



**PERRY**

**& Associates CPAs**

**PASSION** *Beyond the Numbers*

**MILL TOWNSHIP  
TUSCARAWAS COUNTY**

**REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2023 - 2022**





65 East State Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

Board of Trustees  
Mill Township  
PO Box 106  
Dennison, Ohio 44621

We have reviewed the *Independent Auditor's Report* of Mill Township, Tuscarawas County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2022 through December 31, 2023. 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. Mill Township is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

March 27, 2025

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**MILL TOWNSHIP  
TUSCARAWAS COUNTY**

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TUSCARAWAS COUNTY**

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## INDEPENDENT AUDITOR'S REPORT

Mill Township  
Tuscarawas County  
P.O. Box 106  
Dennison, Ohio 44621

To the Board of Trustees:

### ***Report on the Audit of the Financial Statements***

#### ***Opinions***

We have audited the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mill Township, Tuscarawas County, Ohio (the Township), as of and for the year ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2023 and 2022, and the respective changes in cash basis financial position thereof and the respective budgetary comparison for the General, Motor Vehicle License Tax, Gasoline Tax, Road and Bridge, American Rescue Plan, and Ambulance and Emergency Medical funds for the year then ended with the cash basis of accounting described in Note 2.

#### ***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.

#### ***Emphasis of Matter – Accounting Basis***

Ohio Administrative Code § 117-2-03(B) requires the Township to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. 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 October 23, 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 that reads "Perry & Associates CPAs A.C.".

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

October 23, 2024

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF NET POSITION - CASH BASIS  
DECEMBER 31, 2023**

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 992,170</u>
<i>Total Assets</i>	<u><u>\$ 992,170</u></u>
<b>Net Position</b>	
Restricted for:	
Capital Projects	\$ 30,359
Permanent Fund Purpose: For Improvement	
Nonexpendable	1,018
Other Purposes	633,176
Unrestricted	<u>327,617</u>
<i>Total Net Position</i>	<u><u>\$ 992,170</u></u>

*See accompanying notes to the basic financial statements*

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position	
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	Total
<b>Governmental Activities</b>					
Current:					
General Government	\$ 386,342	\$ -	\$ -	\$ (386,342)	\$ (386,342)
Public Safety	59,914	-	-	(59,914)	(59,914)
Public Works	367,364	-	151,786	(215,578)	(215,578)
Conservation-Recreation	-	36,477	-	36,477	36,477
<i>Total Governmental Activities</i>	<u>813,620</u>	<u>36,477</u>	<u>151,786</u>	<u>(625,357)</u>	<u>(625,357)</u>
Total Primary Government	<u>\$813,620</u>	<u>\$36,477</u>	<u>\$151,786</u>	<u>(625,357)</u>	<u>(625,357)</u>
<b>General Receipts:</b>					
Property Taxes					460,852
Other Taxes					1,959
Grants and Entitlements not Restricted to Specific Programs					92,094
Earnings on Investments					2,850
Miscellaneous					<u>77</u>
Total General Receipts					<u>557,832</u>
<i>Change in Net Position</i>					(67,525)
<i>Net Position Beginning of Year</i>					<u>1,059,695</u>
<i>Net Position End of Year</i>					<u>\$992,170</u>

See accompanying notes to the basic financial statements

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023

	General	Motor Vehicle Lic. Tax	Gasoline Tax	Road & Bridge	American Rescue Plan	Ambulance & Emergency Medical	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>								
Equity in Pooled Cash and Cash Equivalents	\$ 326,091	\$ 5,208	\$ 246,334	\$ 169,638	\$ 10,946	\$ 200,758	\$ 33,195	\$ 992,170
<i>Total Assets</i>	<u>\$ 326,091</u>	<u>\$ 5,208</u>	<u>\$ 246,334</u>	<u>\$ 169,638</u>	<u>\$ 10,946</u>	<u>\$ 200,758</u>	<u>\$ 33,195</u>	<u>\$ 992,170</u>
<b>Fund Balances</b>								
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,018	\$ 1,018
Restricted	-	5,208	246,334	-	10,946	200,758	32,177	495,423
Committed	-	-	-	169,638	-	-	-	169,638
Assigned	228,709	-	-	-	-	-	-	228,709
Unassigned (Deficit)	97,382	-	-	-	-	-	-	97,382
<i>Total Fund Balances</i>	<u>\$ 326,091</u>	<u>\$ 5,208</u>	<u>\$ 246,334</u>	<u>\$ 169,638</u>	<u>\$ 10,946</u>	<u>\$ 200,758</u>	<u>\$ 33,195</u>	<u>\$ 992,170</u>

See accompanying notes to the basic financial statements

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	General	Motor Vehicle Lic. Tax	Gasoline Tax	Road & Bridge	American Rescue Plan	Ambulance & Emergency Medical	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>								
Property and Other Local Taxes	\$ 206,789	\$ -	\$ -	\$ 158,251	\$ -	\$ 97,771	\$ -	\$ 462,811
Charges for Services	36,477	-	-	-	-	-	-	36,477
Intergovernmental	66,064	9,686	142,100	20,734	-	5,296	-	243,880
Earnings on Investments	2,719	20	111	-	-	-	-	2,850
Miscellaneous	-	77	-	-	-	-	-	77
<i>Total Receipts</i>	<u>312,049</u>	<u>9,783</u>	<u>142,211</u>	<u>178,985</u>	<u>-</u>	<u>103,067</u>	<u>-</u>	<u>746,095</u>
<b>Disbursements</b>								
Current:								
General Government	245,160	-	-	2,884	138,298	-	-	386,342
Public Safety	25,062	-	-	-	-	34,852	-	59,914
Public Works	-	16,600	156,464	194,300	-	-	-	367,364
<i>Total Disbursements</i>	<u>270,222</u>	<u>16,600</u>	<u>156,464</u>	<u>197,184</u>	<u>138,298</u>	<u>34,852</u>	<u>-</u>	<u>813,620</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>41,827</u>	<u>(6,817)</u>	<u>(14,253)</u>	<u>(18,199)</u>	<u>(138,298)</u>	<u>68,215</u>	<u>-</u>	<u>(67,525)</u>
<i>Net Change in Fund Balances</i>	<u>41,827</u>	<u>(6,817)</u>	<u>(14,253)</u>	<u>(18,199)</u>	<u>(138,298)</u>	<u>68,215</u>	<u>-</u>	<u>(67,525)</u>
<i>Fund Balances Beginning of Year</i>	<u>284,264</u>	<u>12,025</u>	<u>260,587</u>	<u>187,837</u>	<u>149,244</u>	<u>132,543</u>	<u>33,195</u>	<u>1,059,695</u>
<i>Fund Balances End of Year</i>	<u>\$ 326,091</u>	<u>\$ 5,208</u>	<u>\$ 246,334</u>	<u>\$ 169,638</u>	<u>\$ 10,946</u>	<u>\$ 200,758</u>	<u>\$ 33,195</u>	<u>\$ 992,170</u>

