant Funds**

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are in one category: governmental.

Governmental Funds - All of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General Fund, Road and Bridge Fund, Fire & EMS Fund and Police Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

**The Township as a Whole**

Table 1 provides a summary of the Township's net position for 2021 compared to 2020 on a cash basis:

(Table 1)  
Net Position

	Governmental Activities	
	2021	2020
Assets		
Cash	\$ 293,440	\$ 41,002
Investments	7,939,419	7,048,378
Total assets	<u>\$ 8,232,859</u>	<u>\$ 7,089,380</u>
Net position		
Restricted for:		
Public safety	\$ 4,325,467	\$ 4,216,277
Public works	302,181	302,979
Health	498,949	296,825
Unrestricted	<u>3,106,262</u>	<u>2,273,299</u>
Total net position	<u>\$ 8,232,859</u>	<u>\$ 7,089,380</u>

As mentioned previously, net position of governmental activities increased \$1,143,479 (16.1%) during 2021. The primary reasons contributing to the increase are as follows:

- The General Fund (including the Zoning Fund) had receipts in excess of disbursements of \$702,052 resulting from an increase in property tax receipts, the receipt of contributions from the Jerome Village Community Authority and Jerome Village Company, LLC of \$500,000, an increase in the collection of zoning fees from new development of \$159,550 and a reduction in disbursements for the year.
- The Fire & EMS Funds had combined receipts in excess of disbursements of \$3,814 resulting from an increase in property tax receipts and no significant purchases of a new equipment.
- The Road and Bridge Fund, Motor Vehicle License Tax Fund, Permissive Motor Vehicle License Tax and the Gasoline Tax Fund had combined receipts in excess of disbursements of \$130,113 resulting from an increase in property tax receipts, an increase in the State's gasoline tax and the institution of a permissive motor vehicle license tax.
- The Police Fund had receipts in excess of disbursements of \$105,377 resulting from an increase in property tax receipts and no increase in contracted services from the Union County Sheriff's Office.
- The Coronavirus Local Fiscal Recovery Fund received \$261,563, representing one half of the Township's total award.

**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

Table 2 reflects the changes in net position on a cash basis in 2021 and 2020 for governmental activities.

(Table 2)  
Changes in Net Position

	Governmental Activities	
	2021	2020
Receipts:		
Program receipts:		
Charges for services and sales	\$ 923,075	\$ 726,369
Operating grants and contributions	1,411,603	1,402,843
Capital grants and contributions	-	13,606
Total program receipts	2,334,678	2,142,818
General receipts:		
Property and other taxes	3,907,048	3,504,059
Grants and entitlements not restricted to specific programs	74,468	70,425
Cable franchise fees	44,296	42,864
Gifts and donations	50	200
Sale of capital assets	8,904	-
Earnings on investments	39,858	88,416
Miscellaneous	521,213	107,267
Total general receipts	4,595,837	3,813,231
Total receipts	6,930,515	5,956,049
Disbursements:		
General government	704,253	592,082
Public safety	4,234,763	3,550,821
Public works	757,501	430,738
Health	79,734	117,681
Conservation - recreation	10,785	5,794
Total disbursements	5,787,036	4,697,116
Change in net position	1,143,479	1,258,933
Net position, January 1	7,089,380	5,830,447
Net position, December 31	<u>\$ 8,232,859</u>	<u>\$ 7,089,380</u>

Program receipts represent 33.7% of total receipts and are primarily comprised of charges for Fire and EMS services provided under contract, zoning fees and cemetery fees.

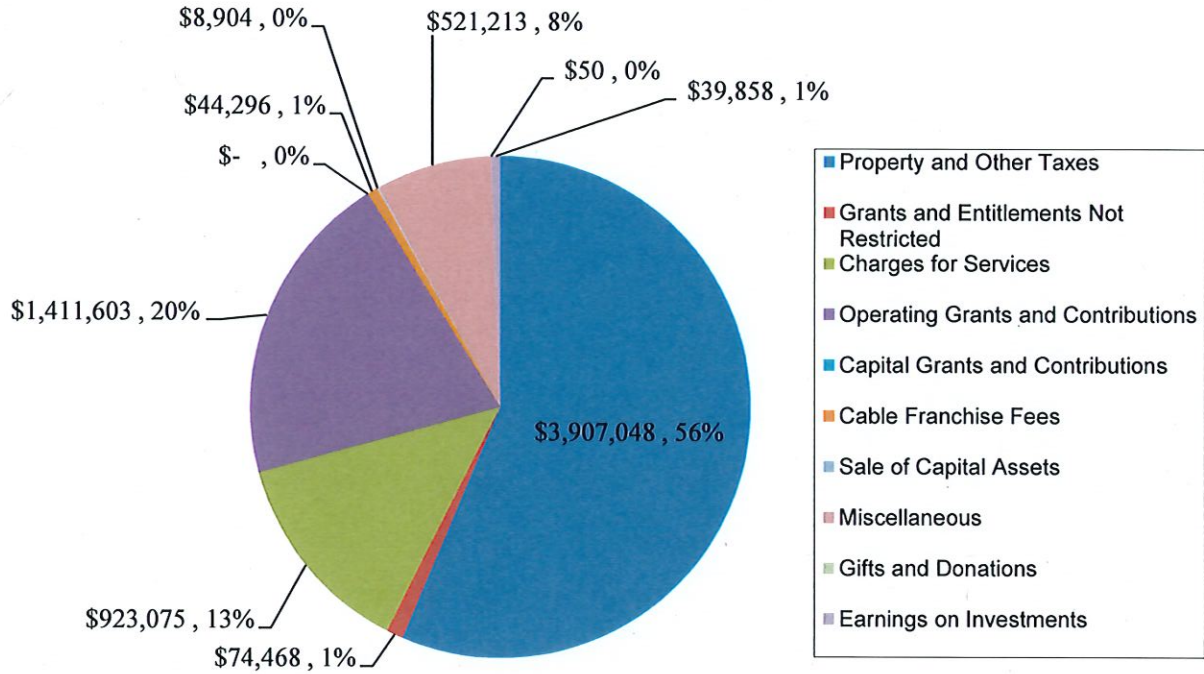
General receipts represent 66.3% of the Township's total receipts, and of this amount, 1.1% are intergovernmental receipts. Other receipts are often insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include administrative costs of the Board of Trustees and the Fiscal Officer, as well as internal services such as payroll and purchasing. Since these costs do not represent direct services to residents, the Board of Trustees tries to limit these costs.

