

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

REGULAR AUDIT

**FOR THE YEARS ENDED
DECEMBER 31, 2021 & 2020**



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Columbus, Ohio 43215
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Board of Trustees
Clinton Township
3820 Cleveland Ave
Columbus, Ohio 43224

We have reviewed the *Independent Auditor's Report* of Clinton Township, Franklin County, prepared by Julian & Grube, Inc., for the audit period January 1, 2020 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Sales Tax - Finding For Recovery Repaid Under Audit

Due to deficiencies in the Township's internal controls, the Township purchased skid steer loader equipment from Clark Equipment Company on March 17, 2020, in which sales taxes in the amount of \$1,533 were included and paid with this purchase. Ohio Rev. Code § 5739.02(B)(1) exempts sales to the state or any of its political subdivisions from sales tax. Since the Township was not legally required to pay the sales tax on this purchase, this expenditure is improper.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Clark Equipment Company in the amount of \$1,533, and in favor of Clinton Township's Road and Bridge Fund.

On May 26, 2022, Clark Equipment Company reimbursed the Township \$1,533 for the sales tax and it was receipted into the Township's Road and Bridge Fund. As a result, the matter is considered repaid under audit.

Payroll Overpayment - Finding for Recovery Repaid Under Audit

Ohio Rev. Code § 505.24(A)(8) indicates in calendar year 2018, each township trustee is entitled to compensation in an amount for each day of service in the business of the township, to be paid from the township treasury as follows: In townships having a budget of more than ten million dollars, one hundred thirteen dollars and thirty-eight cents per day for not more than two hundred days.

Under Ohio law, public officials are strictly liable for all public money received or collected by them or their subordinates under the color of law. Ohio Rev. Code § 9.39; *Cordray v. Internatl Preparatory School*, 128 Ohio St. 3d 50 (2010).

Board of Trustees
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Aliena Sword's term started on January 1, 2018, resulting in her being paid the 2018 pay rate for the length of her term. During 2021, the Township's budget was over \$13 million, which resulted in the Trustee salary being set at \$113.38 for 200 days, totaling \$22,676 a year. However, Trustee Sword was paid the 2020 pay rate of \$117.38 for a total of \$23,476, resulting in an overpayment of \$800. Township Fiscal Officer, Deborah Steele received or controlled the public money used to make the illegal expenditure.

On May 19, 2022, the Ohio Public Employees Retirement System (OPERS) reimbursed the Township \$80 for contributions that were held in error due to this overpayment. This resulted in an overpayment of \$720.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Aliena Sword, Trustee and Deborah Steele, Fiscal Officer, and their bonding company, Ohio Township Association Risk Management Authority, jointly and severally, in the amount of \$720, and in favor of Clinton Township's General Fund, in the amount of \$720.

On October 19, 2022, the amount of \$720 was repaid to the Township and posted to the General Fund. As a result, the overpayment amount is considered repaid under audit.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Clinton Township is responsible for compliance with these laws and regulations.



Keith Faber
Auditor of State
Columbus, Ohio

November 08, 2022

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

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Independent Auditor's Report

Clinton Township
Franklin County
3820 Cleveland Avenue
Columbus, OH 43224

To the Members of the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the accompanying financial statements of the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total of the Clinton Township, Franklin County, Ohio, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total of the Clinton Township, as of and for the years ended December 31, 2021 and 2020 and the related notes to the financial statements, in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) as described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*” section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Clinton Township, as of December 31, 2021 and 2020, or changes in financial position thereof for the years then ended.

Basis for Opinions

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

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

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

Though the Clinton Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Our opinions on this accounting basis are in the "*Unmodified Opinions on Regulatory Basis of Accounting*" paragraph above.

Emphasis of Matter

As described in Notes 14 and 16 to the financial statements for the years ended December 31, 2021 and 2020, respectively, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Clinton Township. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clinton Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Clinton Township
Franklin County
Independent Auditor's Report

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clinton Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clinton Township's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2022 on our consideration of the Clinton Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clinton Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clinton Township's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
May 18, 2022

Clinton Township
Franklin County, Ohio
*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)*
All Governmental Fund Types
For the Year Ended December 31, 2021