See accompanying notes to the basic financial statements

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>Budgeted Amounts</b>			<b>(Optional) Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 91,531	\$ 9,531	\$ 206,789	\$ 197,258
Charges for Services	20,000	20,000	36,477	16,477
Intergovernmental	50,044	50,044	66,064	16,020
Earnings on Investments	300	300	2,719	2,419
Miscellaneous	106	106	-	(106)
<i>Total Receipts</i>	<u>161,981</u>	<u>79,981</u>	<u>312,049</u>	<u>232,068</u>
<b>Disbursements</b>				
<b>Current:</b>				
General Government	333,950	333,950	245,160	88,790
Public Safety	30,500	30,500	25,062	5,438
Health	300	300	-	300
Capital Outlay	22,500	22,500	-	22,500
Debt Service:				
Principal Retirement	5,000	5,000	-	5,000
Interest and Fiscal Charges	2,000	2,000	-	2,000
<i>Total Disbursements</i>	<u>394,250</u>	<u>394,250</u>	<u>270,222</u>	<u>124,028</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(232,269)</u>	<u>(314,269)</u>	<u>41,827</u>	<u>356,096</u>
<i>Net Change in Fund Balance</i>	<u>(232,269)</u>	<u>(314,269)</u>	<u>41,827</u>	<u>356,096</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>286,224</u>	<u>286,224</u>	<u>284,264</u>	<u>(1,960)</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 53,955</u>	<u>\$ (28,045)</u>	<u>\$ 326,091</u>	<u>\$ 354,136</u>

See accompanying notes to the basic financial statements

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
MOTOR VEHICLE LICENSE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>			(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 13,230	\$ 13,230	\$ 9,686	\$ (3,544)
Earnings on Investments	10	10	20	10
Miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>77</u>	<u>(1,923)</u>
<i>Total Receipts</i>	<u>15,240</u>	<u>15,240</u>	<u>9,783</u>	<u>(5,457)</u>
<b>Disbursements</b>				
<b>Current:</b>				
Public Works	<u>26,500</u>	<u>26,500</u>	<u>16,600</u>	<u>9,900</u>
<i>Total Disbursements</i>	<u>26,500</u>	<u>26,500</u>	<u>16,600</u>	<u>9,900</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(11,260)</u>	<u>(11,260)</u>	<u>(6,817)</u>	<u>4,443</u>
<i>Net Change in Fund Balance</i>	(11,260)	(11,260)	(6,817)	4,443
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>12,025</u>	<u>12,025</u>	<u>12,025</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 765</u>	<u>\$ 765</u>	<u>\$ 5,208</u>	<u>\$ 4,443</u>

See accompanying notes to the basic financial statements

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GASOLINE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>			(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 82,512	\$ 82,512	\$ 142,100	\$ 59,588
Earnings on Investments	100	100	111	11
Miscellaneous	<u>3,957</u>	<u>3,957</u>	<u>-</u>	<u>(3,957)</u>
<i>Total Receipts</i>	<u>86,569</u>	<u>86,569</u>	<u>142,211</u>	<u>55,642</u>
<b>Disbursements</b>				
<b>Current:</b>				
Public Works	<u>283,001</u>	<u>283,001</u>	<u>156,464</u>	<u>126,537</u>
<i>Total Disbursements</i>	<u>283,001</u>	<u>283,001</u>	<u>156,464</u>	<u>126,537</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(196,432)</u>	<u>(196,432)</u>	<u>(14,253)</u>	<u>182,179</u>
<i>Net Change in Fund Balance</i>	<u>(196,432)</u>	<u>(196,432)</u>	<u>(14,253)</u>	<u>182,179</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>254,463</u>	<u>254,463</u>	<u>260,587</u>	<u>6,124</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 58,031</u>	<u>\$ 58,031</u>	<u>\$ 246,334</u>	<u>\$ 188,303</u>

See accompanying notes to the basic financial statements



**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>			(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 117,735	\$ 117,735	\$ 158,251	\$ 40,516
Intergovernmental	25,100	25,100	20,734	(4,366)
Miscellaneous	10	10	-	(10)
<i>Total Receipts</i>	<u>142,845</u>	<u>142,845</u>	<u>178,985</u>	<u>36,140</u>
<b>Disbursements</b>				
<b>Current:</b>				
General Government	15,000	15,000	2,884	12,116
Public Works	310,000	310,000	194,300	115,700
<i>Total Disbursements</i>	<u>325,000</u>	<u>325,000</u>	<u>197,184</u>	<u>127,816</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(182,155)</u>	<u>(182,155)</u>	<u>(18,199)</u>	<u>163,956</u>
<i>Net Change in Fund Balance</i>	(182,155)	(182,155)	(18,199)	163,956
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>187,837</u>	<u>187,837</u>	<u>187,837</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 5,682</u>	<u>\$ 5,682</u>	<u>\$ 169,638</u>	<u>\$ 163,956</u>

See accompanying notes to the basic financial statements

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
AMERICAN RESCUE PLAN FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>			(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 149,244	\$ 149,244	\$ -	\$ (149,244)
<i>Total Receipts</i>	<u>149,244</u>	<u>149,244</u>	<u>-</u>	<u>(149,244)</u>
<b>Disbursements</b>				
<b>Current:</b>				
General Government	<u>149,244</u>	<u>149,244</u>	<u>138,298</u>	<u>10,946</u>
<i>Total Disbursements</i>	<u>149,244</u>	<u>149,244</u>	<u>138,298</u>	<u>10,946</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>-</u>	<u>-</u>	<u>(138,298)</u>	<u>(138,298)</u>
<i>Net Change in Fund Balance</i>	<u>-</u>	<u>-</u>	<u>(138,298)</u>	<u>(138,298)</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>149,244</u>	<u>149,244</u>	<u>149,244</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 149,244</u>	<u>\$ 149,244</u>	<u>\$ 10,946</u>	<u>\$ (138,298)</u>