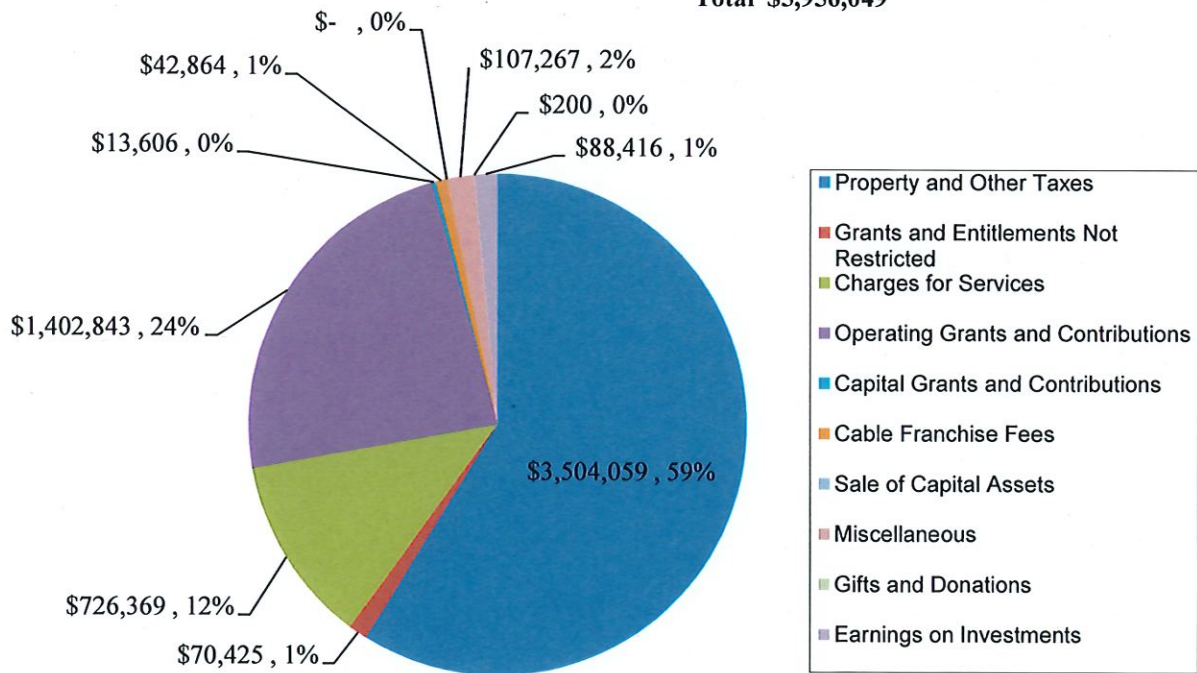
Public Safety is the costs of police and fire protection; Health is the cemeteries; Conservation – Recreation is the costs of maintaining the Township Hall, parks and playing fields; Public Works is the costs of maintaining the roads.

