



OHIO AUDITOR OF STATE
KEITH FABER



**COLUMBIA TOWNSHIP
HAMILTON COUNTY
DECEMBER 31, 2023, AND 2022**

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INDEPENDENT AUDITOR'S REPORT

Columbia Township
Hamilton County
5686 Kenwood Road
Cincinnati, Ohio 45227

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of Columbia Township, Hamilton County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2023 and 2022, 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 fund type combined total as of and for the years ended December 31, 2023 and 2022, 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, 2023 and 2022, or the changes in financial position thereof for the year 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 November 18, 2024, 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, appearing to read "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio
November 18, 2024

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

	General	Special Revenue	Capital Projects	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$83,431	\$3,664,566		\$3,747,997
Charges for Services	0	27,295		27,295
Licenses, Permits and Fees	674,714	0		674,714
Fines and Forfeitures	2,768	0		2,768
Intergovernmental	1,662,722	237,768	35,049	1,935,539
Earnings on Investments	328,893	68,971		397,864
Miscellaneous	3,142	23,110		26,252
<i>Total Cash Receipts</i>	<u>2,755,670</u>	<u>4,021,710</u>	<u>35,049</u>	<u>6,812,429</u>
Cash Disbursements				
Current:				
General Government	1,487,856	151,667		1,639,523
Public Safety	0	1,752,399		1,752,399
Public Works	0	1,578,212		1,578,212
Health	8,782	0		8,782
Conservation-Recreation	106,120	0		106,120
Capital Outlay	0	74,863	35,049	109,912
Debt Service:				
Principal Retirement	0	38,720		38,720
Payment to Refunded Bond Escrow Agent	0	0		
Interest and Fiscal Charges	0	175,053		175,053
<i>Total Cash Disbursements</i>	<u>1,602,758</u>	<u>3,770,914</u>	<u>35,049</u>	<u>5,408,721</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,152,912</u>	<u>250,796</u>	<u>0</u>	<u>1,403,708</u>
Other Financing Receipts (Disbursements)				
Transfers In	0	25,300		25,300
Transfers Out	(25,300)	0		(25,300)
Other Financing Sources	2,300	0		2,300
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(23,000)</u>	<u>25,300</u>	<u>0</u>	<u>2,300</u>
<i>Net Change in Fund Cash Balances</i>	<u>1,129,912</u>	<u>276,096</u>	<u>0</u>	<u>1,406,008</u>
<i>Fund Cash Balances, January 1</i>	<u>3,018,234</u>	<u>5,653,947</u>		<u>8,672,181</u>
<i>Fund Cash Balances, December 31</i>	<u>\$4,148,146</u>	<u>\$5,930,043</u>	<u>\$0</u>	<u>\$10,078,189</u>

See accompanying notes to the basic financial statements

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

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Columbia Township, Hamilton County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, waste collection, fire protection and emergency medical services. The Township contracts with the Little Miami Joint Fire and Rescue District and Deer Park Silverton Fire District to provide fire and EMS services. The Township contracts with the Hamilton County Sheriff's Department for police protection. The Township contracts with Rumpke for waste collection.

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.

Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

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:

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.

Road District Fund – This fund receives property tax money and certain intergovernmental receipts which are used for constructing and maintaining Township roads.

Ridge Fire District Fund – This fund receives property tax revenue that is used to pay for fire protection service.

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

Police District Fund – This fund receives property tax revenue that is used to pay for police protection services.

Waste Fund – This fund receives property tax money that is used to pay for garbage and waste collection services.

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

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 be budgeted annually.

Appropriations- Budgetary disbursements (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. The County Budget Commission must also approve the annual appropriation measure. 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 canceled, and reappropriated in the subsequent year.

A summary of 2023 budgetary activity appears in Note 3.

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

Deposits and Investments

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

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

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 \$836.19 are reflected as miscellaneous revenue in the Opioid 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.