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts				
Property and Other Local Taxes	\$ 40,609	\$ 3,303,230	\$ -	\$ 3,343,839
Charges for Services	-	524,743	-	524,743
Licenses, Permits and Fees	26,151	-	-	26,151
Fines and Forfeitures	-	10,431	-	10,431
Intergovernmental	2,694,437	395,871	-	3,090,308
Earnings on Investments	41,344	764	-	42,108
Miscellaneous	82,043	1,508	-	83,551
<i>Total Cash Receipts</i>	<u>2,884,584</u>	<u>4,236,547</u>	<u>-</u>	<u>7,121,131</u>
Cash Disbursements				
Current:				
General Government	889,200	357	-	889,557
Public Safety	56,713	3,918,292	-	3,975,005
Public Works	74,144	381,555	-	455,699
Conservation-Recreation	14,738	-	-	14,738
Capital Outlay	65,509	161,699	85,228	312,436
Debt Service:				
Principal Retirement	207,600	161,054	-	368,654
Interest and Fiscal Charges	45,079	22,148	-	67,227
<i>Total Cash Disbursements</i>	<u>1,352,983</u>	<u>4,645,105</u>	<u>85,228</u>	<u>6,083,316</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,531,601</u>	<u>(408,558)</u>	<u>(85,228)</u>	<u>1,037,815</u>
Other Financing Receipts (Disbursements)				
Other Financing Sources	-	55,184	-	55,184
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>55,184</u>	<u>-</u>	<u>55,184</u>
<i>Net Change in Fund Cash Balances</i>	<u>1,531,601</u>	<u>(353,374)</u>	<u>(85,228)</u>	<u>1,092,999</u>
<i>Fund Cash Balances, January 1</i>	<u>4,145,209</u>	<u>2,507,397</u>	<u>85,228</u>	<u>6,737,834</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 5,676,810</u>	<u>\$ 2,154,023</u>	<u>\$ -</u>	<u>\$ 7,830,833</u>

See accompanying notes to the financial statements

Clinton Township
Franklin County, Ohio
Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)
Fiduciary Fund Type
For the Year Ended December 31, 2021

	Fiduciary Fund Type
	Custodial
Additions	
Other Amounts Collected for Distribution	\$ -
<i>Total Additions</i>	<u>-</u>
Deductions	
Other Distributions	<u>-</u>
<i>Total Deductions</i>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	<u>-</u>
<i>Fund Cash Balances, January 1</i>	<u>2,215</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,215</u>

See accompanying notes to the financial statements

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Clinton Township, Franklin County, Ohio (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, police protection, fire protection and emergency medical services. The Township contracts with the City of Upper Arlington to provide fire services and emergency medical services to the western segment of the Township.

Jointly Governed Organization

The Township participates in the Clinton-Grandview Heights Joint Economic Development Zone (the JEDZ), a jointly governed organization. Note 11 to the financial statement presents additional information for this entity.

Public Entity Risk Pool

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a public entity risk pool. Note 7 to the financial statement provides additional information for this entity

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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

Fire District Fund The fire district fund accounts for and reports the receipts of property taxes and charges for services restricted for the purpose of providing fire protection services to the residents of the Township.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 2 - Summary of Significant Accounting Policies (Continued)

Police District Fund The police district fund accounts for and reports the receipt of property taxes, charges for services, and fines and forfeitures for the operation of Township police protection and law enforcement.

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 Capital Project Fund:

Bond Fund The bond fund accounts for and reports receipts of bond proceeds for the purpose of the construction of a new building.

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

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Township's custodial fund accounts for the Township's Police Custodial Account.

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.

Budgetary Process

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

Appropriations Budgetary disbursements (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, or object level for all funds 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.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 2 - Summary of Significant Accounting Policies (Continued)

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 2021 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.

The Township values U.S. Treasury Notes, U.S. Government Securities, certificates of deposit, commercial paper and U.S. Money market mutual funds at cost. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Capital Assets

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

Accumulated Leave

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

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.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Note 3 – Compliance

The Township is in noncompliance with Ohio Revised Code 5705.40 for appropriation adjustments being made in the General Fund, Fire District Fund, and Fire and Rescue, Ambulance and EMS Fund that were not approved by Council.

The Township is in noncompliance with Ohio Administrative Code 117-2-02(C)1 for estimated resources not being accurately integrated into the accounting system for the General Fund, Road and Bridge Fund, Police District Fund, Fire District Fund, Federal Law Enforcement Fund, Coronavirus Relief Fund, ARP Coronavirus Relief Fund, Fire and Rescue, Ambulance and EMS Fund, and Bond Fund.

The Township is in noncompliance with Ohio Revised Code 5705.10(D) for reporting nonrestricted monies from their agreement with the Clinton-Grandview Heights Joint Economic Development Zone (JEDZ) in the Joint Economic Development Zone Fund rather than the General Fund.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 4 – Budgetary Activity

Budgetary activity for the year ended December 31, 2021 is as follows:

<u>2021 Budgeted vs. Actual Receipts</u>			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,520,599	\$ 2,884,584	\$ 363,985
Special Revenue	4,177,731	4,291,731	114,000
Capital Projects	-	-	-
Totals	\$ 6,698,330	\$ 7,176,315	\$ 477,985

<u>2021 Budgeted vs. Actual Budgetary Basis Disbursements</u>			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 5,084,275	\$ 1,406,249	\$ 3,678,026
Special Revenue	5,601,179	4,766,399	834,780
Capital Projects	85,229	85,228	1
Totals	\$ 10,770,683	\$ 6,257,876	\$ 4,512,807

Note 5 – Deposits and Investments

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

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 5 – Deposits and Investments (Continued)

	2021
Demand deposits	\$ 2,781,996
Total deposits	<u>2,781,996</u>
Money market mutual funds	31,354
U.S. Government Securities	1,615,559
Commercial Paper	699,144
CDs	1,841,561
U.S Treasury Notes	862,076
STAR Ohio	1,358
Total investments	<u>5,051,052</u>
Total deposits and investments	<u>\$ 7,833,048</u>

The Township does not use a separate payroll clearing account. The disbursements included in the accompanying financial statements reflect net payroll plus all remitted payroll withholding. At December 31, 2021, the Township does not have any unremitted employee payroll withholdings.