**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

**Receipts 2021  
Total \$6,930,55**



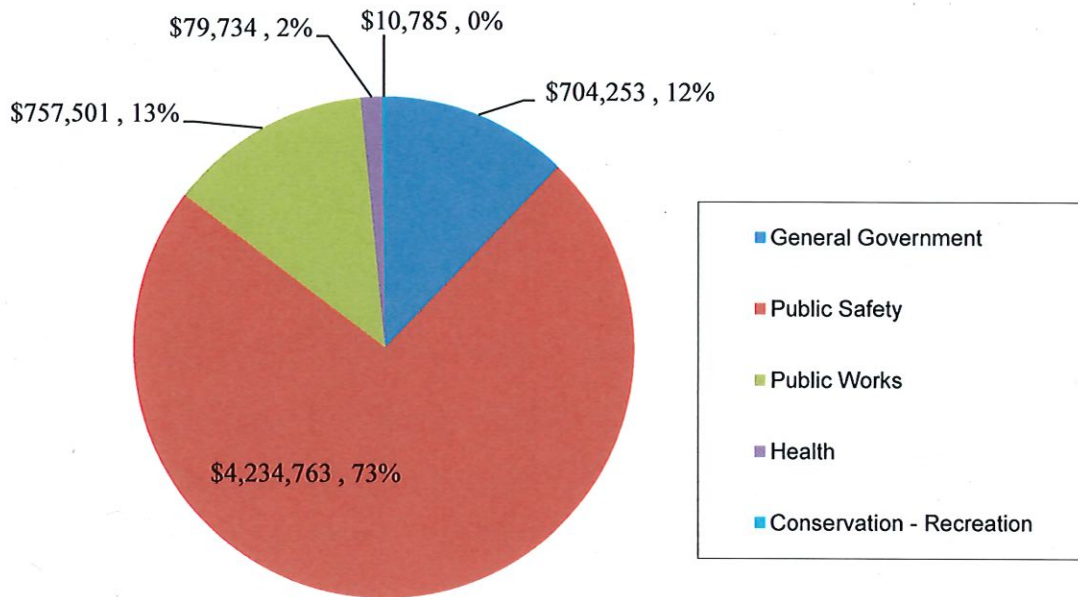
**Receipts 2020  
Total \$5,956,049**



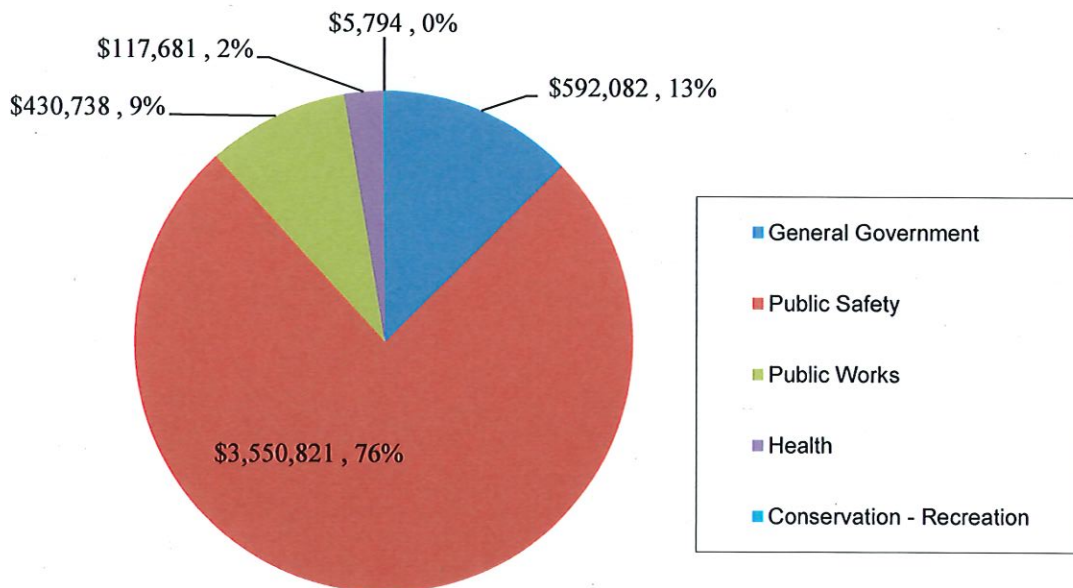
**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

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**Disbursements 2021  
Total \$5,787,036**



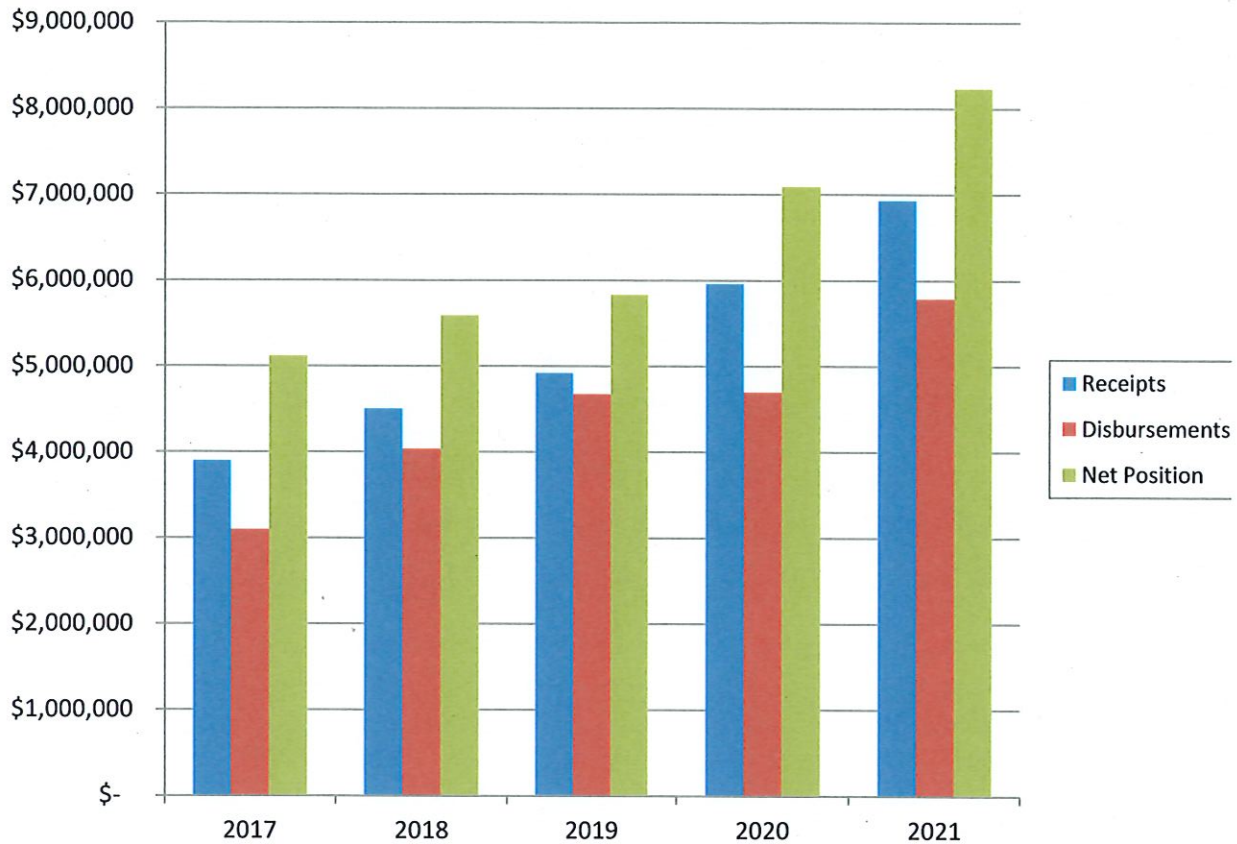
**Disbursements 2020  
Total \$4,697,116**





**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

Receipts, Disbursements, and Net Position Balances  
For the Last Five Years



**Governmental Activities**

If you look at the Statement of Activities in the financial statements, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for public safety and public works, which account for 73.2% and 13.1% of all governmental disbursements, respectively. General government also represents a significant cost, about 12.2%. The next columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

(Table 3)  
Governmental Activities

	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
General government	\$ 704,253	\$ 166,824	\$ 592,082	\$ 212,111
Public safety	4,234,763	3,069,474	3,550,821	2,306,900
Public works	757,501	416,675	430,738	128,900
Health	79,734	(201,929)	117,681	(92,937)
Conservation - recreation	10,785	1,314	5,794	(676)
Total disbursements	<u>\$ 5,787,036</u>	<u>\$ 3,452,358</u>	<u>\$ 4,697,116</u>	<u>\$ 2,554,298</u>

The dependence upon property tax receipts is apparent as 100.0% percent of governmental activities are supported through these general receipts.

**The Township's Funds**

Total governmental funds had receipts of \$6,930,515 and disbursements of \$5,787,036 resulting in an increase in fund balances of \$1,143,479.

