



PERRY

& Associates CPAs

PASSION *Beyond the Numbers*

**COLERAIN TOWNSHIP
HAMILTON COUNTY**

**REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2024 - 2023**



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Columbus, Ohio 43215
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800-282-0370

Board of Trustees
Colerain Township
4200 Springdale Road
Cincinnati, Ohio 45251

We have reviewed the *Independent Auditor's Report* of Colerain Township, Hamilton County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2023 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

January 12, 2026

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COLERAIN TOWNSHIP
HAMILTON COUNTY

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INDEPENDENT AUDITOR'S REPORT

Colerain Township
Hamilton County
4200 Springdale Road
Cincinnati, Ohio 45251

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Colerain Township, Hamilton County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

Unmodified Opinion 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 and proprietary fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, 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 do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2024 and 2023, or the 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 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 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 an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. 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 misstatement, 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 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 GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 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 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 June 13, 2025, on our consideration of the Township's internal control over financial reporting and 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 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 Township's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Perry & Associates CPAs A.C.".

Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

June 13, 2025

**COLERAIN TOWNSHIP
HAMILTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	General	Special Revenue	Debt Service	Capital Projects	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$ 848,272	\$ 23,758,879	\$ -	\$ -	\$ 24,607,151
Charges for Services	-	2,238,369	-	-	2,238,369
Licenses, Permits and Fees	3,631,187	467,384	-	-	4,098,571
Fines and Forfeitures	-	144,040	-	-	144,040
Intergovernmental	2,806,086	4,777,156	-	-	7,583,242
Special Assessments	15	191,643	-	-	191,658
Earnings on Investments	1,538,157	107,604	-	555,678	2,201,439
Miscellaneous	301,363	814,563	25,649	387,859	1,529,434
<i>Total Cash Receipts</i>	<u>9,125,080</u>	<u>32,499,638</u>	<u>25,649</u>	<u>943,537</u>	<u>42,593,904</u>
Cash Disbursements					
Current:					
General Government	2,797,214	709,366	-	-	3,506,580
Public Safety	-	26,560,693	-	-	26,560,693
Public Works	1,210,488	3,135,510	-	-	4,345,998
Health	80,008	-	-	-	80,008
Human Services	-	18,904	-	-	18,904
Conservation-Recreation	-	1,385,604	-	-	1,385,604
Other	-	-	-	929,827	929,827
Capital Outlay	168,991	1,037,532	4,000	6,483,431	7,693,954
Debt Service:					
Principal Retirement	-	1,628,574	595,000	-	2,223,574
Interest and Fiscal Charges	-	330,798	581,925	-	912,723
<i>Total Cash Disbursements</i>	<u>4,256,701</u>	<u>34,806,981</u>	<u>1,180,925</u>	<u>7,413,258</u>	<u>47,657,865</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>4,868,379</u>	<u>(2,307,343)</u>	<u>(1,155,276)</u>	<u>(6,469,721)</u>	<u>(5,063,961)</u>
Other Financing Receipts (Disbursements)					
Transfers In	-	3,396,666	1,176,925	800,000	5,373,591
Transfers Out	(3,396,666)	(1,976,925)	-	-	(5,373,591)
Advances In	100,000	100,000	-	-	200,000
Advances Out	(100,000)	(100,000)	-	-	(200,000)
Other Financing Sources	-	134,251	-	-	134,251
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(3,396,666)</u>	<u>1,553,992</u>	<u>1,176,925</u>	<u>800,000</u>	<u>134,251</u>
<i>Net Change in Fund Cash Balances</i>	<u>1,471,713</u>	<u>(753,351)</u>	<u>21,649</u>	<u>(5,669,721)</u>	<u>(4,929,710)</u>
<i>Fund Cash Balances, Beginning of Year</i>	<u>6,959,273</u>	<u>24,855,351</u>	<u>30,282</u>	<u>14,499,377</u>	<u>46,344,283</u>
<i>Fund Cash Balance, End of Year</i>	<u>\$ 8,430,986</u>	<u>\$ 24,102,000</u>	<u>\$ 51,931</u>	<u>\$ 8,829,656</u>	<u>\$ 41,414,573</u>

The notes to the financial statements are an integral part of this statement.