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. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the

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

general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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 in Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2023 follows:

2023 Budgeted VS Actual Receipts				
<u>Fund Type</u>	<u>Budgeted Receipts</u>		<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 2,287,181	\$	2,757,970	470,789
Special Revenue	\$ 5,234,545	\$	4,047,010	(1,187,535)
Capital Projects	\$ 0	\$	35,049	35,049
Total	\$ 7,521,726	\$	6,840,029	(681,697)

2023 Budgeted VS Actual Budgeted Basis Expenditures				
<u>Fund Type</u>	<u>Appropriation Authority</u>		<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 3,180,167	\$	2,824,440	355,727
Special Revenue	\$ 5,254,596	\$	4,056,789	1,197,807
Capital Projects	\$ 814	\$	35,049	(34,235)
Total	\$ 8,435,577	\$	6,916,278	1,519,299

Columbia Township
Hamilton County
Notes to the Financial Statements
For the 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 are as follows:

<u>Investments</u>	<u>2023</u>
Demand Deposits	\$ 291,983
Other Time Deposits (savings and NOW accounts)	<u>\$ 1,962,381</u>
Total Deposits	<u>\$ 2,254,364</u>
STAR Ohio	<u>\$ 7,823,825</u>
Total Investments	<u>\$ 7,823,825</u>
Total Deposit and Investments	\$ 10,078,189

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation and the Ohio Pooled Collateral System (OPCS) to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments in STAR Ohio 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 homestead and rollback deductions. The financial statements include homestead and rollback 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.

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

Note 6 – Risk Management

Workers’ Compensation - 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.

Commercial Insurance –

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The Township is uninsured for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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 government pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omission, 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.

The Pool’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.

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

The financial statements reported the following assets, liabilities and equity at December 31, 2023.

	<u>2023</u>
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 The Ohio Plan Risk Management at the Plan's website, www.ohioplan.org.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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 plans' benefits, which include postretirement healthcare and survivor and disability benefits.

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

Note 8 – Postemployment Benefits

OPERS 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. 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.

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

Note 9 -Debt

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

2023	Principal	Interest Rate
TIF Revenue Bond 2013 MOB	855,000	5.75 - 6.625%
TIF Revenue Bond 2015 CBT	2,835,000	2-5%
OPWC Loan- Roe	202,885	0%
OPWC Loan- Maphet & Ebersole	155,750	0%
OPWC Loan Buckingham Place	316,603	0%
OPWC Loan Hill and Dale	202,168	0%
Total	4,567,406	

At December 31, 2023 the Township had a Special Obligation Revenue Bond with outstanding balance of \$855,000 at interest rates ranging form of 5.75 – 6.625% for the construction and improvement of the Columbia Medical Office Building Project.

At December 31, 2023 the Township had a Special Obligation Revenue Bond with outstanding balance of \$2,835,000 at interest rate of 5% for the Cincinnati Belting Tech Company Project.

At December 31, 2023 the Township had a OPWC Loans with outstanding balance of \$877,405 with a 0% interest Rate for all OPWC Projects.

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

Year Ending December 31	TIF Revenue Bond - MOB	OPWC - ROE	OPWC- Maphet Ave & Ebersole Ave	OPWC Buckingham Place	OPWC Hill & Dale
2024	\$ 74,581	\$ 13,526	\$ 8,900	\$ 10,732	\$ 10,928
2025	\$ 78,306	\$ 13,526	\$ 8,900	\$ 10,732	\$ 10,928
2026	\$ 76,713	\$ 13,526	\$ 8,900	\$ 10,732	\$ 10,928
2027	\$ 75,119	\$ 13,526	\$ 8,900	\$ 10,732	\$ 10,928
2028	\$ 78,525	\$ 13,32	\$ 8,900	\$ 10,732	\$ 10,928
29-2033	\$ 382,981	\$ 67,628	\$ 44,500	\$ 53,661	\$ 54,640
2034-2038	\$ 380,056	\$ 67,628	\$ 44,500	\$ 53,661	\$ 54,640
2039-2043	\$ 373,931	\$	\$ 22,250	\$ 53,661	\$ 38,248
2044-2048	\$	\$		\$ 53,661	\$
2049-2053		\$		\$ 48,296	
Total	\$ 1,520,212	\$ 202,886	\$ 155,750	\$ 316,600	\$ 202,168

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

Note 10 - Joint Economic Development

On August 5, 2013 the Township and the Village of Fairfax (Village), Hamilton County, Ohio entered into a joint economic development zone contract. The purpose of the zone is to facilitate new or expanded commercial and economic development, create and preserve jobs, and improve the economic welfare of the Township, Village and Zone. The Zone shall levy a 1% income tax for all Zone residents. The Village will collect the income tax and remit 90% of distributable receipts to the Township. The Township may use the distributable receipts for any lawful purpose and is included as Intergovernmental receipts.