See accompanying notes to the basic financial statements

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
AMBULANCE AND EMERGENCY MEDICAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>			(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 74,523	\$ 74,523	\$ 97,771	\$ 23,248
Intergovernmental	4,910	4,910	5,296	386
<i>Total Receipts</i>	<u>79,433</u>	<u>79,433</u>	<u>103,067</u>	<u>23,634</u>
<b>Disbursements</b>				
<b>Current:</b>				
Public Safety	<u>100,000</u>	<u>100,000</u>	<u>34,852</u>	<u>65,148</u>
<i>Total Disbursements</i>	<u>100,000</u>	<u>100,000</u>	<u>34,852</u>	<u>65,148</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(20,567)</u>	<u>(20,567)</u>	<u>68,215</u>	<u>88,782</u>
<b>Special and Extraordinary Items</b>				
Special Item - Describe or refer to Notes	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>(12,000)</u>
<i>Net Change in Fund Balance</i>	<u>(8,567)</u>	<u>(8,567)</u>	<u>68,215</u>	<u>76,782</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>135,507</u>	<u>135,507</u>	<u>132,543</u>	<u>(2,964)</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 126,940</u>	<u>\$ 126,940</u>	<u>\$ 200,758</u>	<u>\$ 73,818</u>

See accompanying notes to the basic financial statements

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF FIDUCIARY NET POSITION - CASH BASIS  
FIDUCIARY FUNDS  
DECEMBER 31, 2023

	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 567
<i>Total Assets</i>	<u>\$ 567</u>
<b>Net Position</b>	
Held in Trust for Improvements	\$ 567
<i>Total Net Position</i>	<u>\$ 567</u>

See accompanying notes to the basic financial statements

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 1 – Reporting Entity**

Mill Township, Tuscarawas County, Ohio, (the Township) is a body politic and corporate established 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 composed of the primary government.

**Primary Government**

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The primary government of the Township provides the following services to its citizens: general government services, maintenance of Township roads and bridges, and cemetery maintenance. In 2023, the Township contracted with the Dennison Fire Department for fire protection. In 2024, Dennison Fire Department will again provide fire protection services to the Township. Police protection is provided by the Tuscarawas County Sheriff's Department. The Township contracts with Smith Ambulance for ambulance service protection services.

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

**Note 2 – Summary of Significant Accounting Policies**

As discussed further in the Basis of Accounting section of this Note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Township's accounting policies.

**Basis of Presentation**

The Township's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-Wide Financial Statements** The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the cash and investment balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

**Fund Financial Statements** During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**Fund Accounting**

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

**Governmental Funds** Governmental funds are those through which most governmental functions of the Township are financed. The following are the Township's major governmental funds:

**General** 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.

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

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

**Road and Bridge Fund** The road and bridge fund accounts for and reports property tax (inside millage) committed for the construction, reconstruction, resurfacing and repair of Township roads and bridges.

**American Rescue Plan Fund** The American rescue plan fund accounts for and reports grant revenue received from the federal American rescue plan act restricted for expenditures from the funds received.

**Ambulance and Emergency Medical Fund** The ambulance and emergency medical fund accounts for a 1.50 mill levy the township receives from the tax base and the revenue is restricted to pay the Village of Dennison and Smith Ambulance Service for medical coverage of the Township.

The other governmental funds of the Township account for and report grants and other resources whose use is restricted, committed or assigned to a particular purpose.

**Basis of Accounting**

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Budgetary Process***

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations resolution is the Township's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established by the Township at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

***Cash and Investments***

Township records identify the purchase of specific investments by specific funds.

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2023, the Township invested in nonnegotiable certificates of deposit. Investments are reported at cost.

Interest earnings are allocated to Township funds according to State statutes.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Unclaimed monies that are required to be held for five years before they may be utilized by the Township are reported as restricted.

***Inventory and Prepaid Items***

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

Inventories resulting from cash transactions are presented at cost on first in, first out basis and are reported as disbursements when used. Prepaid items are reported as disbursements when consumed.

***Capital Assets***

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

***Accumulated Leave***

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's cash basis of accounting.

***Employer Contributions to Cost-Sharing Pension Plans***

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

***Long-Term Obligations***

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset (including the intangible right to use) when entering into a financed purchase transaction is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure is reported at inception. Financed purchase payments are reported when paid.

***Leases***

The Township is the lessor (as defined by GASB 87) related to a cell phone tower located at the Township garage/office property. Lease receivables are not reflected under the Township's cash basis of accounting. Lease revenue is recognized when they are received.



**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Net Position***

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for Motor Vehicle License Tax, Gasoline Tax, Cemetery, American Rescue Plan, and Ambulance and EMS Services.

The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position are available.

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Township Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute. State Statute authorizes the Township Clerk to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Fund Balance (Continued)***

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

***Internal Activity***

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general receipts.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**Note 3 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis presented for the general fund is and any major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**Note 4 – Deposits and Investments**

State statutes classify monies held by the Township into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) and by eligible securities pledged by the financial institution as security for repayment.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 4 – Deposits and Investments (Continued)**

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the clerk/treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Township did not have any undeposited cash on hand in 2023.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 4 – Deposits and Investments (Continued)**

***Deposits***

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio Law requires that deposits be either insured or be protected by:

Eligible securities pledged to the Township and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured.

***Investments***

The fair value of these investments is not materially different than measurement value. As of December 31, 2023, the Township had the following investments:

	<u>Measurement Value</u>	<u>Maturity</u>
Certificates of Deposits	\$142,225	Less than 1 year

***Interest Rate Risk***

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase.

**Note 5 – Taxes**

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2023 for real and public utility property taxes represents collections of 2022 taxes.

2023 real property taxes are levied after October 1, 2023, on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2023, was \$6.05 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2023 property tax receipts were based are as follows:

Real Property	\$ 78,087,790
Public Utility Personal Property	<u>32,056,610</u>
Total	<u><u>\$ 110,144,400</u></u>

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 5 – Taxes (Continued)**

***Property Taxes (Continued)***

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

***Tax Abatements***

During 2023 the Township agreed to abate taxes from a 0.50 mill levy and a 1.75 mill levy with the Village of Dennison. The 0.50 mill levy is an agreement with the Village of Dennison for providing ambulance services reimbursement where 36.54% of the revenue received from that levy is paid to the Village. For the 1.75 mill levy the Township agreed with the Village to pay 31.28% of the revenue received to the Village as a distribution of operating proceeds and the remaining 68.27% is recorded and remains with the Township.