**COLERAIN TOWNSHIP
HAMILTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Proprietary Fund</u>
	<u>Internal Service</u>
Operating Cash Receipts	
Charges for Services	<u>\$ 2,110,047</u>
<i>Total Operating Cash Receipts</i>	<u>2,110,047</u>
Operating Cash Disbursements	
Claims	<u>2,228,574</u>
<i>Total Operating Cash Disbursements</i>	<u>2,228,574</u>
<i>Net Change in Fund Cash Balances</i>	(118,527)
<i>Fund Cash Balances, January 1</i>	<u>835,758</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 717,231</u></u>

The notes to the financial statements are an integral part of this statement.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 1 - Reporting Entity

Colerain Township, Hamilton County, Ohio (Township), is a body politic and corporate established in 1794 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer. The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, police, fire and emergency medical services, zoning, maintenance of Township roads and bridges, a Senior and Community Center, and historical cemetery maintenance. Component units are legally separate organizations for which the Township is financially accountable. The Township has no component units.

The Township participates in the Ohio Plan Risk Management, Inc. (OPRM) public entity risk pool, see Note 7 to the financial statements for additional information.

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 cash 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 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.

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:

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining, and repairing Township roads and bridges.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Police District - This fund receives levy tax money to pay for staff and equipment in the police department.

Fire District - This fund receives levy tax money to pay for staff and equipment in the Fire and EMS department.

Permissive Motor Vehicle License - This fund receives levied permissive motor vehicle license tax from county auditor.

Ambulance and Emergency Medical Services (EMS) – This fund receives monies from billed EMS services performed by the Fire and EMS Department, and is used to fund such activities.

TIF-Colerain Towne Center/Rumpke (Rumpke) - This fund receives monies from property taxes as a result of tax increment financing.

Parks and Services - This fund receives funds from the general fund, shelter rentals and permit fees to pay for staff and services in Township parks.

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

General Bond Retirement Fund – This fund receives transfers from other funds, which are used to pay bonds, notes, and/or loans.

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 Projects Funds:

Capital Project-Fire – This fund accounts for transactions related to the financing for two new fire stations for the Township.

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:

Self-funded Insurance Medical Fund - The self-funded insurance medical fund accounts for insurance premium payments from other funds to pay medical claims of employees enrolled in the medical insurance plan.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

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

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

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

A summary of 2024 budgetary activity appears in Note 3.

Deposits and Investments

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

The Township values U.S. Government Agency Notes, U.S. Government Agency Discount Notes, U.S. Treasury Bills, and Negotiable Certificates of Deposits 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.

Note 2 – Summary of Significant Accounting Policies (Continued)

Accumulated Leave

Township employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Leases and Subscription-Based Information Technology Arrangements

The Township is the lessor/lessee in various leases (as defined by GASB 87) related to buildings, vehicles, and other equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid.

The Township has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems and various other software. Subscription disbursements are recognized when they are paid.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2024, distributions of \$111,990 are reflected as Fines, Forfeitures and Settlements revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

Fund Balance

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

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

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

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.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

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 15.

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2024 was as follows:

Budgeted vs. Actual Receipts:

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 9,454,958	\$ 9,125,080	\$ (329,878)
Special Revenue	36,030,024	36,030,555	531
Debt Service	1,202,574	1,202,574	-
Capital Projects	1,743,536	1,743,537	1
Internal Service	2,110,047	2,110,047	-
Total	<u>\$ 50,541,139</u>	<u>\$ 50,211,793</u>	<u>\$ (329,346)</u>

Budgeted vs. Actual Budgetary Basis Expenditures:

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 10,288,314	\$ 8,826,340	\$ 1,461,974
Special Revenue	44,515,886	38,295,975	6,219,911
Debt Service	1,181,425	1,181,425	-
Capital Projects	13,690,616	13,690,439	177
Internal Service	2,403,081	2,403,081	-
Total	<u>\$ 72,079,322</u>	<u>\$ 64,397,260</u>	<u>\$ 7,682,062</u>

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 4 – Deposits and Investments

The Township maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments.