Deposits

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

Investments

The Federal Reserve holds the Township's U.S. Treasury Notes and U.S. Government Securities in book-entry form by, in the name of the Township's financial institution. The financial institution holds the Township's certificates of deposits and commercial paper. The financial institution maintains records identifying the Township as owner of these securities.

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

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.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 6 – Property Taxes (Continued)

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.

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

Risk Pool Membership

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

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

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

	2020
Cash and investments	\$36,348,066
Actuarial liabilities	10,894,146

Note 8 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some of the Township's 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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 8 - Defined Benefit Pension Plans (Continued)

The full-time police officers contributed 13% of their gross salaries and the Township contributed an amount equaling 18.1% of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

Ohio Police and Fire Pension Fund

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 % of their wages. The Township contributed to OP&F an amount equal to 24% of full-time fire fighters' wages. The Township has paid all contributions required through December 31, 2021.

Social Security

The Township's part-time firefighters contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2% of their gross salaries. The Township contributed an amount equal to 6.2% of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0% during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4% during calendar year 2021. OP&F contributes 0.5% to fund these benefits.

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

Note 10 – Debt

Debt outstanding at December 31, 2021, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Construction Bond	\$ 2,063,900	1.99%
Fire Engine Truck	558,435	2.63%
EMS Medic Truck	156,726	2.55%
Total	<u>\$ 2,779,061</u>	

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 10 – Debt (Continued)

On June 17, 2016 the Township issued general obligation construction bonds in the amount of \$3,250,000 to finance the construction of a Township facility building for use by the police, fire, EMS, and general government services of the Township. The bonds were issued at a 1.99% interest rate. The bonds will mature in December 2030. This bond is paid from the General Fund.

Leases

On October 15, 2020 the Township entered into a lease for a Sutphen Custom Pumper fire engine truck for the township fire department. The interest rate is 2.63% for a seven-year period ending on October 15, 2027. This fire engine truck will be used to provide safety to the residence in the Township. This lease is paid from the Fire District Fund.

On August 25, 2020, the Township entered into a lease for a Ford 550 Diesel Truck. This is an EMS truck used to transfer residence of the township and surrounding areas of the township to medical facilities. The interest rate is 2.55% and to be paid over the course of three years ending on August 25, 2023. This lease is paid from the Fire District Fund.

Amortization

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

Year ending December 31:	Construction		EMS	
	Bonds	Fire Engine Truck	Medic Truck	
2022	\$ 252,672	\$ 101,825	\$ 81,377	
2023	252,761	101,825	81,377	
2024	252,764	101,825	-	
2025	252,782	101,825	-	
2026	252,713	101,825	-	
2027-2030	1,010,961	101,825	-	
Total	\$ 2,274,653	\$ 610,950	\$ 162,754	

Note 11 – Jointly Governed Organization

The Township participates in and receives income tax sharing compensation through one Joint Economic Development Zone:

Clinton-Grandview Heights Joint Economic Development Zone (JEDZ) – The JEDZ is a political subdivision of the state of Ohio established in accordance with Ohio Revised Code 715.691. It is located in Clinton Township, pursuant to a contract with the City of Grandview Heights as provided in the statutory scheme for Joint Economic District Zones. Within its district, Grandview-Heights's income tax is applicable to economic activity. The JEDZ levies a 2.5 percent income tax. The City of Grandview Heights assesses and collects the income tax on behalf of the JEDZ.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 11 – Jointly Governed Organization (Continued)

The JEDZ operates under a board established by the City and the Township with the City and Township each appointing three members of the Board all of whom to serve terms of two years. The City and Township, in their sole discretion, may reappoint members of the Board for additional terms on the Board.

The members of the Board serve without compensation. The JEDZ operates on a calendar year basis. The term of the contract for the existence of the JEDZ shall be in force and effect through December 31, 2043.

As part of the contract forming the JEDZ, the Township and City provide certain services to the JEDZ. The Township furnishes all usual and customary governmental services furnished by the Township to the other territory of the Township, including, but not limited to maintenance of township roads, snow removal, fire protection, police protection, emergency medical services and general administration. The City, pursuant to the JEDZ agreement, furnishes services set forth in the agreement and engages activities to promote, complement and benefit economic development in the JEDZ. The Township and the City may provide additional services as allowed by law as the Township and/or City and the Board deem appropriate and agree.

The income tax revenues are distributed annually, as follows:

1. 2.00% of the gross revenues to the JEDZ

The remaining net revenues are distributed in the following manner:

2. 90% to City of Grandview Heights
3. 10% to Clinton Township

During 2021, the township received \$356,706 under the JEDZ contract, which is included in the General Fund as Intergovernmental revenue.

Note 12 - Contingent Liabilities

The Township may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any 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. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 13 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the Township had the following outstanding encumbrances:

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 13 – Fund Balances (Continued)

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$ 53,266	\$ 121,294	\$ 174,560

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds are restricted, committed, or assigned.