**Note 6 – Interfund Balances and Transfers**

***Transfers***

During 2023, no transfers were made.

**Note 7 – Risk Management**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the Township contracted OTARMA for various types of insurance coverage as follows:

Type of Coverage	Coverage
Ohio Twp. Association Risk Management Authority	
General Liability	\$ 3,000,000
Automobile Liability	3,000,000
Automobile Physical Damage	368,301
Public Officials Wrongful Acts & Employment Practices	3,000,000
Property	1,087,306
Employee Dishonesty	10,000
Faithful Performance of Duty	135,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

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

**Note 8 – Defined Benefit Pension Plan**

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

Plan Description – Township employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 8 – Defined Benefit Pension Plan (Continued)**

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

Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 8 – Defined Benefit Pension Plan (Continued)**

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	State and Local
	Traditional
<b>2023 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
<b>2023 Actual Contribution Rates</b>	
Employer:	
Pension ****	14.0 %
Post-employment Health Care Benefits ****	0.0
	<hr/>
Total Employer	14.0 %
	<hr/>
Employee	10.0 %
	<hr/>

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

\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 8 – Defined Benefit Pension Plan (Continued)**

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2023, the Township's contractually required contribution was \$26,543 for the traditional plan.

**Note 9 – Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan 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.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Medicare Retirees** Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** Non-Medicare retirees qualify based on the following age-and-service criteria:

**Group A** 30 years of qualifying service credit at any age;

**Group B** 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

**Group C** 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.



**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 9 – Postemployment Benefits (Continued)**

***Ohio Public Employees Retirement System (Continued)***

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022,

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 9 – Postemployment Benefits (Continued)**

***Ohio Public Employees Retirement System (Continued)***

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$0 for the year 2023.

**Note 10 – Construction and Contractual Commitments**

In 2023, the Township had a fire protection contract with the Dennison Fire Department, and also had a ambulance protection agreement with Smith Ambulance.

**Note 11 – Public Entity Risk Pool**

***Risk Pool Membership***

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township pays the State Workers' Compensation System a premium based on a rate of per \$100 of salaries. This rate is calculated based on accidental history and administrative costs. The System administers and pays all claims.

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

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

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

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

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 12 – Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented on the following page:

Fund Balances	General	Motor Vehicle License Tax	Gasoline Tax	Road and Bridge	American Rescue Plan	Fire & RSC. Ambulance EMS Serv.	Other Governmental Funds	Total
<b>Nonspendable</b>								
Cemetery Bequest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,018	\$ 1,018
<i>Total Nonspendable</i>	-	-	-	-	-	-	1,018	1,018
<b>Restricted for</b>								
Unclaimed Monies	-	-	-	-	-	-	-	-
Vehicle License Tax	-	5,208	-	-	-	-	-	5,208
Gasoline Tax	-	-	246,334	-	-	-	-	246,334
Cemetery	-	-	-	-	-	-	1,250	1,250
American Rescue Plan	-	-	-	-	10,946	-	-	10,946
Ambulance and EMS	-	-	-	-	-	200,758	-	200,758
Miscellaneous Capital Projects	-	-	-	-	-	-	30,927	30,927
<i>Total Restricted</i>	-	5,208	246,334	-	10,946	200,758	32,177	495,423
<b>Committed to</b>								
Road and Bridge	-	-	-	169,638	-	-	-	169,638
<b>Assigned to</b>								
General	228,709	-	-	-	-	-	-	228,709
<b>Unassigned (Deficit)</b>	97,382	-	-	-	-	-	-	97,382
<i>Total Fund Balances</i>	<u>\$ 326,091</u>	<u>\$ 5,208</u>	<u>\$ 246,334</u>	<u>\$ 169,638</u>	<u>\$ 10,946</u>	<u>\$ 200,758</u>	<u>\$ 33,195</u>	<u>\$ 992,170</u>

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF NET POSITION - CASH BASIS  
DECEMBER 31, 2022**

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 1,059,695
<i>Total Assets</i>	<u><u>\$ 1,059,695</u></u>
<b>Net Position</b>	
Restricted for:	
Capital Projects	\$ 30,927
Permanent Fund Purpose:	
Nonexpendable	1,018
Other Purposes	743,486
Unrestricted	<u>284,264</u>
<i>Total Net Position</i>	<u><u>\$ 1,059,695</u></u>

*See accompanying notes to the basic financial statements*

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Program Cash Receipts</b>			<b>Net (Disbursements) Receipts and Changes in Net Position</b>	
	<b>Cash Disbursements</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Total</b>
<b>Governmental Activities</b>					
Current:					
General Government	\$ 271,071	\$ -	\$ 102,368	\$ (168,703)	\$ (168,703)
Public Safety	41,733	-	-	(41,733)	(41,733)
Public Works	290,253	-	159,948	(130,305)	(130,305)
Conservation-Recreation	-	66,822	-	66,822	66,822
Other	-	-	12,957	12,957	12,957
Capital Outlay	1,485	-	-	(1,485)	(1,485)
Debt Service:					
Principal Retirement	33,225	-	-	(33,225)	(33,225)
Interest and Fiscal Charges	1,179	-	-	(1,179)	(1,179)
<b>Total Governmental Activities</b>	<b>638,946</b>	<b>66,822</b>	<b>275,273</b>	<b>(296,851)</b>	<b>(296,851)</b>
<b>Total Primary Government</b>	<b>\$ 638,946</b>	<b>\$ 66,822</b>	<b>\$ 275,273</b>	<b>\$ (296,851)</b>	<b>\$ (296,851)</b>
General Receipts:					
Property Taxes					327,793
Other Taxes					3,967
Grants and Entitlements not Restricted to Specific Programs					70,314
Earnings on Investments					504
Miscellaneous					12,970
<b>Total General Receipts</b>					<b>415,548</b>
<b>Change in Net Position</b>					<b>118,697</b>
<b>Net Position Beginning of Year</b>					<b>940,998</b>
<b>Net Position End of Year</b>					<b>\$1,059,695</b>