A summary of the Township's deposit and investment accounts was as follows:

Cash Management Pool:

Demand Deposits	\$ 9,432,553
Investments:	
Commercial Paper	6,553,216
Star Ohio	5,740,705
U.S. Government Agency Notes	7,381,063
Negotiable Certificates of Deposit	5,228,529
U.S. Treasury Notes	5,781,828
Money Market	2,013,910
Total Investments	<u>32,699,251</u>
Total carrying amount of deposits and investments held in the Pool	<u>\$ 42,131,804</u>

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 \$165,729 in unremitted employee payroll withholdings.

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

Investments - U.S. government securities are held in book-entry form by the Federal Reserve in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities. The Township's financial institution transfers securities to the Township's agent to collateralize repurchase agreements. The securities are not in the Township's name. Investments in STAR Ohio and mutual (money market) funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Property Taxes

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

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

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

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 6 – Interfund Transfers

Transfer activity for the year ending December 31, 2024:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer (Out)</u>
General Fund	\$ -	\$ (3,396,666)
Special Revenue:		
Fire District	-	(1,976,925)
Police District	2,000,000	-
Parks and Services	1,163,437	-
Community Center	233,229	-
Debt Service:		
General Bond Retirement	1,176,925	-
Capital Projects:		
Capital Projects - Fire	800,000	-
	<u>\$ 5,373,591</u>	<u>\$ (5,373,591)</u>

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. During 2024, the General Fund transfers supported Township operations, while Fire District Fund transfers covered the construction of two new fire stations and debt service.

During 2024, the General Fund advanced \$100,000 to the Community Development Block Grant Fund to provide working capital for operations or projects. During 2024, \$100,000 of the advance was paid back during the year.

Note 7 – Risk Management

Risk Pool Membership

The Township belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 801 members as of December 31, 2023.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 7 – Risk Management (Continued)

Risk Pool Membership (Continued)

The Plan's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2023. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2023 (most recent information available).

Assets	\$ 23,113,696
Liabilities	<u>(16,078,587)</u>
Members' Equity	<u>\$ 7,035,109</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

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, if material.

Self-Insurance

The Township is also self-insured for employee health insurance. The Self Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee.

A comparison of Self Insurance Fund cash and investments to the actuarially measured liability as of December 31 follows:

	2024
Cash and Investments	\$ 717,231
Actuarial Liabilities	\$ 154,963

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System (OPERS)

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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10.00 percent of their gross salaries, and the Township contributed an amount equaling 14.00 percent of participants' gross salaries. Police personnel contribute to OPERS at the rate of 13.00 percent of their gross salaries. The Township contributes at the rate of 18.10 percent of the participants' gross salaries. The Township has paid all contributions required through December 31, 2024.

Note 8 – Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Retirement System (OP&F)

Township's certified Full-Time Firefighters belong to the 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 percent of their wages. The Township contributed to OP&F an amount equal to 24.00 percent of full-time fire fighters' wages, respectively. The Township has paid all contributions required through December 31, 2024.

Social Security

Several Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed 6.20 percent of their gross salaries. The Township contributed an amount equal to 6.20 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2024.

Note 9 – Post Employment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses. For calendar year 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. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5 percent to fund these benefits.

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Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 10 – Debt

The prior audit balance was restated due to the township receiving a new amortization schedule and balance for the 2023 Huntington Note. The correct amount outstanding at December 31, 2023 was \$19,486,279.

