



bhm cpa group, inc.

CERTIFIED PUBLIC ACCOUNTANTS

BEAVERCREEK TOWNSHIP
GREENE COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023



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Columbus, Ohio 43215
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800-282-0370

Board of Trustees
Beavercreek Township
851 Orchard Lane, Suite C
Beavercreek, Ohio 45434

We have reviewed the *Independent Auditor's Report* of Beavercreek Township, Greene County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2023 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

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

September 26, 2025

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bhm cpa group, inc.

CERTIFIED PUBLIC ACCOUNTANTS

BEAVERCREEK TOWNSHIP
GREENE COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024

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**Beavercreek Township
Greene County**

*Table of Contents
For the Year Ended December 31, 2024*

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	17
Reconciliation of Total Government Fund Balances to Net Position	
Of Governmental Activities.....	18
Statement of Revenues, Expenditures and Changes in Fund	
Balances – Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities.....	20
Statement of Fiduciary Net Position – Fiduciary Fund	21
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	22
Notes to the Basic Financial Statements.....	23
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund	74
Fire Fund	75
Schedule of the Township's Proportionate Share of the Net Pension Liability/Net Pension Asset	
And Township Pension Contributions:	
Ohio Public Employees Retirement System (OPERS) – Traditional Plan.....	76
Ohio Public Employees Retirement System (OPERS) – Combined Plan.....	77
Ohio Public Employees Retirement System (OPERS) – Member Directed Plan	78
Ohio Police and Fire (OP&F) Pension Fund	79
Schedule of the Township's Proportionate Share of the Net OPEB Liability/(Asset)	
And Township Pension Contributions:	
Ohio Public Employees Retirement System (OPERS).....	80
Ohio Police and Fire (OP&F) Pension Fund	81
Notes to Required Supplementary Information.....	82
Independent Auditor's Report on Internal Control Over Financial Reporting and on	
Compliance and Other Matters Required by <i>Government Auditing Standards</i>	87

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INDEPENDENT AUDITOR'S REPORT

Beavercreek Township
Greene County
851 Orchard Lane, Suite C
Beavercreek, Ohio 45434

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beavercreek Township, Greene County, Ohio (Township), as of and for the year ended December 31, 2024, 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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beavercreek Township, Greene County, Ohio as of December 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 *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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, required budgetary comparison schedules, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 30, 2025

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

The discussion and analysis of the Beavercreek Township's (the "Township") financial performance provides an overall review of the Township's financial activities for the fiscal year ended December 31, 2024. The intent of this discussion and analysis is to look at the Township's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the Township's financial performance.

Financial Highlights

Key financial highlights for 2024 are as follows:

- During 2024, net position of the Township increased \$195,181 or 1.46% from 2023's restated net position.
- General revenues accounted for \$19,798,025 in revenue or 86.46% of total revenues. Program specific revenues in the form of charges for services and sales, operating and capital grants and contributions accounted for \$3,100,065 or 13.54% of total revenues of \$22,898,090.
- The Township had \$22,702,909 in expenses related to governmental activities; only \$3,100,065 of these expenses was offset by program specific charges for services, operating and capital grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$19,798,025 were adequate to provide for these programs.
- The Township's major governmental funds are the general fund, the fire fund and the fire station fund. The general fund had \$2,683,706 in revenues and other financing sources and \$1,731,147 in expenditures and other financing uses. During 2024, the general fund's fund balance increased \$952,559 from a balance of \$1,713,803 to \$2,666,362.
- The fire fund had \$15,239,704 in revenues and \$14,442,684 in expenditures and other financing uses. During 2024, the fire fund's fund balance increased \$797,020 from a balance of \$2,486,962 to \$3,283,982.
- The fire station fund had \$27,091 in expenditures. During 2024, the fire station fund's fund balance decreased \$27,091 from a balance of \$4,611,011 to \$4,583,920.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Township as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the whole Township, presenting both an aggregate view of the Township's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Township's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Township, the general fund, fire fund, and the fire station fund are by far the most significant funds, and the only governmental funds reported as major funds.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Reporting the Township as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the Township to provide programs and activities, the view of the Township as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

These two statements report the Township's net position and changes in net position. This change in net position is important because it tells the reader that, for the Township as a whole, the financial position of the Township has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Township's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and statement of activities, the governmental activities include the Township's programs and services, including fire, police, road maintenance, capital improvements, and general administration.

Reporting the Township's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the Township's major funds. The Township uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Township's most significant funds. The Township's major governmental funds are the general fund, the fire fund, and the fire station fund.

Governmental Funds

Most of the Township's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance Township programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

Reporting the Township's Fiduciary Responsibilities

The Township is the trustee, or fiduciary, for its trust programs. This activity is presented as a private-purpose trust fund. These activities are excluded from the Township's other financial statements because the assets cannot be utilized by the Township to finance its operations.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Township's general fund and any major special revenue funds budgetary schedules, net pension liability/asset, and net OPEB liability/asset.

The Township as a Whole

The statement of net position provides the perspective of the Township as a whole. The table below provides a summary of the Township's net position at December 31, 2024 and December 31, 2023 respectively. The net position as of December 31, 2023, was restated as described in Note 3.