See accompanying notes to the basic financial statements

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022

	General	Motor Vehicle Lic. Tax	Gasoline Tax	Road & Bridge	American Rescue Plan	Ambulance & Emergency Medical	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>								
Equity in Pooled Cash and Cash Equivalents	\$ 284,264	\$ 12,025	\$ 260,587	\$ 187,837	\$ 149,244	\$ 132,543	\$ 33,195	\$ 1,059,695
<i>Total Assets</i>	<u>\$ 284,264</u>	<u>\$ 12,025</u>	<u>\$ 260,587</u>	<u>\$ 187,837</u>	<u>\$ 149,244</u>	<u>\$ 132,543</u>	<u>\$ 33,195</u>	<u>\$ 1,059,695</u>
<b>Fund Balances</b>								
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,018	\$ 1,018
Restricted	-	12,025	260,587	-	149,244	132,543	32,177	586,576
Committed	-	-	-	187,837	-	-	-	187,837
Assigned	232,365	-	-	-	-	-	-	232,365
Unassigned (Deficit)	51,899	-	-	-	-	-	-	51,899
<i>Total Fund Balances</i>	<u>\$ 284,264</u>	<u>\$ 12,025</u>	<u>\$ 260,587</u>	<u>\$ 187,837</u>	<u>\$ 149,244</u>	<u>\$ 132,543</u>	<u>\$ 33,195</u>	<u>\$ 1,059,695</u>

See accompanying notes to the basic financial statements

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	General	Motor Vehicle Lic. Tax	Gasoline Tax	Road & Bridge	American Rescue Plan	Ambulance & Emergency Medical	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>								
Property and Other Local Taxes	\$ 99,351	\$ -	\$ -	\$ 136,117	\$ -	\$ 92,325	\$ -	\$ 327,793
Charges for Services	66,822	-	-	-	-	-	-	66,822
Intergovernmental	63,636	10,259	149,689	18,157	102,368	5,445	-	349,554
Earnings on Investments	409	14	77	-	-	-	4	504
Miscellaneous	12,957	-	-	13	-	-	-	12,970
<i>Total Receipts</i>	<u>243,175</u>	<u>10,273</u>	<u>149,766</u>	<u>154,287</u>	<u>102,368</u>	<u>97,770</u>	<u>4</u>	<u>757,643</u>
<b>Disbursements</b>								
Current:								
General Government	212,408	-	-	2,783	54,680	-	1,200	271,071
Public Safety	9,174	-	-	-	-	32,559	-	41,733
Public Works	-	17,521	116,034	156,698	-	-	-	290,253
Capital Outlay	1,485	-	-	-	-	-	-	1,485
Debt Service:								
Principal Retirement	33,225	-	-	-	-	-	-	33,225
Interest and Fiscal Charges	1,179	-	-	-	-	-	-	1,179
<i>Total Disbursements</i>	<u>257,471</u>	<u>17,521</u>	<u>116,034</u>	<u>159,481</u>	<u>54,680</u>	<u>32,559</u>	<u>1,200</u>	<u>638,946</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(14,296)</u>	<u>(7,248)</u>	<u>33,732</u>	<u>(5,194)</u>	<u>47,688</u>	<u>65,211</u>	<u>(1,196)</u>	<u>118,697</u>
<i>Fund Balances Beginning of Year</i>	<u>298,560</u>	<u>19,273</u>	<u>226,855</u>	<u>193,031</u>	<u>101,556</u>	<u>67,332</u>	<u>34,391</u>	<u>940,998</u>
<i>Fund Balances End of Year</i>	<u>\$ 284,264</u>	<u>\$ 12,025</u>	<u>\$ 260,587</u>	<u>\$ 187,837</u>	<u>\$ 149,244</u>	<u>\$ 132,543</u>	<u>\$ 33,195</u>	<u>\$ 1,059,695</u>

See accompanying notes to the basic financial statements

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgeted Amounts</b>			<b>(Optional) Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 76,560	\$ 76,560	\$ 99,351	\$ 22,791
Charges for Services	10,000	10,000	66,822	56,822
Intergovernmental	50,044	50,044	63,636	13,592
Earnings on Investments	300	300	409	109
Miscellaneous	103	103	12,957	12,854
<i>Total Receipts</i>	<u>137,007</u>	<u>137,007</u>	<u>243,175</u>	<u>106,168</u>
<b>Disbursements</b>				
<b>Current:</b>				
General Government	325,950	325,950	212,408	113,542
Public Safety	30,500	30,500	9,174	21,326
Health	300	300	-	300
Capital Outlay	22,500	22,500	1,485	21,015
Debt Service:				
Principal Retirement	35,000	35,000	33,225	1,775
Interest and Fiscal Charges	2,000	2,000	1,179	821
<i>Total Disbursements</i>	<u>416,250</u>	<u>416,250</u>	<u>257,471</u>	<u>158,779</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(279,243)</u>	<u>(279,243)</u>	<u>(14,296)</u>	<u>264,947</u>
<i>Net Change in Fund Balance</i>	<u>(279,243)</u>	<u>(279,243)</u>	<u>(14,296)</u>	<u>264,947</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>298,560</u>	<u>298,560</u>	<u>298,560</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 19,317</u>	<u>\$ 19,317</u>	<u>\$ 284,264</u>	<u>\$ 264,947</u>

See accompanying notes to the basic financial statements



**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
MOTOR VEHICLE LICENSE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgeted Amounts</b>			<b>(Optional) Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Receipts</b>				
Intergovernmental	\$ 12,786	\$ 12,786	\$ 10,259	\$ (2,527)
Earnings on Investments	10	10	14	4
Miscellaneous	2,000	2,000	-	(2,000)
<i>Total Receipts</i>	<u>14,796</u>	<u>14,796</u>	<u>10,273</u>	<u>(4,523)</u>
<b>Disbursements</b>				
<b>Current:</b>				
Public Works	<u>34,000</u>	<u>34,000</u>	<u>17,521</u>	<u>16,479</u>
<i>Total Disbursements</i>	<u>34,000</u>	<u>34,000</u>	<u>17,521</u>	<u>16,479</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(19,204)</u>	<u>(19,204)</u>	<u>(7,248)</u>	<u>11,956</u>
<i>Net Change in Fund Balance</i>	<u>(19,204)</u>	<u>(19,204)</u>	<u>(7,248)</u>	<u>11,956</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>19,273</u>	<u>19,273</u>	<u>19,273</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 69</u>	<u>\$ 69</u>	<u>\$ 12,025</u>	<u>\$ 11,956</u>