The Township's debt for the year ended December 31, 2024 was as follows:

	Principal	Interest Rate
<i>General Obligation Bonds:</i>		
2022 Fire Station Bonds	\$ 10,670,000	5.00% - 5.25%
<i>TIF Bonds:</i>		
2015 Kroger TIF Bonds	3,005,348	4.50%
2018 Rumpke TIF Bonds	1,535,000	4.65%
<i>OPWC Loans:</i>		
CB07U Royal Heights Subdivision	1,264,071	0.00%
CB09U Acre and Gardenia Reconstruction	275,666	0.00%
CB17U Byrneside Drive Reconstruction	331,190	0.00%
<i>Notes Payable</i>	201,554	2.54%
<i>Total Debt</i>	<u>\$ 17,282,829</u>	

2022 Fire Station Bonds - were issued to finance the construction of two new fire houses for the Township. The interest rate is between 5.00% and 5.25%, and the bonds mature on December 1, 2052.

2015 Kroger TIF Bonds - were issued for land acquisition associated with a tax increment financing project. The bonds are subject to repayment based on the tax revenues generated from the project and were not issued as general obligation bonds. The interest rate is 4.50% and the bonds mature on December 1, 2047.

2018 Rumpke TIF Bonds - were issued for road improvements along Struble Road associated with a tax increment financing project. The interest rate is 4.65% and the bonds mature on December 1, 2034.

Ohio Public Works Commission (OPWC) Loans - were issued for the maintenance and reconstruction of various roadways within the Township (Royal Heights Subdivision, Acre and Gardenia, and Byrneside Drive). The OPWC loans are interest free and will be paid over a 20 year period. The maturity date of all OPWC Loans are July 2040.

Notes Payable – several notes payable were issued for a ladder fire truck and multiple police vehicles. The Township disbursed \$936,574 for the notes payable costs (principal payments) for the year ended December 31, 2024. The Township paid off all police vehicle notes payable during for 2024.

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Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 10 – Debt (Continued)

Amortization

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

Years	Bonds and OPWC Loans		Notes Payable		Total
	Principal	Interest	Principal	Interest	
2025	\$ 506,933	\$ 774,443	\$ 99,511	\$ 5,127	\$ 1,386,014
2026	526,933	755,805	102,043	2,596	1,387,377
2027	546,933	736,210	-	-	1,283,143
2028	566,933	715,658	-	-	1,282,591
2029	591,933	694,147	-	-	1,286,080
2030-2034	3,309,665	3,109,637	-	-	6,419,302
2035-2039	2,949,665	2,486,873	-	-	5,436,538
2040-2044	3,121,934	1,837,632	-	-	4,959,566
2045-2049	2,975,346	1,007,040	-	-	3,982,386
2050-2052	1,985,000	211,840	-	-	2,196,840
	<u>\$ 17,081,275</u>	<u>\$ 12,329,285</u>	<u>\$ 201,554</u>	<u>\$ 7,723</u>	<u>\$ 29,619,837</u>

Note 11 – Contingent Liabilities

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

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor. The grantor may require refunding of 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 – Related Organizations

The Colerain Township, Hamilton County, Community Improvement Corporation, Inc. is an organization related to the Township. It acts as the Township's agent for economic development.

Note 13 – Joint Venture

Neighboring townships of Colerain and Springfield have a joint venture for residential solid waste and recycling. The contract is May 1, 2021 to April 30, 2026 and was awarded to Rumpke, after competitive bidding.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2024

Note 14 – Joint Economic Development District

In 2013 a Joint Economic Development District (Liberty Nursing Health Care JEDD) between Colerain Township and the City of Cheviot was approved by the Trustees of Colerain Township and the City Council of the City of Cheviot. This contract will remain in effect until December 31, 2043 and may by mutual consent extend the Contract for 2 additional terms of 10 years each. It sets aside one parcel of land located at the intersection of Livingston and Blue Rock Roads, and is identified in Hamilton County Parcel number 510-0203-0005-00. The original Liberty Nursing Heath Care JEDD authorized a maximum rate of 2.00% based on (1.) salaries or other personal service income earned by individuals from services performed within Jedd Liberty Nursing Heath Care, with a cap on earned income at 1.00% per annum, which cap shall, after the first year, be adjusted annually on January 1st thereafter based on the Consumer Price index published by the U.S. Bureau of Labor Statistics on September 30th of each year next preceding the January 1st adjustment date. (2.) Net profits of businesses located within the Liberty Nursing Health Care JEDD (the Net Profits portion). After the set aside of fees to be held by the City of Cheviot the monies are divided as follows 90% to Colerain Township and 10% to the City of Cheviot.