The General Fund had receipts in excess of disbursements of \$543,380. This is a result of an increase in property tax receipts of \$19,635 (11.9%), a decrease in earnings on investments of \$47,341 (due to declining interest rates and the timing of maturities of certificates of deposits) and the receipt of contributions from the Jerome Village Community Authority and Jerome Village Company, LLC of \$500,000. The Zoning Fund had receipts in excess of disbursements of \$158,672 as a result of zoning fee receipts.

The Fire Fund had disbursements in excess of receipts of \$82,601 resulting from an increase in property tax receipts of \$287,178 (11.3%), the timing of grant reimbursements and an increase in disbursements. In 2020, the Township was awarded a Safer Grant providing for the funding of nine firefighter positions who's costs of salaries and benefits are reimbursed seventy-five percent in the first two years, thirty-five percent the third year and no reimbursement beyond the third year. The total amount reimbursed from this grant in 2021 was \$437,215.

The Ambulance and EMS Fund had receipts in excess of disbursements of \$86,414 resulting from EMS charges of \$155,951, an increase of \$34,688 (28.6%) over the prior year.

The Road and Bridge Fund, Motor Vehicle License Tax Fund, Permissive Motor Vehicle License Tax Fund and the Gasoline Tax Fund had combined receipts in excess of disbursements of \$130,113 resulting from an increase in property tax receipts of \$59,821 (12.6%) and the permissive license tax generating \$90,288 in revenue in 2021.

The Police Fund had receipts in excess of disbursements of \$105,377 resulting from an increase in property tax receipts of \$36,356 (11.1%) and no increase in contractual services from the Union County Sheriff's Office.

The Cemetery Fund had receipts in excess of disbursements of \$10,034 resulting primarily from the sale of lots totaling \$14,950.

The Coronavirus Relief Fund was established for the receipt of moneys awarded through the CARES Act. A total of \$184,575 (including interest) was received by the Township with \$183,065 being spent in 2020 and 2021.

**Jerome Township  
Union County, Ohio  
Management's Discussion and Analysis  
For the Year Ended December 31, 2021  
Unaudited**

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**General Fund Budgeting Highlights**

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted funds are the General Fund, Fire & EMS Funds and the Road and Bridge Fund.

During 2021, the Township amended its budget several times to reflect changing circumstances. Final actual disbursements were lower than budgeted. While nearly all funds experienced increases in 2021, the Fire Fund and the Gasoline Tax Fund experienced a decrease related to increased costs and road maintenance projects. Appropriations were not reduced but cost saving measures are continually being reviewed. The Board of Trustees monitored its spending closely adhering to budgeted amounts as demonstrated by the budget to actual variances.

**Current Issues**

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. The Township relies heavily on property taxes. The newly prepared financial forecast predicts deficits for 2022 in a number of funds primarily because of anticipated capital outlays, repairs and road maintenance projects. The Board of Trustees reviewed the Township's sources of revenue and expected increases in property taxes. After reviewing the budgeted disbursements, the Board decided to maintain and increase current program levels using accumulated fund balances (reserves) to increase services. All departments have been asked to be conscious of their spending.

**Contacting the Township's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Robert Caldwell, Fiscal Officer, Jerome Township, 9777 Industrial Parkway, Plain City, Ohio 43064 (614)873-4480.

**Jerome Township  
Union County, Ohio  
Statement of Net Position - Cash Basis  
December 31, 2021**

	<u>Governmental Activities</u>
Assets	
Cash	\$ 293,440.26
Investments	<u>7,939,418.83</u>
Total assets	<u><u>\$ 8,232,859.09</u></u>
Net position	
Restricted for:	
Public safety	\$ 4,325,467.42
Public works	302,180.87
Health	498,948.78
Unrestricted	<u>3,106,262.02</u>
Total net position	<u><u>\$ 8,232,859.09</u></u>

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Activities - Cash Basis**  
**For the Year Ended December 31, 2021**

		Program Cash Receipts		Net (Disbursements)
		Charges	Operating	Receipts and
		for Services	Grants and	Changes
		and Sales	Contributions	Net Position
	Cash			Governmental
	Disbursements			Activities
Governmental activities:				
General government	\$ 704,253.05	\$ 537,429.07	\$ -	\$ (166,823.98)
Public safety	4,234,762.93	356,075.36	809,213.40	(3,069,474.17)
Public works	757,500.86	-	340,826.25	(416,674.61)
Health	79,734.07	20,100.00	261,563.40	201,929.33
Conservation - recreation	10,784.61	9,470.00	-	(1,314.61)
Total governmental activities	<u>\$ 5,787,035.52</u>	<u>\$ 923,074.43</u>	<u>\$ 1,411,603.05</u>	(3,452,358.04)
General receipts:				
Property taxes levied for:				
				185,197.51
				534,625.37
				2,823,801.09
				363,424.41
				44,296.29
				74,467.63
				50.00
				8,904.00
				39,857.99
				521,213.01
				4,595,837.30
				1,143,479.26
				7,089,379.83
				\$ 8,232,859.09

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Assets and Fund Balances - Cash Basis**  
**Governmental Funds**  
**December 31, 2021**

	General	Fire & EMS	Road and Bridge	Police	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	\$ 77,751.78	\$ 116,979.35	\$ 32,963.39	\$ 35,765.72	\$ 29,980.02	\$ 293,440.26
Investments	2,103,678.34	3,165,032.82	891,868.51	967,689.53	811,149.63	7,939,418.83
Total assets	<u>\$ 2,181,430.12</u>	<u>\$ 3,282,012.17</u>	<u>\$ 924,831.90</u>	<u>\$ 1,003,455.25</u>	<u>\$ 841,129.65</u>	<u>\$ 8,232,859.09</u>
Fund balances						
Restricted	\$ -	\$ 3,282,012.17	\$ -	\$ 1,003,455.25	\$ 841,129.65	\$ 5,126,597.07
Committed	-	-	924,831.90	-	-	924,831.90
Assigned	243,740.00	-	-	-	-	243,740.00
Unassigned	1,937,690.12	-	-	-	-	1,937,690.12
Total fund balances	<u>\$ 2,181,430.12</u>	<u>\$ 3,282,012.17</u>	<u>\$ 924,831.90</u>	<u>\$ 1,003,455.25</u>	<u>\$ 841,129.65</u>	<u>\$ 8,232,859.09</u>

See accompanying notes to the basic financial statements.