See accompanying notes to the basic financial statements

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GASOLINE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgeted Amounts</b>			<b>(Optional) Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Receipts</b>				
Intergovernmental	\$ 80,000	\$ 80,000	\$ 149,689	\$ 69,689
Earnings on Investments	100	100	77	(23)
Miscellaneous	3,957	3,957	-	(3,957)
<i>Total Receipts</i>	<u>84,057</u>	<u>84,057</u>	<u>149,766</u>	<u>65,709</u>
<b>Disbursements</b>				
Current:				
Public Works	<u>283,000</u>	<u>283,000</u>	<u>116,034</u>	<u>166,966</u>
<i>Total Disbursements</i>	<u>283,000</u>	<u>283,000</u>	<u>116,034</u>	<u>166,966</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(198,943)</u>	<u>(198,943)</u>	<u>33,732</u>	<u>232,675</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Notes	<u>10</u>	<u>10</u>	<u>-</u>	<u>(10)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>10</u>	<u>10</u>	<u>-</u>	<u>(10)</u>
<i>Net Change in Fund Balance</i>	<u>(198,933)</u>	<u>(198,933)</u>	<u>33,732</u>	<u>232,665</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>226,855</u>	<u>226,855</u>	<u>226,855</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 27,922</u>	<u>\$ 27,922</u>	<u>\$ 260,587</u>	<u>\$ 232,665</u>

*See accompanying notes to the basic financial statements*

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>			(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 110,734	\$ 110,734	\$ 136,117	\$ 25,383
Intergovernmental	25,100	25,100	18,157	(6,943)
Miscellaneous	10	10	13	3
<i>Total Receipts</i>	<u>135,844</u>	<u>135,844</u>	<u>154,287</u>	<u>18,443</u>
<b>Disbursements</b>				
<b>Current:</b>				
General Government	15,000	15,000	2,783	12,217
Public Works	300,000	300,000	156,698	143,302
<i>Total Disbursements</i>	<u>315,000</u>	<u>315,000</u>	<u>159,481</u>	<u>155,519</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(179,156)</u>	<u>(179,156)</u>	<u>(5,194)</u>	<u>173,962</u>
<i>Net Change in Fund Balance</i>	(179,156)	(179,156)	(5,194)	173,962
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>193,031</u>	<u>193,031</u>	<u>193,031</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 13,875</u>	<u>\$ 13,875</u>	<u>\$ 187,837</u>	<u>\$ 173,962</u>

*See accompanying notes to the basic financial statements*

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
AMERICAN RESCUE PLAN FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts			(Optional) Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Intergovernmental	\$ -	\$ -	\$ 102,368	\$ 102,368
<i>Total Receipts</i>	<u>-</u>	<u>-</u>	<u>102,368</u>	<u>102,368</u>
<b>Disbursements</b>				
<b>Current:</b>				
General Government	<u>101,556</u>	<u>101,556</u>	<u>54,680</u>	<u>46,876</u>
<i>Total Disbursements</i>	<u>101,556</u>	<u>101,556</u>	<u>54,680</u>	<u>46,876</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(101,556)</u>	<u>(101,556)</u>	<u>47,688</u>	<u>149,244</u>
<i>Net Change in Fund Balance</i>	<u>(101,556)</u>	<u>(101,556)</u>	<u>47,688</u>	<u>149,244</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>101,556</u>	<u>101,556</u>	<u>101,556</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 149,244</u></u>	<u><u>\$ 149,244</u></u>

See accompanying notes to the basic financial statements

**MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
AMBULANCE AND EMERGENCY MEDICAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgeted Amounts</b>			<b>(Optional) Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 64,778	\$ 64,778	\$ 92,325	\$ 27,547
Intergovernmental	4,910	4,910	5,445	535
<i>Total Receipts</i>	<u>69,688</u>	<u>69,688</u>	<u>97,770</u>	<u>28,082</u>
<b>Disbursements</b>				
<b>Current:</b>				
Public Safety	<u>100,000</u>	<u>100,000</u>	<u>32,559</u>	<u>67,441</u>
<i>Total Disbursements</i>	<u>100,000</u>	<u>100,000</u>	<u>32,559</u>	<u>67,441</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(30,312)</u>	<u>(30,312)</u>	<u>65,211</u>	<u>95,523</u>
<b>Special and Extraordinary Items</b>				
Special Item - Describe or refer to Notes	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>(12,000)</u>
<i>Net Change in Fund Balance</i>	<u>(18,312)</u>	<u>(18,312)</u>	<u>65,211</u>	<u>83,523</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>67,332</u>	<u>67,332</u>	<u>67,332</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 49,020</u>	<u>\$ 49,020</u>	<u>\$ 132,543</u>	<u>\$ 83,523</u>

See accompanying notes to the basic financial statements

MILL TOWNSHIP  
TUSCARAWAS COUNTY  
STATEMENT OF FIDUCIARY NET POSITION - CASH BASIS  
FIDUCIARY FUNDS  
DECEMBER 31, 2022

	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 567
<i>Total Assets</i>	<u>\$ 567</u>
<b>Net Position</b>	
Held in Trust for Improvements	<u>\$ 567</u>

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 – Reporting Entity**

Mill Township, Tuscarawas County, Ohio, (the Township) is a body politic and corporate established 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 composed of the primary government.

**Primary Government**

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The primary government of the Township provides the following services to its citizens: general government services, maintenance of Township roads and bridges, and cemetery maintenance. In 2022, the Township contracted with the Dennison Fire Department for fire protection. In 2023, Dennison Fire Department will again provide fire protection services to the Township. Police protection is provided by the Tuscarawas County Sheriff's Department. The Township contracts with Smith Ambulance for ambulance service protection services.

**Public Entity Risk Pools**

The Township participates in a public entity risk pool. Note 13 to the financial statements provide additional information for this entity.

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

**Note 2 – Summary of Significant Accounting Policies**

As discussed further in the Basis of Accounting section of this Note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Township's accounting policies.

**Basis of Presentation**

The Township's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-Wide Financial Statements** The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the cash and investment balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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

**Fund Financial Statements** During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**Fund Accounting**

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

**Governmental Funds** Governmental funds are those through which most governmental functions of the Township are financed. The following are the Township's major governmental funds:

**General** 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.

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

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

**Road and Bridge Fund** The road and bridge fund accounts for and reports property tax (inside millage) committed for the construction, reconstruction, resurfacing and repair of Township roads and bridges.

**American Rescue Plan Fund** The American rescue plan fund accounts for and reports grant revenue received from the federal American rescue plan act restricted for expenditures from the funds received.