These restricted, committed, and assigned amounts in the special revenue and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 14 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may 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. The Township's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

Clinton Township
Franklin County, Ohio
*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)*
All Governmental Fund Types
For the Year Ended December 31, 2020

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts				
Property and Other Local Taxes	\$ 38,461	\$ 2,469,372	\$ -	\$ 2,507,833
Charges for Services	-	556,713	-	556,713
Licenses, Permits and Fees	27,598	-	-	27,598
Fines and Forfeitures	-	9,267	-	9,267
Intergovernmental	2,875,814	846,357	-	3,722,171
Earnings on Investments	53,418	1,105	-	54,523
Miscellaneous	61,188	16,648	-	77,836
<i>Total Cash Receipts</i>	<u>3,056,479</u>	<u>3,899,462</u>	<u>-</u>	<u>6,955,941</u>
Cash Disbursements				
Current:				
General Government	785,053	3,019	-	788,072
Public Safety	127,243	3,693,480	-	3,820,723
Public Works	2,536	365,949	-	368,485
Conservation-Recreation	5,643	-	-	5,643
Capital Outlay	197,397	1,097,556	-	1,294,953
Debt Service:				
Principal Retirement	203,500	13,387	-	216,887
Interest and Fiscal Charges	49,131	1,350	-	50,481
<i>Total Cash Disbursements</i>	<u>1,370,503</u>	<u>5,174,741</u>	<u>-</u>	<u>6,545,244</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,685,976</u>	<u>(1,275,279)</u>	<u>-</u>	<u>410,697</u>
Other Financing Receipts (Disbursements)				
Transfers In	-	600,000	-	600,000
Transfers Out	(600,000)	-	-	(600,000)
Other Financing Sources	-	953,403	-	953,403
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(600,000)</u>	<u>1,553,403</u>	<u>-</u>	<u>953,403</u>
<i>Net Change in Fund Cash Balances</i>	<u>1,085,976</u>	<u>278,124</u>	<u>-</u>	<u>1,364,100</u>
<i>Fund Cash Balances, January 1</i>	<u>3,059,233</u>	<u>2,229,273</u>	<u>85,228</u>	<u>5,373,734</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 4,145,209</u>	<u>\$ 2,507,397</u>	<u>\$ 85,228</u>	<u>\$ 6,737,834</u>

See accompanying notes to the financial statements

Clinton Township
Franklin County, Ohio
Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)
Fiduciary Fund Type
For the Year Ended December 31, 2020

	Fiduciary Fund Type
	Custodial
Additions	
Other Amounts Collected for Distribution	<u>\$ 262</u>
<i>Total Additions</i>	<u>262</u>
Deductions	
Other Distributions	<u>22,265</u>
<i>Total Deductions</i>	<u>22,265</u>
<i>Net Change in Fund Cash Balances</i>	<i>(22,003)</i>
<i>Fund Cash Balances, January 1</i>	<u>24,218</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 2,215</u>

See accompanying notes to the financial statements

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Clinton Township, Franklin County, Ohio (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, police protection, fire protection and emergency medical services. The Township contracts with the City of Upper Arlington to provide fire services and emergency medical services to the western segment of the Township.

Jointly Governed Organization

The Township participates in the Clinton-Grandview Heights Joint Economic Development Zone (the JEDZ), a jointly governed organization. Note 12 to the financial statement presents additional information for this entity.

Public Entity Risk Pool

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a public entity risk pool. Note 7 to the financial statement provides additional information for this entity

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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

Fire District Fund The fire district fund accounts for and reports the receipts of property tax monies restricted for the purpose of providing fire protection services to the residents of the Township.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (continued)

Police District Fund The police district fund accounts for and reports the receipt of property tax, charges for services, and fines and forfeitures for the operation of Township police protection and law enforcement.

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 capital project fund:

Bond Fund The bond fund accounts for and reports receipts of bond proceeds for the purpose of the construction of a new building.

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

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Township's custodial fund accounts for the Township's Police Custodial Account.

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) fiduciary fund type. 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.

Budgetary Process

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

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

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (continued)

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 2020 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.

The Township values U.S. Treasury Notes, certificates of deposit, commercial paper and U.S. Government securities at cost. Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

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.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (continued)

Committed The 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 14.

Note 3 – Compliance

The Township is in noncompliance with Ohio Revised Code 5705.40 for appropriation adjustments being made in the General Fund, Fire District Fund, and the Coronavirus Relief Fund that were not approved by Council.

The Township is in noncompliance with Ohio Administrative Code 117-2-02(C)1 for appropriations approved by Council not being accurately integrated into the accounting system for the General Fund, Coronavirus Relief Fund, and Fire and Rescue, Ambulance and EMS Fund

The Township is in noncompliance with Ohio Administrative Code 117-2-02(C)1 for estimated resources not being accurately integrated into the accounting system for the Road and Bridge Fund, Fire District Fund, Federal Law Enforcement Fund, Coronavirus Relief Fund, and Fire and Rescue, Ambulance and EMS Fund.