Jerome Township  
Union County, Ohio  
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis  
Governmental Funds  
For the Year Ended December 31, 2021

	General	Fire & EMS	Road and Bridge	Police	Other Governmental Funds	Total Governmental Funds
Receipts:						
Property and other local taxes	\$ 185,197.51	\$ 2,823,801.09	\$ 534,625.37	\$ 363,424.41	\$ -	\$ 3,907,048.38
Charges for services	9,470.00	356,075.36	-	-	-	365,545.36
Licenses, permits and fees	581,725.36	-	-	-	14,950.00	596,675.36
Fines and forfeitures	16,875.20	-	-	-	-	16,875.20
Intergovernmental	74,467.63	744,525.09	63,297.18	41,440.15	526,698.27	1,450,428.32
Earnings on investments	38,094.97	-	-	-	1,763.02	39,857.99
Miscellaneous	521,853.01	6,372.96	11,787.24	-	5,756.96	545,770.17
Total receipts	1,427,683.68	3,930,774.50	609,709.79	404,864.56	549,168.25	6,922,200.78
Disbursements:						
Current:						
General government	698,338.68	-	-	-	-	698,338.68
Public safety	-	3,556,358.88	-	299,488.02	-	3,855,846.90
Public works	10,594.02	-	321,345.62	-	160,324.12	492,263.76
Health	-	-	-	-	79,734.07	79,734.07
Conservation - recreation	10,784.61	-	-	-	-	10,784.61
Capital outlay	5,914.37	378,916.03	157,453.10	-	107,784.00	650,067.50
Total disbursements	725,631.68	3,935,274.91	478,798.72	299,488.02	347,842.19	5,787,035.52
Excess of receipts over (under) disbursements	702,052.00	(4,500.41)	130,911.07	105,376.54	201,326.06	1,135,165.26
Other financing sources (uses):						
Sale of capital assets	-	8,314.00	-	-	-	8,314.00
Total other financing sources	-	8,314.00	-	-	-	8,314.00
Net change in fund balances	702,052.00	3,813.59	130,911.07	105,376.54	201,326.06	1,143,479.26
Fund balances beginning of year	1,479,378.12	3,278,198.58	793,920.83	898,078.71	639,803.59	7,089,379.83
Fund balances end of year	\$2,181,430.12	\$ 3,282,012.17	\$ 924,831.90	\$1,003,455.25	\$ 841,129.65	\$ 8,232,859.09

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**General Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Property and other local taxes	\$ 190,335.00	\$ 190,335.00	\$ 185,197.51	\$ (5,137.49)
Charges for services	7,500.00	7,500.00	9,470.00	1,970.00
Licenses, permits and fees	42,500.00	42,500.00	44,296.29	1,796.29
Fines and forfeitures	11,500.00	11,500.00	16,875.20	5,375.20
Intergovernmental	36,264.00	36,264.00	74,467.63	38,203.63
Earnings on investments	85,000.00	85,000.00	38,094.97	(46,905.03)
Miscellaneous	400,000.00	400,000.00	519,171.06	119,171.06
Total receipts	773,099.00	773,099.00	887,572.66	114,473.66
Disbursements:				
Current:				
General government	334,324.00	362,718.58	317,489.46	45,229.12
Public works	11,500.00	11,725.00	10,594.02	1,130.98
Conservation - recreation	7,500.00	12,966.05	10,784.61	2,181.44
Capital outlay	15,000.00	5,914.37	5,914.37	-
Total disbursements	368,324.00	393,324.00	344,782.46	48,541.54
Excess of receipts over (under) disbursements	404,775.00	379,775.00	542,790.20	163,015.20
Other financing sources (uses):				
Sale of capital assets	-	-	590.00	590.00
Total other financing sources (uses)	-	-	590.00	590.00
Net change in fund balance	404,775.00	379,775.00	543,380.20	163,605.20
Fund balance beginning of year	954,660.12	954,660.12	954,660.12	-
Fund balance end of year	<u>\$ 1,359,435.12</u>	<u>\$ 1,334,435.12</u>	<u>\$ 1,498,040.32</u>	<u>\$ 163,605.20</u>

See accompanying notes to the basic financial statements.



**Jerome Township  
Union County, Ohio  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Zoning Fund  
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Licenses, permits and fees	\$ 315,000.00	\$ 315,000.00	\$ 537,429.07	\$ 222,429.07
Miscellaneous	-	-	2,091.95	2,091.95
Total receipts	315,000.00	315,000.00	539,521.02	224,521.02
Disbursements:				
Current:				
General government	375,200.00	430,200.00	380,849.22	49,350.78
Total disbursements	375,200.00	430,200.00	380,849.22	49,350.78
Net change in fund balance	(60,200.00)	(115,200.00)	158,671.80	273,871.80
Fund balance beginning of year	524,718.00	524,718.00	524,718.00	-
Fund balance end of year	<u>\$ 464,518.00</u>	<u>\$ 409,518.00</u>	<u>\$ 683,389.80</u>	<u>\$ 273,871.80</u>

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Fire Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Property and other local taxes	\$ 2,862,103.00	\$ 2,862,103.00	\$ 2,823,801.09	\$ (38,301.91)
Charges for services	200,124.00	200,124.00	200,124.48	0.48
Intergovernmental	618,489.00	618,489.00	744,525.09	126,036.09
Miscellaneous	-	-	6,372.96	6,372.96
Total receipts	3,680,716.00	3,680,716.00	3,774,823.62	94,107.62
Disbursements:				
Current:				
Public safety	3,805,161.00	3,797,700.37	3,514,375.91	283,324.46
Capital outlay	124,500.00	456,960.63	351,362.32	105,598.31
Total disbursements	3,929,661.00	4,254,661.00	3,865,738.23	388,922.77
Excess of receipts over (under) disbursements	(248,945.00)	(573,945.00)	(90,914.61)	483,030.39
Other financing sources (uses):				
Sale of Capital Assets	-	-	8,314.00	8,314.00
Total other financing sources (uses)	-	-	8,314.00	8,314.00
Net change in fund balance	(248,945.00)	(573,945.00)	(82,600.61)	491,344.39
Fund balance beginning of year	3,150,965.72	3,150,965.72	3,150,965.72	-
Fund balance end of year	\$ 2,902,020.72	\$ 2,577,020.72	\$ 3,068,365.11	\$ 491,344.39

See accompanying notes to the basic financial statements.