Note 11 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years 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 facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Outstanding Encumbrances	General	Special Revenue	Total All Funds
	1,196,382	285,875	1,482,257

The fund balance of special revenue funds is either restricted or committed. In the general fund, outstanding encumbrances are considered assigned.

Note 12 – Interfund Balances

Outstanding advances at December 31, 2023, consisted of \$79,316 advanced to Fund 2903 CARES CDBG, \$1,200,000 To Fund 2406 Plainville TIF, and \$100,000 to Fund 2407 Walton Creek TIF to provide working capital for projects.

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Columbia Township*Hamilton 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, 2022*

	General	Special Revenue	Capital Projects	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$73,141	\$3,507,997	\$0	\$3,581,138
Licenses, Permits and Fees	895,267	0	0	895,267
Fines and Forfeitures	3,051	0	0	3,051
Intergovernmental	1,650,367	575,675	1,015,801	3,241,843
Earnings on Investments	93,443	20,649	0	114,092
Miscellaneous	12,547	317,783	0	330,330
<i>Total Cash Receipts</i>	<u>2,727,816</u>	<u>4,422,104</u>	<u>1,015,801</u>	<u>8,165,721</u>
Cash Disbursements				
Current:				
General Government	1,388,244	127,491	0	1,515,735
Public Safety	0	1,876,630	0	1,876,630
Public Works	0	1,778,446	0	1,778,446
Health	86,514	0	0	86,514
Conservation-Recreation	95,278	0	0	95,278
Capital Outlay	7,841	1,231,503	1,015,801	2,255,145
Debt Service:				
Principal Retirement	0	180,654	0	180,654
Interest and Fiscal Charges	0	222,813	0	222,813
<i>Total Cash Disbursements</i>	<u>1,577,877</u>	<u>5,417,537</u>	<u>1,015,801</u>	<u>8,011,215</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,149,939</u>	<u>(995,433)</u>	<u>0</u>	<u>154,506</u>
Other Financing Receipts (Disbursements)				
Transfers In	77,791	11,000		88,791
Transfers Out	(11,000)	(77,791)		(88,791)
Advances In	0	1,300,000		1,300,000
Advances Out	(1,300,000)	0		(1,300,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(1,233,209)</u>	<u>1,233,209</u>	<u>0</u>	<u>0</u>
Special Item		4,998		4,998
<i>Net Change in Fund Cash Balances</i>	<u>(83,270)</u>	<u>242,774</u>	<u>0</u>	<u>159,504</u>
<i>Fund Cash Balances, January 1</i>	<u>3,101,504</u>	<u>5,411,173</u>		<u>8,512,677</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$3,018,234</u></u>	<u><u>\$5,653,947</u></u>	<u><u>\$0</u></u>	<u><u>\$8,672,181</u></u>

See accompanying notes to the basic financial statements

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Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Columbia Township, Hamilton County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, waste collection, fire protection and emergency medical services. The Township contracts with the Little Miami Joint Fire and Rescue District and Deer Park Silverton Fire District to provide fire and EMS services. The Township contracts with the Hamilton County Sheriff's Department for police protection. The Township contracts with Rumpke for waste collection.

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.

Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

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:

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.

Road District Fund – This fund receives property tax money and certain intergovernmental receipts which are used for constructing and maintaining Township roads.

Ridge Fire District Fund – This fund receives property tax revenue that is used to pay for fire protection service.

Police District Fund – This fund receives property tax revenue that is used to pay for police protection services.

Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Waste Fund – This fund receives property tax money that is used to pay for garbage and waste collection services.

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

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 be budgeted annually.

Appropriations- Budgetary disbursements (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. The County Budget Commission must also approve the annual appropriation measure. 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 canceled, and reappropriated in the subsequent year.

A summary of 2022 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.