The Township is in noncompliance with Ohio Revised Code 5705.10(D) for reporting nonrestricted monies from their agreement with the Clinton-Grandview Heights Joint Economic Development Zone (JEDZ) in the Joint Economic Development Zone Fund rather than the General Fund.

The Township is in noncompliance with Ohio Revised Code 5705.42 for not recording OPWC on-behalf payments in the General Fund.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 4 – Budgetary Activity

Budgetary activity for the year ended December 31, 2020 is as follows:

<u>2020 Budgeted vs. Actual Receipts</u>			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,713,350	\$ 3,056,479	\$ 343,129
Special Revenue	4,055,875	5,452,865	1,396,990
Capital Projects	1	-	(1)
Totals	\$ 6,769,226	\$ 8,509,344	\$ 1,740,118

<u>2020 Budgeted vs. Actual Budgetary Basis Disbursements</u>			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 4,424,795	\$ 1,970,503	\$ 2,454,292
Special Revenue	5,761,795	5,174,741	587,054
Capital Projects	80,488	-	80,488
Totals	\$ 10,267,078	\$ 7,145,244	\$ 3,121,834

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:

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 5 – Deposits and Investments (Continued)

	2020
Demand deposits	<u>\$ 1,731,108</u>
Total deposits	1,731,108
Money market mutual funds	47,523
Commercial Paper	349,390
CDs	2,063,681
U.S Government Securities	948,713
U.S Treasury Notes	99,164
STAR Ohio	<u>1,500,470</u>
Total investments	<u>5,008,941</u>
Total deposits and investments	<u><u>\$ 6,740,049</u></u>

The Township does not use a separate payroll clearing account. The disbursements included in the accompanying financial statements reflect net payroll plus all remitted payroll withholding. At December 31, 2020, the Township does not have any unremitted employee payroll withholdings.

Deposits

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

Investments

The Federal Reserve holds the Township's U.S. Treasury Notes and U.S. Government Securities in book-entry form by, in the name of the Township's financial institution. The financial institution holds the Township's certificates of deposits and commercial paper. The financial institution maintains records identifying the Township as owner of these securities.

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

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.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 6 – Property Taxes (Continued)

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.

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

Risk Pool Membership

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

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

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

<u>2020</u>	
Cash and investments	\$36,348,066
Actuarial liabilities	\$10,894,146

Note 8 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some of the Township's 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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The full-time police officers contributed 13% of their gross salaries and the Township contributed an amount equaling 18.1% of participants' gross salaries. The Township has paid all contributions required through December 31, 2020.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 8 - Defined Benefit Pension (Continued)

Ohio Police and Fire Pension Fund

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 % of their wages. The Township contributed to OP&F an amount equal to 24% of full-time fire fighters' wages. The Township has paid all contributions required through December 31, 2020.

Social Security

The Township's part-time firefighters contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2% of their gross salaries. The Township contributed an amount equal to 6.2% of participants' gross salaries. The Township has paid all contributions required through December 31, 2020.

Note 9 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0% during calendar year 2020. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0% during calendar year 2020. OP&F contributes 0.5% to fund these benefits.

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

Note 10 – Debt

Debt outstanding at December 31, 2020, was as follows:

	Principal	Interest Rate
Construction Bond	\$ 2,271,500	1.99%
Fire Engine Truck	643,340	2.63%
EMS Medic Truck	232,175	2.55%
OPWC	26,895	0.00%
Police Radios	8,553	8.81%
Total	<u>\$ 3,182,463</u>	

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 10 – Debt (Continued)

On June 17, 2016 the Township issued general obligation construction bonds in the amount of \$3,250,000 to finance the construction of a Township facility building for use by the police, fire, EMS, and general government services of the Township. The bonds were issued at a 1.99% interest rate. The bonds will mature in December 2030. This bond is paid from the General Fund.

On October 2, 2020, a \$26,895 loan was issued for the Township's OPWC project for Ormond Avenue storm drain improvements. The interest rate is 0% and is to be paid over the course of 5 years ending on July 10, 2025. This loan is paid from the General Fund. This loan was paid off entirely in 2021.

Leases

In 2019 the Township entered into a lease for two Police Department radios. The amount of the lease is \$16,387 and it will be paid back in two years. This lease is paid from the Police District Fund.

On October 15, 2020 the Township entered into a lease for a Sutphen Custom Pumper fire engine truck for the township fire department. The interest rate is 2.63% for a seven-year loan period ending on October 15, 2027. This fire engine truck will be used to provide safety to the residence in the Township. This lease is paid from the Fire District Fund.

On August 25, 2020, the Township entered into a lease for a Ford 550 Diesel Truck. This is an EMS truck used to transfer residence of the township and surrounding areas of the township to medical facilities. The interest rate is 2.55% and to be paid over the course of three years ending on August 25, 2023. This lease is paid from the Fire District Fund.