**Jerome Township  
Union County, Ohio  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Ambulance & EMS Fund  
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Charges for services	\$ 112,000.00	\$ 112,000.00	\$ 155,950.88	\$ 43,950.88
Total receipts	112,000.00	112,000.00	155,950.88	43,950.88
Disbursements:				
Current:				
Public safety	68,050.00	67,325.00	41,982.97	25,342.03
Capital outlay	27,500.00	28,225.00	27,553.71	671.29
Total disbursements	95,550.00	95,550.00	69,536.68	26,013.32
Net change in fund balance	16,450.00	16,450.00	86,414.20	69,964.20
Fund balance beginning of year	127,232.86	127,232.86	127,232.86	-
Fund balance end of year	\$ 143,682.86	\$ 143,682.86	\$ 213,647.06	\$ 69,964.20

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Road and Bridge Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Property and other local taxes	\$ 549,281.00	\$ 549,281.00	\$ 534,625.37	\$ (14,655.63)
Intergovernmental	-	-	63,297.18	63,297.18
Miscellaneous	-	-	11,787.24	11,787.24
Total receipts	549,281.00	549,281.00	609,709.79	60,428.79
Disbursements:				
Current:				
Public works	401,969.00	400,294.00	321,345.62	78,948.38
Capital outlay	148,000.00	175,675.00	157,453.10	18,221.90
Total disbursements	549,969.00	575,969.00	478,798.72	97,170.28
Net change in fund balance	(688.00)	(26,688.00)	130,911.07	157,599.07
Fund balance beginning of year	793,920.83	793,920.83	793,920.83	-
Fund balance end of year	<u>\$ 793,232.83</u>	<u>\$ 767,232.83</u>	<u>\$ 924,831.90</u>	<u>\$ 157,599.07</u>

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Police Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Property and other local taxes	\$ 371,843.00	\$ 371,843.00	\$ 363,424.41	\$ (8,418.59)
Intergovernmental	-	-	41,440.15	41,440.15
Total receipts	371,843.00	371,843.00	404,864.56	33,021.56
Disbursements:				
Current:				
Public safety	440,245.00	440,245.00	299,488.02	140,756.98
Total disbursements	440,245.00	440,245.00	299,488.02	140,756.98
Net change in fund balance	(68,402.00)	(68,402.00)	105,376.54	173,778.54
Fund balance beginning of year	898,078.71	898,078.71	898,078.71	-
Fund balance end of year	<u>\$ 829,676.71</u>	<u>\$ 829,676.71</u>	<u>\$ 1,003,455.25</u>	<u>\$ 173,778.54</u>

See accompanying notes to the basic financial statements.

**Jerome Township  
Union County, Ohio  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Motor Vehicle License Tax Fund  
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Intergovernmental	\$ 10,750.00	\$ 10,750.00	\$ 11,436.25	\$ 686.25
Earnings on investments	200.00	200.00	114.68	(85.32)
Total receipts	10,950.00	10,950.00	11,550.93	600.93
Disbursements:				
Current:				
Public works	25,000.00	25,000.00	14,665.27	10,334.73
Total disbursements	25,000.00	25,000.00	14,665.27	10,334.73
Net change in fund balance	(14,050.00)	(14,050.00)	(3,114.34)	10,935.66
Fund balance beginning of year	18,164.43	18,164.43	18,164.43	-
Fund balance end of year	<u>\$ 4,114.43</u>	<u>\$ 4,114.43</u>	<u>\$ 15,050.09</u>	<u>\$ 10,935.66</u>

See accompanying notes to the basic financial statements.

**Jerome Township  
Union County, Ohio  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Permissive Motor Vehicle License Tax Fund  
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Intergovernmental	\$ 50,000.00	\$ 50,000.00	\$ 89,831.96	\$ 39,831.96
Earnings on investments	150.00	150.00	455.89	305.89
Total receipts	50,150.00	50,150.00	90,287.85	40,137.85
Disbursements:				
Current:				
Public works	75,000.00	75,000.00	51,600.00	23,400.00
Total disbursements	75,000.00	75,000.00	51,600.00	23,400.00
Net change in fund balance	(24,850.00)	(24,850.00)	38,687.85	63,537.85
Fund balance beginning of year	50,975.09	50,975.09	50,975.09	-
Fund balance end of year	<u>\$ 26,125.09</u>	<u>\$ 26,125.09</u>	<u>\$ 89,662.94</u>	<u>\$ 63,537.85</u>

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Gasoline Tax Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Intergovernmental	\$ 167,500.00	\$ 167,500.00	\$ 163,866.66	\$ (3,633.34)
Earnings on investments	1,500.00	1,500.00	998.01	(501.99)
Miscellaneous	-	-	606.96	606.96
Total receipts	169,000.00	169,000.00	165,471.63	(3,528.37)
Disbursements:				
Current:				
Public works	142,500.00	142,500.00	94,058.85	48,441.15
Capital outlay	109,000.00	109,000.00	107,784.00	1,216.00
Total disbursements	251,500.00	251,500.00	201,842.85	49,657.15
Net change in fund balance	(82,500.00)	(82,500.00)	(36,371.22)	46,128.78
Fund balance beginning of year	233,839.06	233,839.06	233,839.06	-
Fund balance end of year	<u>\$ 151,339.06</u>	<u>\$ 151,339.06</u>	<u>\$ 197,467.84</u>	<u>\$ 46,128.78</u>

See accompanying notes to the basic financial statements.