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.

Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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.

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. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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 in Note 11.

Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2022 follows:

2022 Budgeted VS Actual Receipts				
<u>Fund Type</u>	<u>Budgeted Receipts</u>		<u>Actual Receipts</u>	<u>Variance</u>
General	1,971,820		2,805,607	833,787
Special Revenue	5,474,139		4,433,104	(1,041,035)
Capital Projects	686,780		1,015,801	329,021
Total	8,132,739		8,254,512	121,773
2022 Budgeted VS Actual Budgetary Basis Expenditure				
<u>Fund Type</u>	<u>Appropriation Authority</u>		<u>Budgetary Expenditure</u>	<u>Variance</u>
General	3,082,932		1,870,026	1,212,906
Special Revenue	7,140,589		5,927,252	1,213,337
Capital Projects	686,814		1,016,581	(329,767)
Total	10,910,335		8,813,859	2,096,476

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. The carrying amount of deposits and investments at December 31 was as follows:

Investments

	<u>2022</u>
Demand deposits	\$ 235,270
Other time deposits (savings and NOW accounts)	1,010,728
Total deposits	1,245,998
U.S. Treasury Notes	
STAR Ohio	7,426,183
Total investments	7,426,183
Total deposits and investments	\$8,672,181

Deposits

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.

Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Investments

Investments in STAR Ohio 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 homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township. The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

Note 6 – Risk Management

Workers' Compensation - 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.

Commercial Insurance -

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The Township is uninsured for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Risk Pool Membership - "The Township belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program 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.

Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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 un changed OPRM had 773 members as of December 31, 2022.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2022.

Assets	\$ 21,662,291
Liabilities	<u>(18,158,351)</u>
Members' Equity	<u>\$ 3,503,940</u>

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

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System - 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 plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2022, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14%, of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

Note 8 – Postemployment Benefit

OPERS offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 9 – Debt

Debt outstanding at December 31, 2022 was as follows:

2022	Principal	Interest Rate
TIF Revenue Bond 2013 MOB	727,676	5.75 - 6.625
TIF Revenue Bond 2015 CBT	2,835,000	2-5%
OPWC Loan- Roe	216,410	0%
OPWC Loan- Maphet & Ebersole	164,650	0%
OPWC Loan Hill and Dale	213,096	0%
Total	4,156,832	

At December 31, 2022 the Township had a Special Obligation Revenue Bond with outstanding balance of \$727,676 at interest rates ranging from 5.75 – 6.625% for the construction and improvement of the Columbia Medical Office Building Project.

At December 31, 2023 the Township had a Special Obligation Revenue Bond with outstanding balance of \$2,835,000 at an interest rate of 5% for the Cincinnati Belting Company Project.

At December 31, 2022 the Township had a OPWC Loan- Roe with outstanding balance of \$216,410 with 0% interest Rate for Roe Street Improvement Project.

At December 31, 2022 the Township had a OPWC Loan- Maphet & Ebersole with outstanding balance of 164,650 with 0% interest Rate for Maphet & Ebersole Street Improvement Project.

At December 31, 2022 the Township had a OPWC Loan- Hill and Dale with outstanding balance of \$213,096 with 0% interest Rate for Hill and Dale Street Improvement Project.

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

Year Ending December 31:	TIF Revenue Bond MOB	OPWC- Roe Street	OPWC Hill and Dale	OPWC Maphet & Ebersole
2023	75,731	13,526	10,928	8,900
2024	74,581	13,526	10,928	8,900
2025	78,306	13,526	10,928	8,900
2026	76,713	13,526	10,928	8,900
2027	75,119	13,526	10,928	8,900
2028-2032	383,181	67,628	54,640	44,500
2033-2037	384,531	67,628	54,640	44,500
2038-2042	373,144	13,526	49,176	31,150
2043-2045	74,637			
Total	1,595,943	216,412	213,096	164,650

Columbia Township
Hamilton County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 10- Joint Economic Development

On August 5, 2013 the Township and the Village of Fairfax (Village), Hamilton County, Ohio entered into a joint economic development zone contract. The purpose of the zone is to facilitate new or expanded commercial and economic development, create and preserve jobs, and improve the economic welfare of the Township, Village and Zone. The Zone shall levy a 1% income tax for all Zone residents. The Village will collect the income tax and remit 90% of distributable receipts to the Township. The Township may use the distributable receipts for any lawful purpose and is included as Intergovernmental receipts.