Note 15 – Fund Balances

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

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	\$ 1,172,973	\$ 1,512,069	\$ 500	\$ 6,277,181	\$ 8,962,723

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

**COLERAIN TOWNSHIP
HAMILTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Debt Service	Capital Projects	Combined Total
Cash Receipts					
Property and Other Local Taxes	\$ 624,850	\$ 22,593,518	\$ -	\$ -	\$ 23,218,368
Charges for Services	-	1,913,323	-	-	1,913,323
Licenses, Permits and Fees	3,909,360	491,375	-	-	4,400,735
Fines and Forfeitures	-	30,160	-	-	30,160
Intergovernmental	831,766	4,212,509	-	-	5,044,275
Special Assessments	11,678	186,967	-	-	198,645
Earnings on Investments	1,140,889	144,369	30,281	489,278	1,804,817
Miscellaneous	264,115	760,724	-	-	1,024,839
<i>Total Cash Receipts</i>	<u>6,782,658</u>	<u>30,332,945</u>	<u>30,281</u>	<u>489,278</u>	<u>37,635,162</u>
Cash Disbursements					
Current:					
General Government	6,263,746	867,791	-	-	7,131,537
Public Safety	-	25,486,104	-	-	25,486,104
Public Works	1,470,949	3,077,343	-	-	4,548,292
Health	77,819	50,457	-	-	128,276
Human Services	-	20,000	-	-	20,000
Conservation-Recreation	-	1,184,205	-	-	1,184,205
Other	-	-	-	476,989	476,989
Capital Outlay	364,557	2,306,123	-	1,628,978	4,299,658
Debt Service:					
Principal Retirement	-	752,046	735,000	-	1,487,046
Interest and Fiscal Charges	-	276,373	570,555	-	846,928
<i>Total Cash Disbursements</i>	<u>8,177,071</u>	<u>34,020,442</u>	<u>1,305,555</u>	<u>2,105,967</u>	<u>45,609,035</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(1,394,413)</u>	<u>(3,687,497)</u>	<u>(1,275,274)</u>	<u>(1,616,689)</u>	<u>(7,973,873)</u>
Other Financing Receipts (Disbursements)					
Other Debt Proceeds	-	531,568	-	-	531,568
Transfers In	-	626,604	1,305,556	3,100,000	5,032,160
Transfers Out	(826,604)	(4,205,556)	-	-	(5,032,160)
Advances In	137,500	150,000	-	-	287,500
Advances Out	(150,000)	(137,500)	-	-	(287,500)
Other Financing Sources	-	6,714	-	-	6,714
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(839,104)</u>	<u>(3,028,170)</u>	<u>1,305,556</u>	<u>3,100,000</u>	<u>538,282</u>
<i>Net Change in Fund Cash Balances</i>	<u>(2,233,517)</u>	<u>(6,715,667)</u>	<u>30,282</u>	<u>1,483,311</u>	<u>(7,435,591)</u>
<i>Fund Cash Balances, January 1 (Restated, See Note 15)</i>	<u>9,192,790</u>	<u>31,571,018</u>	<u>-</u>	<u>13,016,066</u>	<u>53,779,874</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 6,959,273</u>	<u>\$ 24,855,351</u>	<u>\$ 30,282</u>	<u>\$ 14,499,377</u>	<u>\$ 46,344,283</u>

The notes to the financial statements are an integral part of this statement.

**COLERAIN TOWNSHIP
HAMILTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Proprietary Fund</u>
	<u>Internal Service</u>
Operating Cash Receipts	
Charges for Services	\$ 2,038,005
<i>Total Operating Cash Receipts</i>	<u>2,038,005</u>
Operating Cash Disbursements	
Claims	<u>1,916,017</u>
<i>Total Operating Cash Disbursements</i>	<u>1,916,017</u>
<i>Net Change in Fund Cash Balances</i>	121,988
<i>Fund Cash Balances, January 1</i>	<u>713,770</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 835,758</u></u>

The notes to the financial statements are an integral part of this statement.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 1 - Reporting Entity

Colerain Township, Hamilton County, Ohio (Township), is a body politic and corporate established in 1794 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer. The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, police, fire and emergency medical services, zoning, maintenance of Township roads and bridges, a Senior and Community Center, and historical cemetery maintenance. Component units are legally separate organizations for which the Township is financially accountable. The Township has no component units.