**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Cemetery Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Licenses, permits and fees	\$ 5,500.00	\$ 5,500.00	\$ 14,950.00	\$ 9,450.00
Miscellaneous	5,000.00	5,000.00	5,150.00	150.00
Total receipts	10,500.00	10,500.00	20,100.00	9,600.00
Disbursements:				
Current:				
Health	9,500.00	18,175.00	10,065.55	8,109.45
Capital outlay	10,000.00	1,325.00	-	1,325.00
Total disbursements	19,500.00	19,500.00	10,065.55	9,434.45
Net change in fund balance	(9,000.00)	(9,000.00)	10,034.45	19,034.45
Fund balance beginning of year	225,840.73	225,840.73	225,840.73	-
Fund balance end of year	<u>\$ 216,840.73</u>	<u>\$ 216,840.73</u>	<u>\$ 235,875.18</u>	<u>\$ 19,034.45</u>

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Coronavirus Relief Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Earnings on investments	\$ -	\$ 195.00	\$ 194.44	(0.56)
Total receipts	-	390.00	194.44	(195.56)
Disbursements:				
Current:				
Health	70,970.00	71,179.00	69,668.52	1,510.48
Total disbursements	70,970.00	71,179.00	69,668.52	1,510.48
Net change in fund balance	(70,970.00)	(70,789.00)	(69,474.08)	1,314.92
Fund balance beginning of year	70,984.28	70,984.28	70,984.28	-
Fund balance end of year	\$ 14.28	\$ 195.28	\$ 1,510.20	\$ 1,314.92

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Coronavirus Local Fiscal Recovery Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Intergovernmental	\$ -	\$ -	\$ 261,563.40	\$ 261,563.40
Total receipts	-	-	261,563.40	261,563.40
Disbursements:				
Current:				
Health	-	-	-	-
Total disbursements	-	-	-	-
Net change in fund balance	-	-	261,563.40	261,563.40
Fund balance beginning of year	-	-	-	-
Fund balance end of year	\$ -	\$ -	\$ 261,563.40	\$ 261,563.40

See accompanying notes to the basic financial statements.

**Jerome Township**  
**Union County, Ohio**  
**Statement of Receipts, Disbursements and Changes**  
**In Fund Balance - Budget and Actual - Budget Basis**  
**Capital Fund**  
**For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts:				
Earnings on investments	\$ -	\$ -	\$ -	\$ -
Total receipts	-	-	-	-
Disbursements:				
Current:				
Public Safety	-	-	-	-
Total disbursements	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance beginning of year	40,000.00	40,000.00	40,000.00	-
Fund balance end of year	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 1 – 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.

**Note 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. Generally Accepted Accounting Principles (GAAP) 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 those activities of the Township that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions.

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 program's 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 financial 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 governmental.

**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 2 – Summary of Significant Accounting Policies (continued)**

**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 balance 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 funds account 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 services.

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.

***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.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for 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 sets limits on disbursements plus encumbrances at the level of control selected by the Township. Budgetary control has been established at the individual fund level and within each, the amount appropriated for personal services. The Fiscal Officer is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees.

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 resolution 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, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 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 the 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 are imposed by law through constitutional provisions or enabling legislation.

***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.

***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 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).

**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***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 obligation is incurred for purposes for which both restricted and unrestricted net position are available.

***Fund Balance***

Fund balance is divided into five classifications 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 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.

***Restricted*** Fund balance is reported as 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 resource 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 Board of Trustees. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those 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 Board of 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 the 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 the Board of Trustees or a Township official delegated that authority by resolution, 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.



**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 2 – Summary of Significant Accounting Policies (continued)**

**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.

**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 disbursements to the funds that initially paid for them are not presented in the financial statements.

**Note 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 – Budgetary Basis presented for the general fund and other special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**Note 4 – Deposits and Investments**

Monies held by the Township are classified by State statute 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, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 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 obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (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 obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed one hundred seventy days) in an amount not to exceed forty percent of the interim monies available for investment at any one time if training requirements 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 two 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. 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. Payment 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.

At year end, the Township had no undeposited cash on hand to be included as part of "Cash." on the financial statements.

***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 \$293,440.26 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized.

**Jerome Township  
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**Note 4 – Deposits and Investments (continued)**

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 with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five 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 the 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 one hundred two 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		\$ 282,781.45	\$ 282,781.45
Certificates of Deposit		3,500,000.00	3,466,405.00
STAR Ohio		4,156,637.38	4,156,637.38
Total Portfolio		<u>\$ 7,939,418.83</u>	<u>\$ 7,905,823.83</u>

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less than 1	1-2	3-5
Money Market Mutual Fund	\$ 282,781.45	\$ 282,781.45	\$ -	\$ -
Certificates of Deposit	3,466,405.00	758,352.50	497,570.00	2,210,482.50
STAR Ohio	4,156,637.38	4,156,637.38	-	-
Total Investments	<u>\$ 7,905,823.83</u>	<u>\$ 5,197,771.33</u>	<u>\$ 497,570.00</u>	<u>\$ 2,210,482.50</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 that 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 (ORC) 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 by the treasurer, governing board, or qualified trustee."

**Note 5 – Taxes**

**Property Taxes**

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

**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 5 – Taxes (continued)**

Real property taxes for 2021 are levied after October 1, 2021, on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value. Real property taxes for 2021 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 thirty-five percent of true value. Public utility property taxes for 2021 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	
Residential & Agricultural	\$ 437,569,920
Commercial/Industrial/Mineral	53,226,030
Public Utility	75,520
Public Utility Personal Property	<u>10,009,780</u>
Total Assessed Value	<u>\$ 500,881,250</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 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. 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.

**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
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**Note 5 – Taxes (continued)**

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:

<u>Program</u>	<u>Amount</u>
Enterprise Zones (entered into by Township)	\$ 3,473.30
Enterprise Zones (entered into by Union County)	<u>17,685.29</u>
	<u>\$ 21,158.59</u>

**Note 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.

**Note 7 – Defined Benefit Pension Plan**

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - Township employees, other than full-time and part-time firefighters and zoning board members, 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 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, Ohio 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 in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Comprehensive Annual Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits.):

**Jerome Township  
Union County, Ohio  
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For the Year Ended December 31, 2021**

**Note 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 35 years and 1.25% for service years in excess of 35
<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.