**Ambulance and Emergency Medical Fund** The ambulance and emergency medical fund accounts for a 1.50 mill levy the township receives from the tax base and the revenue is restricted to pay the Village of Dennison and Smith Ambulance Service for medical coverage of the Township.

The other governmental funds of the Township account for and report grants and other resources whose use is restricted, committed or assigned to a particular purpose.

**Basis of Accounting**

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.



**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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

***Budgetary Process***

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations resolution is the Township's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established by the Township at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

***Cash and Investments***

Township records identify the purchase of specific investments by specific funds.

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2022, the Township invested in nonnegotiable certificates of deposit. Investments are reported at cost.

Interest earnings are allocated to Township funds according to State statutes.

***Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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

***Restricted Assets***

Unclaimed monies that are required to be held for five years before they may be utilized by the Township are reported as restricted.

***Inventory and Prepaid Items***

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

Inventories resulting from cash transactions are presented at cost on a first-in, first out basis and are reported as disbursements when used. Prepaid items are reported as disbursements when consumed.

***Capital Assets***

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

***Accumulated Leave***

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's cash basis of accounting.

***Employer Contributions to Cost-Sharing Pension Plans***

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

***Long-Term Obligations***

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

***Leases***

The Township is the lessor (as defined by GASB 87) related to a cell phone tower located at the Township garage/office property. Lease receivables are not reflected under the Township's cash basis of accounting. Lease revenue is recognized when they are received.

***Net Position***

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for Motor Vehicle License Tax, Gasoline Tax, Cemetery, American Rescue Plan, and Ambulance and EMS Services.

The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position are available.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Township Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute. State Statute authorizes the Township Clerk to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

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

***Internal Activity***

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general receipts.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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

***Internal Activity***

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**Note 3 – Accountability and Compliance**

***Compliance***

During the year the Township allocated more appropriations than estimated resources in the general fund than were to be received in the amount of \$260,064.

**Note 4 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis presented for the general fund is and any major special revenue fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The difference(s) between the budgetary basis and the cash basis are as follows:

1. Outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (*modified* cash basis).
2. Outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an interfund receivable or payable (*modified* cash basis).
3. Unreported interest is reported on the statement of *modified* receipts, disbursements, and changes in fund balances (cash basis), but not on the budgetary basis.

**Note 5 – Deposits and Investments**

State statutes classify monies held by the Township into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 5 – Deposits and Investments (Continued)**

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the clerk/treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Township did not have any undeposited cash on hand in 2022.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 5 – Deposits and Investments (Continued)**

***Deposits***

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

Eligible securities pledged to the Township and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured.

***Investments***

The fair value of these investments is not materially different than measurement value. As of December 31, 2022, the Township had the following investments:

	<u>Measurement Value</u>	<u>Maturity</u>
Certificates of Deposits	\$139,780	Less than 1 year

***Interest Rate Risk*** Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase.

***Custodial Credit Risk*** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, governing board, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

***Concentration of Credit Risk*** The Township places no limit on the amount it may invest in any one issuer. Certificates of Deposits represents 100% of all investments as of December 31, 2022.

**Note 6 – Taxes**

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

2022 real property taxes are levied after October 1, 2022, on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 6 – Taxes (Continued)**

***Property Taxes (Continued)***

The full tax rate for all Township operations for the year ended December 31, 2022, was \$6.05 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2022 property tax receipts were based are as follows:

Real Property	\$ 78,124,730
Public Utility Personal Property	<u>27,668,740</u>
Total	<u><u>\$ 105,793,470</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

***Tax Abatements***

During 2023 the Township agreed to abate taxes from a 0.50 mill levy and a 1.75 mill levy with the Village of Dennison. The 0.50 mill levy is an agreement with the Village of Dennison for providing ambulance services reimbursement where 36.54% of the revenue received from that levy is paid to the Village. For the 1.75 mill levy the Township agreed with the Village to pay 31.28% of the revenue received to the Village as a distribution of operating proceeds and the remaining 68.27% is recorded and remains with the Township.

**Note 7 – Risk Management**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2022, the Township contracted OTARMA for various types of insurance coverage as follows:

Type of Coverage	Coverage
Ohio Twp. Association Risk Management Authority	
General Liability	\$ 3,000,000
Automobile Liability	3,000,000
Automobile Physical Damage	365,123
Public Officials Wrongful Acts & Employment Practices	3,000,000
Property	1,029,548
Employee Dishonesty	10,000
Faithful Performance of Duty	135,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

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

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 8 – Defined Benefit Pension Plan**

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

Plan Description – Township employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits) on the following page:

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment.



**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 8 – Defined Benefit Pension Plan (Continued)**

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 8 – Defined Benefit Pension Plan (Continued)**

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

	State and Local
	Traditional
<b>2022 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
<b>2022 Actual Contribution Rates</b>	
Employer:	
Pension ****	14.0 %
Post-employment Health Care Benefits ****	0.0
Total Employer	14.0 %
Employee	10.0 %

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

\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2022, the Township's contractually required contribution was \$24,465 for the traditional plan.

**Note 9 – Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 9 – Postemployment Benefits (Continued)**

***Ohio Public Employees Retirement System (Continued)***

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 9 – Postemployment Benefits (Continued)**

***Ohio Public Employees Retirement System (Continued)***

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$0 for the year 2022.

**Note 10 – Debt**

During 2022, the Township paid off a loan for a backhoe. The Township does not have any additional outstanding debt as of December 31, 2022.

**Note 11 – Construction and Contractual Commitments**

In 2022, the Township had a fire protection contract with the Dennison Fire Department. In 2022, the Township also had an ambulance agreement with Smith Ambulance.