Amortization

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

Year ending December 31:	Fire		EMS		
	Construction Bonds	Engine Truck	Medic Truck	OPWC	Police Radios
2021	\$ 252,803	\$ 101,825	\$ 81,377	\$ 26,895	\$ 9,337
2022	252,672	101,825	81,377	-	-
2023	252,761	101,825	81,377	-	-
2024	252,764	101,825	-	-	-
2025	252,782	101,825	-	-	-
2026-2030	1,263,674	203,650	-	-	-
Total	<u>\$ 2,527,456</u>	<u>\$ 712,775</u>	<u>\$ 244,131</u>	<u>\$ 26,895</u>	<u>\$ 9,337</u>

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 11 - Contingent Liabilities

The Township may be a defendant in several lawsuits. Although management cannot presently determine the outcome of any suits, management believes that the resolution of any matters 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. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 12 – Jointly Governed Organization

The Township participates in and receives income tax sharing compensation through one Joint Economic Development Zone:

Clinton-Grandview Heights Joint Economic Development Zone (JEDZ) – The JEDZ is a political subdivision of the state of Ohio established in accordance with Ohio Revised Code 715.691. It is located in Clinton Township, pursuant to a contract with the City of Grandview Heights as provided in the statutory scheme for Joint Economic District Zones. Within its district, Grandview-Heights's income tax is applicable to economic activity. The JEDZ levies a 2.5 percent income tax. The City of Grandview Heights assesses and collects the income tax on behalf of the JEDZ.

The JEDZ operates under a board established by the City and the Township with the City and Township each appointing three members of the Board all of whom to serve terms of two years. The City and Township, in their sole discretion, may reappoint members of the Board for additional terms on the Board. The members of the Board serve without compensation. The JEDZ operates on a calendar year basis. The term of the contract for the existence of the JEDZ shall be in force and effect through December 31, 2043.

As part of the contract forming the JEDZ, the Township and City provide certain services to the JEDZ. The Township furnishes all usual and customary governmental services furnished by the Township to the other territory of the Township, including, but not limited to maintenance of township roads, snow removal, fire protection, police protection, emergency medical services and general administration. The City, pursuant to the JEDZ agreement, furnishes services set forth in the agreement and engages activities to promote, complement and benefit economic development in the JEDZ. The Township and the City may provide additional services as allowed by law as the Township and/or City and the Board deem appropriate and agree.

The income tax revenues are distributed annually, as follows:

1. 2.00% of the gross revenues to the JEDZ

The remaining net revenues are distributed in the following manner:

2. 90% to City of Grandview Heights
3. 10% to Clinton Township

During 2020, the township received \$315,348 under the JEDZ contract, which is included in the General Fund as Intergovernmental revenue.

Clinton Township
Franklin County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 13 – Transfers

During 2020, transfers were made from the General Fund to the Police District (\$300,000) and Fire District (\$300,000) funds. Transfers were made in accordance with the Ohio Revised Code.

Note 14 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end, the Township had no outstanding encumbrances.

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds are restricted, committed, or assigned. These restricted, committed, and assigned amounts in the special revenue, and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 15 – Change in Accounting Principle

For 2020, the Township has made changes to their cash basis reporting model. These changes include modifications to the definition of fiduciary funds, adding a separate statement of additions, deductions and changes in fund balances (regulatory cash basis) fiduciary fund type, and removing the fund balance classifications from the combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis) – all governmental fund types. There was no effect on the beginning fund balance.

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. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2020, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may 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. The Township's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

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

Clinton Township
Franklin County
3820 Cleveland Avenue
Columbus, OH 43224

To the Members of the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total of the Clinton Township, Franklin County, Ohio, as of and for the years ended December 31, 2021, and 2020 and the related notes to the financial statements and have issued our report thereon dated May 18, 2022, wherein we noted as described in Note 2 to the financial statements, the Clinton Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Furthermore, we noted as described in Notes 14 and 16 to the financial statements for the years ended December 31, 2021 and 2020, respectively, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clinton Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clinton Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clinton Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Clinton Township's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-001 through 2021-006 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clinton Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and responses as items 2021-002 through 2021-005.

Clinton Township

Franklin County

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

Clinton Township's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Clinton Township's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Clinton Township's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on these responses.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clinton Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clinton Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Julian & Grube, Inc.

Julian & Grube, Inc.

May 18, 2022

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2021 AND 2020**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2021-001

Material Weakness - Financial Reporting

Accurate financial reporting is required in order to provide management and other stakeholders with objective and timely information to enable well-informed decisions. Presentation of materially correct financial statements and the related footnotes is the responsibility of management. This responsibility remains intact even if management decides to outsource this function for efficiency purposes or any other reason. In either case, it is important that control procedures are developed related to the financial statements that enable management to identify, prevent, detect and correct potential misstatements in the financial statements and footnotes. In general, an accounting and information system should be designed to provide management with accurate and timely information.

The following adjustments were made to the financial statements and notes for the years ended December 31, 2021 and 2020, respectively.

2021:

- Custodial Fund cash balances, January 1 were increased \$2,215. These adjustments were due to the Custodial Fund not being accounted for in the Township's accounting system.
- Additionally, see Finding 2021-002 for adjustments posted regarding JEDZ activity.