When a traditional plan benefit recipient has received benefits for twelve months, current law provides 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 of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a three percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at three percent.

**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

**Note 7 – Defined Benefit Pension Plan (continued)**

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 fifty-five, 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 twenty 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 their 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.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

Funding Policy - The Ohio Revised Code (ORC) 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>	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
<b>Employee</b>	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

\* This rate is determined by OPERS' Board and has no maximum rate established by 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.

\*\*\* Member contributions within the combined plan are not to fund the defined benefit retirement allowance.

\*\*\*\* This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$61,429.61 for year 2021.

**Jerome Township  
Union County, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 7 – Defined Benefit Pension Plan (continued)**

***Plan Description – 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 attaining 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 fifty-two for normal service retirement with at least twenty-five years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is forty-eight for normal service retirement with at least twenty-five 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 two- and one-half percent for each of the first twenty years of service credit, two percent for each of the next five years of service credit and one- and one-half percent for each year of service credit in excess of twenty-five years. The maximum pension of seventy-two percent of the allowable average annual salary is paid after thirty-three years of service credit (see OP&F's Comprehensive Annual Financial Report 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 fifty-five 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 fifty-five 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 fifteen years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percentage increase, if any, in the consumer price index over the twelve-month period ending on the thirtieth day of September of the immediately preceding year, whichever is less. The COLA amount for members with at least fifteen years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

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



**Jerome Township  
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**Note 7 – Defined Benefit Pension Plan (continued)**

	<u>Police</u>	<u>Firefighters</u>
<b>2021 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2021 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The Township's contractually required contribution to OPF was \$495,514.32 for 2021.

***Social Security***

Some of the Township's employees (zoning board members and part-time firefighters) contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed six and two tenths percent of their gross salaries. The Township contributed an amount equal to six and two tenths percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

**Note 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 postemployment 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.

In order to qualify for postemployment 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 sixty, or generally thirty 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 Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Comprehensive Annual Financial Report 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 in 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.

**Jerome Township  
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Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021**

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**Note 8 - Postemployment Benefits (continued)**

**Funding Policy** - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by the 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 fourteen percent of earnable salary and public safety and law enforcement employers contributed at eighteen and one tenth percent. 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 determines the portion of the employer contribution rate that 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 to the RMA for participants in the Member-Directed Plan for 2021 was four percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$61,429.61 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 post-employment 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 for health care. Under the new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

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 an Other Post Employment Benefit (OPEB) as described in Government 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 contribution 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 nineteen- and one-half percent and twenty-four percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed nineteen- and one-half percent of covered payroll for police employer units and twenty-four percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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**Note 8 - Postemployment Benefits (continued)**

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was one half 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 \$495,514.32 for 2021.

**Note 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 debt obligations are disclosed below.

***Leases***

The Township leases various equipment through lease arrangements. One of the lease agreements 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 \$51,266.84.

The future payments under this financed purchase as of December 31, 2021, were as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 12,816.71
2023	<u>\$ 12,816.71</u>
Total future payments	25,633.42
Less amount representing interest	<u>(-0-)</u>
Present value of future payments	<u>\$ 25,633.42</u>

**Note 10 – Commitments**

Pursuant to a three-year contract that 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, overtime, OPERS benefits, workers' compensation, Medicare and medical and life insurance. The Township paid \$289,228.32 pursuant to this contract in 2021. The Sheriff bills 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 on 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 \$544,750.90, the majority of which (\$524,978.14) would be paid from the Fire Fund.

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**Note 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.

**Note 12 – Public Entity Risk Pool**

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

**Note 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 government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Fire & EMS	Road & Bridge	Police	Other Governmental Funds	Total
<b>Restricted for</b>						
Road maint. and improv.	\$ -	\$ -	\$ -	\$ -	\$ 302,180.87	\$ 302,180.87
Fire	-	3,068,365.11	-	-	40,000.00	3,108,365.11
EMS	-	213,647.06	-	-	-	213,647.06
Law enforcement	-	-	-	1,003,455.25	-	1,003,455.25
Cemetery	-	-	-	-	498,948.78	498,948.78
Total Restricted	-	3,282,012.17	-	1,003,455.25	841,129.65	5,126,597.07
<b>Committed to</b>						
Road maint. and improv.	-	-	924,831.90	-	-	924,831.90
<b>Assigned to</b>						
Subseq. year's appropriations	243,740.00	-	-	-	-	243,740.00
<b>Unassigned (Deficit)</b>	1,937,690.12	-	-	-	-	1,937,690.12
Total Fund Balances	<u>\$ 2,181,430.12</u>	<u>\$ 3,282,012.17</u>	<u>\$ 924,831.90</u>	<u>\$ 1,003,455.25</u>	<u>\$ 841,129.65</u>	<u>\$ 8,232,859.09</u>

**Note 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.

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**Note 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 a 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 up to \$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.

**Note 16 – 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 impact on the Township’s future operating costs, revenues and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2020, the Township received CARES Act funding in the amount of \$243,218.84. Of the amount received, \$59,155.52 was returned to the granting agency, and \$184,063.32 was spent on-behalf of the Township. This amount is reflected as health expenditures in the Coronavirus Relief Fund on the accompanying financial statements. The amounts returned to the granting agency were reflected as a reduction of intergovernmental revenue in the Coronavirus Relief Fund.

In March of 2021, the United States Congress passed the American Rescue Plan Act (ARPA) of 2021. The funding provided under ARPA provides a unique opportunity for state and local governments to make strategic investments in long-lived assets, rebuild reserves to enhance financial stability, and cover temporary operating shortfalls until economic conditions and operations normalize. The Act addresses the negative economic impacts caused by the public health emergency to replace lost public sector revenue; provide premium pay for essential workers; and invest in water, sewer and broadband infrastructure. During 2021, the Township received \$261,563.40 which was recorded in the Coronavirus Local Fiscal Recovery Fund and represents one half of the Township’s award, the remainder of which will be received in 2022.

**Note 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 Township 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 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 for 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.)