**Note 12 – Contingent Liabilities**

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 13 – Public Entity Risk Pool**

***Risk Pool Membership***

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

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

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

	<u>2022</u>
Cash and investments	\$ 32,288,098
Actuarial liabilities	\$ 9,146,434

**Note 14 – Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented on the following page:

Fund Balances	General	Motor Vehicle Lic. Tax	Gasoline Tax	Road & Bridge	American Rescue Plan	Ambulance & Emergency Medical	Other Governmental Funds	Total
<b>Nonspendable</b>								
Cemetery Bequest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,018	\$ 1,018
<i>Total Nonspendable</i>	-	-	-	-	-	-	1,018	1,018
<b>Restricted for</b>								
Vehicle License Tax	-	12,025	-	-	-	-	-	12,025
Gasoline Tax	-	-	260,587	-	-	-	-	260,587
Cemetery	-	-	-	-	-	-	1,250	1,250
American Rescue Plan	-	-	-	-	149,244	-	-	149,244
Ambulance and EMS Services	-	-	-	-	-	132,543	-	132,543
Miscellaneous Capital Projects	-	-	-	-	-	-	30,927	30,927
Unclaimed Monies	-	-	-	-	-	-	-	-
<i>Total Restricted</i>	-	12,025	260,587	-	149,244	132,543	32,177	586,576
<b>Committed to</b>								
Road and Bridge	-	-	-	187,837	-	-	-	187,837
<b>Assigned to</b>								
Budget	232,365	-	-	-	-	-	-	232,365
<b>Unassigned (Deficit)</b>	51,899							51,899
<i>Total Fund Balances</i>	<u>\$ 284,264</u>	<u>\$ 12,025</u>	<u>\$ 260,587</u>	<u>\$ 187,837</u>	<u>\$ 149,244</u>	<u>\$ 132,543</u>	<u>\$ 33,195</u>	<u>\$ 1,059,695</u>

**Mill Township**  
*Tuscarawas County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 15 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During 2022, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

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

Mill Township  
Tuscarawas County  
P.O. Box 106  
Dennison, Ohio 44621

To the Board of Trustees:

We have audited, in accordance with 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 cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mill Township, Tuscarawas County, (the Township) as of and for the year ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated October 23, 2024, wherein we noted the Township uses a special purpose framework other than generally accepted accounting principles.

***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 and therefore certain deficiencies, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a material weakness.

***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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2023-002 through 2023-004.

***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.



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

October 23, 2024



**MILL TOWNSHIP  
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2023-001**

**Material Weakness**

**Financial Reporting**

The Township is responsible for establishing procedures and controls to help prevent and detect errors in financial reporting. Fund balances should be classified based on Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.

During 2023 and 2022, receipts, disbursements and fund balances were not always posted or classified correctly. The following posting errors were noted:

- Two receipts in the Ambulance and EMS Service Fund were improperly classified as special items instead of being recorded as property tax and intergovernmental in 2023 and 2022;
- The Unclaimed Monies Fund balance was classified as assigned when it should have been restricted in 2023 and 2022;
- Bequest savings account interest revenue was not recorded in UAN in 2022;
- Two disbursements were improperly posted to the Motor Vehicle License Tax Fund instead of the General Fund in 2023;
- Eight disbursements were improperly posted to the Gasoline Tax Fund instead of the General, Ambulance and EMS Services, and Cemetery Funds in 2023 and 2022 and;
- Two disbursements were improperly posted to the Road and Bridge Fund instead of the Ambulance and EMS Services Fund in 2023.

Not posting receipts and disbursements or classifying fund balances accurately resulted in the financial statements requiring several reclassification and adjusting entries. The Financial Statements reflect all reclassifications and adjustments. The Township has made these adjustments to their accounting system.

To help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues are properly identified and classified on the financial statements.

We also recommend the Fiscal Officer refer to the Ohio Township Handbook for guidance to determine the proper establishment of receipt and disbursement accounts and posting of receipts and disbursements. The Fiscal Officer should refer to Auditor of State Technical Bulletin 2011-004 for assistance in properly classifying fund balances.

**Officials' Response** – We did not receive a response from Officials to this finding.

**MILL TOWNSHIP  
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2023-002**

**Noncompliance**

**Appropriations Exceeding Estimated Resources**

**Ohio Revised Code, § 5705.39**, provides that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure there-from, as certified by the county budget commission, or in case of appeal, by the board of tax appeals provides that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure there-from, as certified by the county budget commission, or in case of appeal, by the board of tax appeals.

During 2022, appropriations from the General Fund exceeded estimated resources by \$260,064.

Failure to monitor budgetary estimated resources and available appropriations can result in overspending funds and negative cash balances.

We recommend the Board monitor the budgetary receipts and expenditures by having the Fiscal Officer provide budgetary reports for their review. By regularly monitoring the budgetary position of the Township throughout the year, the Board will be better able to determine when amendments are needed.

**Officials' Response** – We did not receive a response from Officials to this finding.

**FINDING NUMBER 2023-003**

**Noncompliance**

**Ohio Rev. Code § 5705.41(D)(1)** requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" Certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Township can authorize the drawing of a warrant for the payment of the amount due. The Township has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Township.

**MILL TOWNSHIP  
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2023-003 (Continued)**

**Noncompliance (Continued)**

2. Blanket Certificate – Fiscal officers may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The Township did not properly encumber 2 of 22 or 9% in the General Fund, 1 of 4 or 25% in the Motor Vehicle License Tax fund, 4 of 15 or 27% in the Gasoline Tax Fund, 3 of 11 or 27% in the Road and Bridge Fund, and 1 of 4 or 25% in the Other Governmental Funds in 2023. The Township did not properly encumber 2 of 29 or 7% in the General Fund, 4 of 14 or 29% in the Motor Vehicle License Tax fund, 5 of 15 or 33% in the Gasoline Tax Fund, 7 of 12 or 58% in the Road and Bridge Fund, and 2 of 14 or 14% in the Other Governmental Funds in 2022.

Unless the Township uses the exceptions noted above, prior certification is not only required by statute but also is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, we recommend that the Fiscal Officer certify that funds are or will be available prior to obligation by the Township. When prior certification is not possible, “then and now” certification should be used.

**Officials’ Response** – We did not receive a response from officials to this finding.

**FINDING NUMBER 2023-004**

**Noncompliance**

**Ohio Revised Code § 135.01 to 135.21** state, in part, that if an entity is not required to file an investment policy with the Auditor of State's Office, because they invest only interim deposits, STAR Ohio, or their investment portfolios average annual size is less than \$100,000, they must certify with the Auditor of State's Office that the treasurer or governing board will comply and is in compliance with the provisions of these revised code sections.

The Township invests only in certificates of deposits and, therefore, is not required to file an investment policy. However, the Township did not provide documentation for continuing education or exemption with the Auditor of State's Office. Failure to meet the above requirements could result in investment ineligible securities and potential loss on Township investments.

The Fiscal Officer should follow the requirements set forth by the Auditor of State and Treasurer of State office for continuing education or exemption, as applicable.

**Officials’ Response** – We did not receive a response from Officials to this finding.

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# OHIO AUDITOR OF STATE KEITH FABER



**MILL TOWNSHIP**

**TUSCARAWAS 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 4/8/2025**

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](http://www.ohioauditor.gov)