2020:

- Custodial Fund other amount collected for distribution additions were increased \$262, other distributions deductions were increased \$22,265, and cash balances, January 1 were increased \$24,218. These adjustments were due to the Custodial Fund not being accounted for in the Township's accounting system.
- Special Revenue Funds intergovernmental receipts were increased \$264,550, property and other local taxes receipts were decreased \$152,966, miscellaneous receipts were decreased \$13,996, charges for services receipts were decreased \$31,032, and other financing sources receipts were decreased \$66,556. These adjustments were to correct the coding of various receipts.
- Special Revenue Funds capital outlay disbursements were increased \$875,515 and other financing sources receipts were increased \$875,515. These adjustments were due to two new leases not being recorded.
- General Fund capital outlay disbursements were increased \$187,998 and intergovernmental receipts were increased \$187,998. These adjustments were due to an on behalf OPWC grant not being recorded.
- Additionally, see Finding 2021-002 for adjustments posted regarding JEDZ activity.

The Township has adjusted their system fund balances for all applicable audit adjustments.

Control procedures not properly developed related to the financial statements limit management's ability to identify, prevent, detect, and correct potential misstatements in the financial statements and footnotes. Additionally, management will not have the necessary information to make timely and well-informed business decisions.

We recommend the Clinton Township implement additional control procedures that enable management to more timely prevent or detect and correct potential misstatements in the financial statements and related notes prior to presenting them to the auditors. A second review of the monthly cash activity and financial statements by someone other than the individual preparing them would be beneficial.

Client Response: The Township Fiscal Officer will more closely examine HINKLE filed report prior to filing and will work toward more accurately presenting those in the future.

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2021 AND 2020**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS – (Continued)	
Finding Number	2021-002

Material Weakness/Noncompliance – Recording in Incorrect Fund

Ohio Rev. Code § 5705.10(D) provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose. Except as otherwise provided by resolution adopted pursuant to section 3315.01 of the Ohio Revised Code or as otherwise provided by section 3315.40 of the Ohio Revised Code, all revenue derived from a source other than the general property tax, for which the law does not prescribe use for a particular purpose, including interest earned on the principal of any special fund, regardless of the source or purpose of the principal, shall be paid into the General Fund.

The Township receives payments from the Clinton-Grandview Heights Joint Economic Development Zone (JEDZ) per an agreement that is place between the JEDZ, the Township, and the City of Grandview Heights. The Township accounts for these monies in a separate fund on the Township's accounting ledgers. However, the monies are not restricted by external parties or enabling legislature, so the financial transactions related to this activity should be reported as part of the Township's General Fund on the year-end financial statements. The following adjustments were made to the financial statements and notes for the years ended December 31, 2021 and 2020, respectively, to correct for this.

2021:

- General Fund intergovernmental receipts were increased \$356,707, public safety disbursements were increased \$40,000, and capital outlay disbursements were increased \$25,013.
- Special Revenue Funds intergovernmental receipts were decreased \$356,707, public safety disbursements were decreased \$40,000, and capital outlay disbursements were decreased \$25,013.

2020:

- General Fund intergovernmental receipts were increased \$315,348, general government disbursements were increased \$1,782, public safety disbursements were increased \$80,000, and cash balances, January 1 were increased \$1,768,367.
- Special Revenue Funds intergovernmental receipts were decreased \$315,348, general government disbursements were decreased \$1,782, public safety disbursements were decreased \$80,000, and cash balances, January 1 were decreased \$1,768,367.

The Township has adjusted their system fund balances for all applicable audit adjustments.

We recommend the Clinton Township consult Auditor of State Bulletin 2009-004 and record all activity related to the JEDZ in the General Fund going forward.

Client Response: The Township Fiscal Officer will record all activity related to the JEDZ in the General Fund going forward.

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2021 AND 2020**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS – (Continued)	
Finding Number	2021-003

Material Weakness/Noncompliance - Integration of Budgetary Information

Ohio Administrative Code 117-2-02(C)(1) states that all public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted appropriation balances.

The Township's approved appropriations and estimated resources did not agree to the system budgetary amounts for various funds.

By not correctly including budgetary accounts into the financial software, it could become challenging for the Township to easily monitor its budgeted activity in comparison with its actual amounts. The Township is also at risk for overspending in excess of available funds, which could possibly result in negative fund balances.

We recommend that approved budgetary modifications be incorporated into the UAN system by the Fiscal Officer in a timely manner. This will aid the Board of Trustees and Fiscal Officer in their review of budgetary versus actual information and help ensure budgetary requirements are followed.

Client Response: The Township Fiscal Officer will ensure budgetary modifications are accurately posted to UAN going forward.

Finding Number	2021-004
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Material Weakness/Noncompliance – Amended and Supplemental Appropriations

Ohio Revised Code Section 5705.40 outlines the requirements for amending and supplementing appropriations. This section states that any amendments to an appropriation measure be made by Board resolution and comply with the same provisions of the law as used in making the original appropriations.

The Township did not properly modify its appropriations throughout the years due to amending system appropriations without the approval of the Board via resolution.

By not timely and properly modifying the Township's appropriations, the Township is not adequately monitoring appropriations versus disbursements. With disbursements exceeding appropriations, overspending may occur which may result in a negative fund balance.