Note 11- Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years 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:

	General Fund	Special Revenue	Capital Project	Total All Funds
Outstanding Encumbrances	\$281,215	\$431,924	\$780	\$713,919

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

Note 12- Interfund Balances

Outstanding advances at December 31, 2022, consisted of \$79,316 advanced to Fund 2903 CARES CDBG, \$1,200,000 to Fund 2406 Plainville TIF, and \$100,000 to Fund 2407 Walton Creek TIF to provide working capital for projects.

OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
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800-282-0370

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

Columbia Township
Hamilton County
5686 Kenwood Road
Cincinnati, Ohio 45227

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 fund type combined total as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements of Columbia Township, Hamilton County, Ohio (the Township) and have issued our report thereon dated November 18, 2024, 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 opinion 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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. We consider the deficiency described in the accompanying schedule of findings as item 2023-001 to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings as item 2023-002 to be a significant deficiency.

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*.

Township's Response to Findings

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

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.



Keith Faber
Auditor of State
Columbus, Ohio
November 18, 2024

**COLUMBIA TOWNSHIP
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2023-001

Material Weakness – Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Term of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; the responsibility includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Due to deficiencies in the Township's internal controls over financial reporting, the following conditions related to the Township's financial statements and accounting records were identified:

- Intergovernmental receipts and Capital Outlay disbursements for the Ohio Public Works Commission totaling \$35,049 and \$329,801 in 2023 and 2022, respectively, were not recorded in the Capital Projects Funds.
- Property and Other Local Taxes receipts in the Special Revenue Funds totaling \$210,548 in 2022 were incorrectly posted to Intergovernmental receipts.
- Intergovernmental receipts in the Special Revenue Funds totaling \$239,578 in 2022 were incorrectly posted to Special Items.
- Interest and Fiscal Charges in the Special Revenue Funds totaling \$19,952 in 2022 were incorrectly posted to Principal Retirement.
- Intergovernmental receipts in the Special Revenue Funds totaling \$71,849 in 2023 were incorrectly posted to Property and Other Local Taxes receipts.
- Licenses, Permits and Fees receipts in the General Fund totaling \$626,035 in 2023 were incorrectly posted to Special Items.
- The total carrying amount of deposits in the financial statement footnotes was overstated by \$57,993 in 2023 and understated by \$884,148 in 2022.

The financial statements and footnotes have been adjusted for these errors.

In addition to the adjustments listed above, we also identified an additional immaterial misstatement in 2023 of \$5,374 that we have brought to the Township's attention. The financial statements were not adjusted for this error.

The Township did not have procedures in place for effective monitoring of the Township's financial activity, and the accuracy of accounting and financial reporting. It is important that the Board of Trustees take an active role in monitoring the posting and reporting of such activity. Failure to accurately post and monitor financial activity increases the risk that errors, theft, and fraud could occur and not be detected in a timely manner.

**FINDING NUMBER 2023-001
(Continued)**

Due care should be exercised when posting entries to the financial records and financial statement preparation. The Township officials should review the Auditor of State Township Handbook and the chart of accounts to assure that items are being posted to the proper account codes and funds, and update control procedures for review of financial activity so that errors can be detected and corrected in a timely manner.

FINDING NUMBER 2023-002

Significant Deficiency – Budgetary Amounts Not Recorded in Accounting System

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Board to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the Township and the appropriation ledger provides the process by which the Township controls spending, it is therefore necessary the amounts appropriated by the Board are precisely stated and accurately posted to the appropriation ledger.

The original certificate and amendments establish the amounts available for expenditures for the Township and the receipts ledger provides the process by which the Township controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

The Township did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations (and/or amendments thereof) approved by Board were not properly posted to the accounting system. Additionally, the approved Certificate of Estimated Resources (and/or amendments thereof) was not posted to the accounting system.

At December 31, 2023, the budgeted amounts posted to the Township's accounting ledgers varied from the Certificate of Estimated Resources certified by the County Budget Commission as follows.