The Township participates in the Ohio Plan Risk Management, Inc. (OPRM) public entity risk pool, see Note 7 to the financial statements for additional information.

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 cash 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 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.

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:

Permissive Motor Vehicle License - This fund receives levied permissive motor vehicle license tax from county auditor.

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining, and repairing Township roads and bridges.

Police District - This fund receives levy tax money to pay for staff and equipment in the police department.

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Fire District - This fund receives levy tax money to pay for staff and equipment in the Fire and EMS department.

Ambulance and Emergency Medical Services (EMS) – This fund receives monies from billed EMS services performed by the Fire and EMS Department, and is used to fund such activities.

Lighting Districts - This fund received funds from property tax assessments and pays for artificially lighting residential streets in the Township.

TIF-Colerain Towne Center/Rumpke (Rumpke) - This fund receives monies from property taxes as a result of tax increment financing.

Parks and Services - This fund receives funds from the general fund, shelter rentals and permit fees to pay for staff and services in Township parks.

American Rescue Plan - The American Rescue Plan (ARP) Act of 2021 (Pub. L. No. 117-2), a \$1.9 trillion economic COVID-19 stimulus package, was signed into law on March 11, 2021. ARP provides additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses. As part of this package, \$350 billion in additional funding is being provided to state and local governments, as well as additional funding for other areas including, but not limited to, education, rental assistance and transit.

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

General Bond Retirement Fund – This fund receives transfers from other funds, which are used to pay bonds, notes, and/or loans.

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 Projects Funds:

Capital Project-Fire – This fund accounts for transactions related to the financing for two new fire stations for the Township.

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:

Self-funded Insurance Medical Fund - The self-funded insurance medical fund accounts for insurance premium payments from other funds to pay medical claims of employees enrolled in the medical insurance plan.

Note 2 – Summary of Significant Accounting Policies (Continued)

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

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

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

A summary of 2023 budgetary activity appears in Note 3.

Deposits and Investments

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

The Township values U.S. Government Agency Notes, U.S. Government Agency Discount Notes, U.S. Treasury Bills, and Negotiable Certificates of Deposits 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.

Note 2 – Summary of Significant Accounting Policies (Continued)

Accumulated Leave

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

Leases and Subscription-Based Information Technology Arrangements

The Township is the lessor/lessee in various leases (as defined by GASB 87) related to buildings, vehicles, and other equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid.

The Township has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems and various other software. Subscription disbursements are recognized when they are paid.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2023, distributions of \$54,201 are reflected as intergovernmental revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

Fund Balance

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

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

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

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.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

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 - Budgetary Activity

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

Budgeted vs. Actual Receipts:

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 6,166,996	\$ 6,782,658	\$ 615,662
Special Revenue	30,525,793	31,497,831	972,038
Debt Service	1,839,530	1,335,837	(503,693)
Capital Projects	3,540,613	3,589,278	48,665
Internal Service	2,002,137	2,038,005	35,868
Total	<u>\$ 44,075,069</u>	<u>\$ 45,243,609</u>	<u>\$ 1,168,540</u>

Budgeted vs. Actual Budgetary Basis Expenditures:

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 10,665,412	\$ 10,131,124	\$ 534,288
Special Revenue	44,016,433	40,575,245	3,441,188
Debt Service	1,305,555	1,305,555	-
Capital Projects	15,100,000	14,594,443	505,557
Internal Service	2,159,865	1,916,017	243,848
Total	<u>\$ 73,247,265</u>	<u>\$ 68,522,384</u>	<u>\$ 4,724,881</u>

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 4 – Deposits and Investments

The Township maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments.

