

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)

All Governmental Fund Types

For the Year Ended December 31, 2024

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts						
Property and Other Local Taxes	\$55,585	\$23,636	\$0	\$0	\$0	\$79,221
Charges for Services	0	0	0	0	0	0
Licenses, Permits and Fees	420	0	0	0	0	420
Fines, Forfeitures and Settlements	0	0	0	0	0	0
Intergovernmental	23,804	159,275	0	0	0	183,079
Special Assessments	0	0	0	0	0	0
Earnings on Investments	33,084	11,051	0	0	0	44,135
Miscellaneous	1,000	0	0	0	0	1,000
<i>Total Cash Receipts</i>	<u>113,893</u>	<u>193,962</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>307,855</u>
Cash Disbursements						
Current:						
General Government	57,092	692	0	0	0	57,784
Public Safety	332	12,132	0	0	0	12,464
Public Works	0	135,251	0	0	0	135,251
Health	6,320	13,615	0	0	0	19,935
Human Services	0	0	0	0	0	0
Conservation-Recreation	0	2,714	0	0	0	2,714
Other	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Capital Outlay	78,327	60,272	0	0	0	138,599
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<i>Total Cash Disbursements</i>	<u>142,071</u>	<u>224,676</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>366,747</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(28,178)</u>	<u>(30,714)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(58,892)</u>
Other Financing Receipts (Disbursements)						
Sale of Bonds	0	0	0	0	0	0
Sale of Refunding Bonds	0	0	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Loans Issued	0	0	0	0	0	0
Other Debt Proceeds	0	0	0	0	0	0
Premium and Accrued Interest on Debt	0	0	0	0	0	0
Discount on Debt	0	0	0	0	0	0

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

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

For the Year Ended December 31, 2024

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Sale of Capital Assets	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
Other Financing Sources	0	0	0	0	0	0
Other Financing Uses	0	0	0	0	0	0
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Special Item	0	0	0	0	0	0
Extraordinary Item	0	0	0	0	0	0
<i>Net Change in Fund Cash Balances</i>	<u>(28,178)</u>	<u>(30,714)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(58,892)</u>
<i>Fund Cash Balances, January 1</i>	<u>694,232</u>	<u>346,861</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,041,093</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$666,054</u></u>	<u><u>\$316,147</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$982,201</u></u>

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

For the Year Ended December 31, 2024

	<u>Private Purpose Trust</u>	<u>Investment Trust</u>	<u>External Investment Pool</u>	<u>Other Custodial</u>	<u>Totals (Memorandum Only)</u>
Additions					
Property and Other Local Taxes Collected for Distribution	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Licenses, Permits and Fees for Distribution	0	0	0	0	0
Fines, Forfeitures and Settlements for Distribution	0	0	0	0	0
Earnings on Investments (trust funds only)	0	0	0	0	0
Gifts and Donations (trust funds only)	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Special Assessment Collections for Distribution	0	0	0	0	0
Deposits Received	0	0	0	0	0
Amounts Held for Employees	0	0	0	0	0
Amounts Received as Fiscal Agent	0	0	0	0	0
Other Amounts Collected for Distribution	0	0	0	0	0
<i>Total Additions</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deductions					
Distributions as Fiscal Agent	0	0	0	0	0
Distributions to Other Governments	0	0	0	0	0
Distributions to Other Funds (Primary Gov't)	0	0	0	0	0
Distributions of Deposits	0	0	0	0	0
Distributions on Behalf of Employees	0	0	0	0	0
Other Distributions	0	0	0	0	0
<i>Total Deductions</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	0	0	0	0	0
<i>Fund Cash Balances, January 1</i>	<u>321</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>321</u>
<i>Fund Cash Balances, December 31</i>	<u>\$321</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$321</u>

CessnaTownship

AOS Regulatory Basis Footnote Shell

Revised December 2024

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Cessna Township, Hardin County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the McGuffey Volunteer Fire Company to provide fire services and BKP Ambulance to provide ambulance services.

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

The Township participates in jointly governed organizations, joint ventures, and a public entity risk pool and is associated with a related organization. Notes 8, 9, 10 and 11 to the financial statements provide additional information for these entities. The Township’s management believes these financial statements present all activities for which the Township is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Motor Vehicle License Tax Fund The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within the Township.

Cemetery Fund The cemetery fund accounts for the majority of expenses that occur in the operation and maintenance of the townships cemeteries.