Funds	Per Certificate of Estimated Resources	Amount Posted to System	Variance
Silverton Fire District Fund	\$74,159	\$89,159	(\$15,000)
Plainville TIF Fund	59,000	1,239,000	(1,180,000)
Walton Creek TIF Fund	0	100,000	(100,000)
Opioid Fund	0	9,465	(9,465)
CARES – CDBG Fund	15,000	0	15,000

At December 31, 2023, the budgeted amounts posted to the Township's accounting ledgers varied from the appropriations adopted by the Board as follows:

FINDING NUMBER 2023-002
(Continued)

Funds	Per Appropriation Resolutions	Amount Posted to System	Variance
General Fund	\$2,898,952	\$2,877,983	\$20,970
Motor Vehicle License Tax Fund	40,000	0	40,000
Ridge Fire District Fund	598,545	448,545	150,000
Silverton Fire District Fund	83,700	73,700	10,000
Plainville TIF Fund	80,000	200,216	(120,216)

At December 31, 2022, the budgeted amounts posted to the Township's accounting ledgers varied from the appropriations adopted by the Board as follows:

Funds	Per Appropriation Resolutions	Amount Posted to System	Variance
General Fund	\$2,662,389	\$2,654,889	\$7,500

In addition, the following conditions related to the footnotes to the financial statements were identified:

- Budgetary Receipts for the Special Revenue Funds were overstated by \$1,289,105 for 2023.
- Appropriation Authority for the General Fund was understated by \$7,500 for 2022.
- Appropriation Authority for the Special Revenue Funds was overstated by \$94,342 for 2022.
- Appropriation Authority for the General Fund and the Special Revenue Funds was understated by \$20,970 and \$78,964, respectively, for 2023.

Failure to accurately post the appropriations and estimated resources to the ledgers could result in overspending and negative cash balances. In addition, this could lead to inaccurate reporting of the budgetary information in the financial statements and notes to the financial statements.

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Township should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Board. The Township should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

Officials' Response:

As a small township with a General Fund Levy of less than \$59,000 annually through this current audit, we rely on a two-person administrative staff to perform all contractual, compliance, legal, risk management, accounting, and other functions to deliver essential services and programs for Public Works, Waste, Roads and Bridges, Police, Fire/EMS and more.

For all communities, and especially for small communities with inadequate staff, the state's Regular Audits are an excellent tool to regularly identify and help correct accounting deficiencies that may occur over thousands of accounting transactions during each audit period. This state-local government auditing oversight is even more valuable because the state legislature does not impose mandatory qualifications on elected offices specific to finance or other technical expertise.

**Officials' Response
(Continued)**

In 2023, a long-employed administrative assistant was terminated for exploiting her position for personal financial gain. This opened the door for Columbia to be able to hire, in May 2024, its first ever professional Finance Director – made possible not by levy revenues but a business income tax district. Our current team's greatest strength is being highly ethical. Though we may on occasion inaccurately post accounting transactions, our absolute moral commitment is that we 100% honor the public's trust.

The Township Administrator and Finance Director began in 2024 to identify areas to improve our financial processes and controls. This work will continue into 2025 to allow a full year of financial activity and budgetary processes to be identified, monitored, and revised where needed.

In Finding No. 001, eight receipts were posted to incorrect accounts, and the financial statements have been corrected.

In Finding No. 002, variances were identified between accounting ledgers and other budget documents which under the prior employee were due to carelessness and in the remaining months of 2023 after her termination, were likely due to lack of knowledge of all procedures by employees who took on financial duties until a new employee was hired in mid-2024.

We fully understand our responsibility for internal controls to assure accurate accounting and financial reporting, and we pledge to continue to improve now that we are professionally staffed. Corrective measures have already begun with the goal of attaining compliance for the next audit period. We value and appreciate the Auditor of State's oversight!!



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2023 AND 2022**

Finding Number	Finding Summary	Status	Additional Information
2021-001	Deficiencies in Financial Reporting	Not corrected	Repeated as Finding 2023-001

OHIO AUDITOR OF STATE KEITH FABER



COLUMBIA 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 12/3/2024

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