A summary of the Township's deposit and investment accounts was as follows:

Cash Management Pool:

Demand Deposits	\$ 2,532,353
Investments:	
Commercial Paper	16,979,549
Star Ohio	10,160,090
U.S. Government Agency Notes	8,481,251
Negotiable Certificates of Deposit	5,763,437
U.S. Treasury Notes	2,122,819
Money Market	1,140,542
Total Investments	<u>44,647,688</u>
Total carrying amount of deposits and investments held in the Pool	<u>\$ 47,180,041</u>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the Township is holding \$196,829 in unremitted employee payroll withholdings.

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

Investments - U.S. government securities are held in book-entry form by the Federal Reserve in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities. The Township's financial institution transfers securities to the Township's agent to collateralize repurchase agreements. The securities are not in the Township's name. Investments in STAR Ohio and mutual (money market) funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Property Taxes

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

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

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

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 6 – Interfund Transfers

Transfer activity for the year ending December 31, 2023:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer (Out)</u>
General Fund	\$ -	\$ (826,604)
Special Revenue:		
Fire District	-	(4,205,556)
Parks and Services	497,824	-
Community Center	128,780	-
Debt Service:		
General Bond Retirement	1,305,556	-
Capital Projects:		
Capital Projects - Fire	3,100,000	-
	<u>\$ 5,032,160</u>	<u>\$ (5,032,160)</u>

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. During 2023, transfers out of the General Fund and the Fire District Fund were for the purposes of making debt payments.

During 2023, the General Fund advanced \$150,000 to the Community Development Block Grant Fund to provide working capital for operations or projects. During 2023, \$137,500 of the advance was paid back during the year.

Note 7 – Risk Management

Risk Pool Membership

The Township belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 801 members as of December 31, 2023.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 7 – Risk Management (Continued)

Risk Pool Membership (Continued)

The Plan's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2023. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2023.

Assets	\$ 23,113,696
Liabilities	<u>(16,078,587)</u>
Members' Equity	<u>\$ 7,035,109</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

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, if material.

Self-Insurance

The Township is also self-insured for employee health insurance. The Self Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee.

A comparison of Self Insurance Fund cash and investments to the actuarially measured liability as of December 31 follows:

	<u>2023</u>
Cash and Investments	\$ 835,758
Actuarial Liabilities	\$ 135,753

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System (OPERS)

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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10.00 percent of their gross salaries, and the Township contributed an amount equaling 14.00 percent of participants' gross salaries. Police personnel contribute to OPERS at the rate of 13.00 percent of their gross salaries. The Township contributes at the rate of 18.10 percent of the participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

Note 8 – Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Retirement System (OP&F)

Township's certified Full-Time Firefighters belong to the 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 percent of their wages. The Township contributed to OP&F an amount equal to 24.00 percent of full-time fire fighters' wages, respectively. The Township has paid all contributions required through December 31, 2023.

Social Security

Several Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed 6.20 percent of their gross salaries. The Township contributed an amount equal to 6.20 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

Note 9 – Post Employment Benefits

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

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Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 10 – Debt

The prior audit balance was restated due to the township receiving a new amortization schedule and balance for the 2015 Kroger TIF Bond. The correct amount outstanding at December 31, 2022 was \$20,461,881.

The Township's debt for the year ended December 31, 2023 was as follows:

	Principal	Interest Rate
<i>General Obligation Bonds:</i>		
2022 Fire Station Bonds	\$ 11,265,000	5.00% - 5.25%
<i>TIF Bonds:</i>		
2015 Kroger TIF Bonds	3,440,292	4.50%
2018 Rumpke TIF Bonds	1,655,000	4.65%
<i>OPWC Loans:</i>		
CB07U Royal Heights Subdivision	1,343,076	0.00%
CB09U Acre and Gardenia Reconstruction	292,895	0.00%
CB17U Byrneside Drive Reconstruction	351,889	0.00%
<i>Notes Payable</i>	1,158,251	2.39% - 4.99%
<i>Total Debt</i>	<u>\$ 19,506,403</u>	

2022 Fire Station Bonds - were issued to finance the construction of two new fire houses for the Township. The interest rate is between 5.00% and 5.25%, and the bonds mature on December 1, 2052.