We recommend the Township comply with Ohio Revised Code and Auditor of State Bulletin 97-010 by having all appropriation amendments approved by the Board via resolution.

Client Response: We are aware of the requirement for the Board of Trustees to approve all appropriation amendments and are currently implementing additional policies and procedures to have all supplemental appropriations properly approved prior to including them in the Township's accounting system.

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2021 AND 2020**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS – (Continued)	
Finding Number	2021-005

Material Weakness/Noncompliance – OPWC On-Behalf Payments

Ohio Rev. Code § 5705.42 states when the United States government or the state or any department, division, agency, authority, or unit thereof makes a grant or loan of money to any political subdivision of this state to aid in paying the cost of any program, activity, or function of such subdivision, or enters into an agreement with the subdivision for the making of any such grant or loan of money, the amount thereof is deemed appropriated for such purpose by the taxing authority of the subdivision as provided by law and shall be recorded as such by the fiscal officer of the subdivision, and is deemed in process of collection within the meaning of section 5705.41 of the Revised Code. In addition, Auditor of State (AOS) Bulletin 2000-008 indicates that when a local government enters into an on-behalf-of program agreement with another local government or the state, whereby the local government or its residents are the beneficiaries under the agreement, the cash value benefit of the program received under the agreement should be recorded as memorandum receipts and disbursements in the year on-behalf-of disbursements are made.

The Township entered into agreements with the Ohio Public Works Commission (OPWC) for a grant during the year ending December 31, 2020. The OPWC will make payments to the contractor(s) for its share based on invoices submitted by the fiscal officer or to the local government as a reimbursement. For payments made to the contractor, the state will notify the fiscal officer of the amount disbursed. Upon receipt of this notice, each local government shall record a receipt and disbursement in the appropriate governmental and/or enterprise fund equal to the amount disbursed.

The Township did not record the payments made directly to contractors as part of the 2020 OPWC project. See Finding 2021-001.

The failure to record grant activity results in understated receipts and disbursements on the financial statements.

To improve accurate financial reporting, the Township should establish procedures to account for all on-behalf receipts and payments to help ensure that the financial statements reflect the receipts and disbursement activity.

Client Response: The Fiscal Officer will work to add additional procedures to help ensure on-behalf receipts/disbursements are timely and accurately posted in the year the activity takes place.

Finding Number	2021-006
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Material Weakness – Leave Balances

The Township is responsible for accurately and timely tracking accruals and usage of all types of leave offered to its applicable employees to ensure all employees leave balances are accurate at all times and prevent employees from using more leave than they have available.

The Township's Police Department tracked only the usage of vacation leave on excel spreadsheets and not the accruals or the balances. As a result, multiple employees of the police department took vacation leave in excess of computed balances during 2020 and 2021.

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2021 AND 2020**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS – (Continued)	
Finding Number	2021-006 (Continued)

Not maintaining detailed, accruals, balances and usage, could cause and did cause the Township to allow certain employees to take and be paid for time off that was not earned.

We recommend the Township update the current excel spreadsheet to track accruals as well as usage and set it up to continually update the employees leave balances. Additionally, at year end, the Township should consider requesting confirmation of any carry forward balances to the subsequent year. The Township should also consider tracking and maintaining these balances either with the UAN payroll system, or within their payroll services system. Accurate and continual tracking of leave balance should prevent over usage and or payment for leave time not earned.

Client Response: The Township updated the excel spreadsheet being used to include tracking of vacation accruals and balances. Additionally, the Township is working with the effected employees that are still employed to modify their 2022 balances accordingly.

**CLINTON TOWNSHIP
FRANKLIN COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2021 AND 2020**

Finding Number	Year Initially Occurred	Finding Summary	Status	Additional Information
2019-001	2019	<u>Expenditures Exceeding Appropriations/Noncompliance</u> – Ohio Revised Code Section 5705.41(B) prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code. The Township had expenditures in excess of appropriations.	Partially Corrected	Issued as Management Letter Comment
2019-002	2017	<u>Financial Reporting/Material Weakness</u> – The Township had a lack of internal controls in place to ensure receipts, expenditures, and fund balances are properly classified on the financial statements.	Not Corrected	Repeated as 2021-001
2019-003	2017	<u>Accounting System Integration of Budgetary Information/Significant Deficiency</u> – The Township did not have procedures in place to accurately post authorized budgetary measures to the accounting system.	Not Corrected	Repeated as 2021-003
2019-004	2017	<u>Recording in Incorrect Fund/Noncompliance and Material Weakness</u> – Ohio Revised code Section 5705.10(D) states all revenue derived from a source other than the general property tax, for which the law does not prescribe use for a particular purpose, including interest earned on the principal of any special fund, regardless of the source or purpose of the principal, shall be paid into the general fund. The Township had receipts among various Special Revenue Funds that should have been reported in the General Fund.	Not Corrected	Repeated as 2021-002

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OHIO AUDITOR OF STATE KEITH FABER



CLINTON TOWNSHIP

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 11/22/2022

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

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