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Park Levy Fund The Park Levy Fund is a special revenue fund that serves the operation of the Veterans Memorial Park in Kenton Ohio.

American Rescue Plan Funds Funds provided by the federal government that were distributed through the state of Ohio during the pandemic.

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

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

Enterprise Funds These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges

Internal Service Fund This fund accounts for services provided by one department to other departments of the government unit. The Township had the following Internal Service Fund:

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

The Township's private purpose trust fund is for the benefit of The Mathews Cemetery bequest. The donated funds are maintained in perpetuity and the interest earnings are used to maintain the named grave as per the request was written.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

Basis of Accounting

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

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

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. Management does note that due to a closed prior year purchase order (15-2023) in the American Rescue Plan Fund, and consulting with the AOS LGS, the ARPA fund did exceed appropriations in 2024 in order to expend all of the funds prior to year end. This was the recommendation from LGS and it was noted that the amount in question (\$32.50) is not material.

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

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

A summary of 2024 budgetary activity appears in Note 4.

Deposits and Investments

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

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio.]

Capital Assets

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

Fund Balance

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

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

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

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 19. (update note number as needed)

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the American Rescue Plan fund by \$32.50 for the year ended December 31, 2024. Management does note that due to a closed prior year purchase order (15-2023) in the American Rescue Plan Fund, and consulting with the AOS LGS, the ARPA fund did exceed appropriations in 2024 in order to expend all of the funds prior to year end as required by the federal government. The amount of \$32.50 was a result of a vendors final actual cost of a service was less than the amount quoted. This was the recommendation from LGS and it was noted that the amount in question (\$32.50) is not material.

Note 4 – Budgetary Activity

Budgetary activity for the year ending 2024 follows:

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$83,157	\$113,894	\$30,737
Special Revenue	185,397	193,962	8,565
Debt Service			0
Capital Projects			0
Internal Service			0
Permanent			0
Trust	1	0	(1)
Total	\$268,555	\$307,856	\$39,301

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$165,524	\$142,071	\$23,453
Special Revenue	312,180	224,676	87,504
Debt Service			0
Capital Projects			0
Internal Service			0
Permanent			0
Trust	20	0	20
Total	\$477,724	\$366,747	\$110,977

Note 5 – Deposits and Investments

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

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

	2024
<i>Cash Management Pool:</i>	
Demand deposits	\$180,515
Certificates of deposit	
Other time deposits (savings and NOW accounts)	300
Total deposits	180,815
U.S. Treasury Notes	
STAR Ohio	801,708
Repurchase agreement	
Common stock (at cost, fair value was \$X,XXX at December 31, 20XCXY)	
Total investments	801,708
<i>Total carrying amount of deposits and investments held in the Pool (ties to FS)</i>	\$982,522
<i>Segregated Accounts - Not held in the Pool:</i>	
Payroll Clearing Account (Not held in the Pool) **	
Retainage Accounts (Not held in the Pool) **	
Debt Accounts (Related to Bond Indenture and Note held in the Pool) **	
Other Paying Agent Outside Account (Not held in the Pool) **	
<i>Total Outside Accounts ** (ties to worksheet tab outside accounts receivable)</i>	\$0

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2024, the Township is holding \$0.00 unremitted employee payroll withholdings.

At December 31, 2024, the Township held \$0.00 in equity securities. Equity securities are not eligible investments for the Township under Ohio law.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; [or] collateralized by securities specifically pledged by the financial institution to the Township.

At December 31, 2024, \$0.00 of deposits were not insured or collateralized, contrary to Ohio law.

Investments

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

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 6 – Property Taxes

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

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

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

Note 7 – Risk Management

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

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

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

	<u>2023</u>
Cash and investments	\$ 33,494,457
Actuarial liabilities	\$ 10,885,549

Workers' Compensation

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

Cessna Township
Hardin County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2024.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2024</i>	<i>10.00%</i>	<i>14.00%</i>

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan.

Note 10 – Jointly Governed Organizations

1. BKP Ambulance District – This entity provides ambulance services within the township. Cessna Township has representation on the BKP board of directors.
2. Hardin County Regional Planning – This entity provides grant writing assistance and aides the Hardin County townships in other matters.
3. Hardin County Veterans Memorial Park District – Cessna Township is one of several townships that support the operation of the park with a levy.

Note 11 – Public Entity Risk Pool

The township participates in the Ohio Township Association Risk Management Pool. This risk sharing pool serves Ohio member townships with property, fleet, and liability insurance at pooled rates.