2015 Kroger TIF Bonds - were issued for land acquisition associated with a tax increment financing project. The bonds are subject to repayment based on the tax revenues generated from the project and were not issued as general obligation bonds. The interest rate is 4.50% and the bonds mature on December 1, 2047.

2018 Rumpke TIF Bonds - were issued for road improvements along Struble Road associated with a tax increment financing project. The interest rate is 4.65% and the bonds mature on December 1, 2034.

Ohio Public Works Commission (OPWC) Loans - were issued for the maintenance and reconstruction of various roadways within the Township (Royal Heights Subdivision, Acre and Gardenia, and Byrneside Drive). The OPWC loans are interest free and will be paid over a 20 year period. The maturity date of all OPWC Loans are July 2040.

Notes Payable – several notes payable were issued for a ladder fire truck and multiple police vehicles. An additional \$531,568 was received in 2023. The Township disbursed \$447,303 for the notes payable costs for the year ended December 31, 2023.

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Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 10 – Debt (Continued)

Amortization

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

Years	Bonds and OPWC Loans		Notes Payable		Total
	Principal	Interest	Principal	Interest	
2024	\$ 916,933	\$ 813,598	\$ 391,561	\$ 46,111	\$ 2,168,203
2025	506,933	774,443	350,534	31,823	1,663,733
2026	526,933	755,805	304,802	18,271	1,605,811
2027	546,933	736,210	111,354	5,557	1,400,054
2028	566,933	715,658	-	-	1,282,591
2029-2033	3,179,665	3,233,678	-	-	6,413,343
2034-2038	3,034,665	2,606,015	-	-	5,640,680
2039-2043	3,098,866	1,981,483	-	-	5,080,349
2044-2048	3,390,291	1,187,618	-	-	4,577,909
2049-2052	2,580,000	347,290	-	-	2,927,290
	<u>\$ 18,348,152</u>	<u>\$ 13,151,798</u>	<u>\$ 1,158,251</u>	<u>\$ 101,762</u>	<u>\$ 32,759,963</u>

Note 11 – Contingent Liabilities

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

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor. The grantor may require refunding of 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 – Related Organizations

The Colerain Township, Hamilton County, Community Improvement Corporation, Inc. is an organization related to the Township. It acts as the Township's agent for economic development.

Note 13 – Joint Venture

Neighboring townships of Colerain and Springfield have a joint venture for residential solid waste and recycling. The contract is May 1, 2021 to April 30, 2026 and was awarded to Rumpke, after competitive bidding.

Colerain Township, Hamilton County
Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2023

Note 14 – Fund Balances

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

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	\$ 1,127,449	\$ 2,349,247	\$ 12,488,476	\$ 15,965,172

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

Note 15 – Restatement of Fund Cash Balance

The Special Revenue Zoning fund was restated to be included in the General fund of the Township. The following effects on the fund cash balance of the following General and Special Revenue funds of the Township as they were previously reported.

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Fund Cash Balance, December 31, 2022	\$ 8,882,598	\$ 31,881,210
Change in Fund Structure	310,192	(310,192)
Fund Cash Balance, December 31, 2022, Restated	<u>\$ 9,192,790</u>	<u>\$ 31,571,018</u>



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Colerain Township
Hamilton County
4200 Springdale Road
Cincinnati, Ohio 45251

To 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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of Colerain Township, Hamilton County, Ohio (the Township) and have issued our report thereon dated June 13, 2025, wherein we noted the Township followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Township's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

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 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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

June 13, 2025

**COLERAIN TOWNSHIP
HAMILTON COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Finding Number	Finding Summary	Status	Additional Information
2022-001	Budgetary Amounts Not Recorded in Accounting System	Partially Corrected	Moved to Management Letter

OHIO AUDITOR OF STATE KEITH FABER



COLERAIN TOWNSHIP

HAMILTON 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 1/22/2026

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

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