Net Position

	<u>Governmental Activities</u>	<u>Restated Governmental Activities</u>
	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Current and other assets	\$ 39,406,845	\$ 36,694,906
Capital assets, net	<u>27,788,112</u>	<u>29,341,225</u>
Total assets	<u>67,194,957</u>	<u>66,036,131</u>
<u>Deferred outflows</u>		
Pension	8,816,079	11,066,514
OPEB	<u>1,420,246</u>	<u>2,250,605</u>
Total deferred outflows	<u>10,236,325</u>	<u>13,317,119</u>
<u>Liabilities</u>		
Current liabilities	1,043,722	1,517,648
Long-term liabilities		
Due within one year	1,091,551	897,621
Due in more than one year		
Net pension liability	31,059,162	32,447,150
Net OPEB liability	2,139,087	2,254,165
Other amounts	<u>6,902,566</u>	<u>7,613,652</u>
Total liabilities	<u>42,236,088</u>	<u>44,730,236</u>
<u>Deferred inflows</u>		
Property taxes	17,789,477	17,487,271
Pension	1,896,083	1,518,656
OPEB	<u>1,980,512</u>	<u>2,283,146</u>
Total deferred inflows	<u>21,666,072</u>	<u>21,289,073</u>
<u>Net position</u>		
Net investment in capital assets	21,789,519	22,715,700
Restricted	12,933,339	11,974,071
Unrestricted (deficit)	<u>(21,193,736)</u>	<u>(21,355,830)</u>
Total net position	<u>\$ 13,529,122</u>	<u>\$ 13,333,941</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, *“Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.”* The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement 75, *“Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.”* For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Township’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, the net pension asset, and the net OPEB asset. Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s net pension liability/asset or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio’s statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability to equal the Township’s proportionate share of each plan’s collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees’ past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Township is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer’s promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

In accordance with GASB 68 and GASB 75, the Township's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability/asset and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2024, the Township's assets plus deferred outflows exceeded liabilities plus deferred inflows of resources by \$13,529,122.

At year-end, capital assets represented 41.35% of total assets. Capital assets include land, construction in progress, buildings and improvements, equipment, vehicles, intangible right to use equipment, intangible right to use vehicles, intangible right to use subscriptions and infrastructure. The net investment in capital assets at December 31, 2024, was \$21,789,519. These capital assets are used to provide services to the constituents and are not available for future spending. Although the Township's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

For more information on the Township's deferred outflows related to pension and OPEB, see Note 9 and 10, respectively.

Total assets include a net pension asset and net OPEB asset reported. See Note 9 and 10, respectively for more detail.

Long-term liabilities include amounts for the net pension liability and the net OPEB liability. These liabilities are outside of the control of the Township. The Township contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions and OPEB to Township employees, not the Township.

For more information on the Township's deferred inflows and inflows related to pension and OPEB, see Note 9 and 10, respectively.

The net pension liability for governmental activities decreased \$1,387,988 or 4.28%, deferred outflow of resources related to pension decreased \$2,250,435 or 20.34% and deferred inflows of resources related to pension increased \$377,427 or 24.85%. These changes were the result of changes at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund.

A portion of the Township's net position, \$12,933,339, represents resources that are subject to external restriction on how they may be used. The balance of unrestricted net position is a deficit of \$21,193,736, which is primarily caused by the reporting of the net pension liability and net OPEB liability.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

The table below shows the changes in net position for 2024 and 2023 respectively. The net position as of December 31, 2023, was restated as described in Note 3.

Change in Net Position		Restated Governmental Activities	Restated Governmental Activities
		2024	2023
<u>Revenues</u>			
Program revenues:			
Charges for services and sales	\$ 1,919,269	\$ 1,899,812	
Operating grants and contributions	1,123,171	1,009,105	
Capital grants and contributions	57,625	33,424	
General revenues:			
Property taxes	17,319,885	17,249,707	
Other local taxes	178,429	169,600	
Grants and entitlements	1,454,350	1,423,065	
Investment earnings	810,656	742,494	
Other	<u>34,705</u>	<u>60,813</u>	
Total revenues	<u>22,898,090</u>	<u>22,588,020</u>	
<u>Expenses</u>			
General government	903,393	1,150,567	
Public safety	19,413,061	20,196,557	
Public works	1,866,157	2,148,919	
Conservation and recreation	110,158	126,234	
Health	49,501	61,539	
Other	74,868	166,478	
Interest	<u>285,771</u>	<u>316,496</u>	
Total expenses	<u>22,702,909</u>	<u>24,166,790</u>	
Changes in net position	195,181	(1,578,770)	
Net position at beginning of year (restated)	<u>13,333,941</u>	<u>N/A</u>	
Net position at end of year	<u>\$ 13,529,122</u>	<u>\$ 13,333,941</u>	

Governmental Activities

For fiscal year 2024, the net position of the Township's governmental activities increased \$195,181 from 2023's restated net position. Total governmental expenses of \$22,702,909 were partially offset by program revenues of \$3,100,065 and general revenues of \$19,798,025 were not adequate to cover the remaining expense. Program revenues supported 13.66% of the total governmental expenses.

Overall, expenses of the governmental activities decreased \$1,463,881 or 6.06%. This decrease is primarily the result of decrease in general government, public safety, and public works expenses.

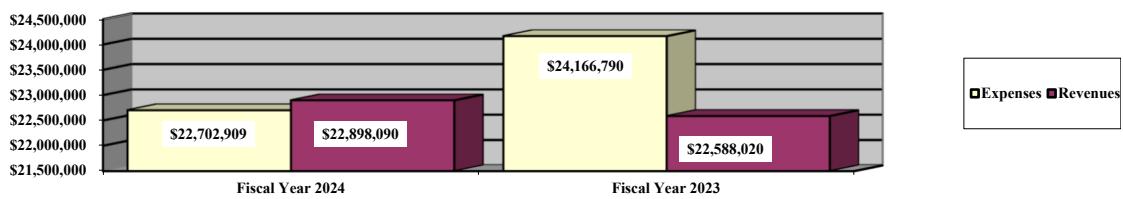
**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Public safety expenses totaled \$19,413,061 and include expenses related to fire, police, EMS, and other safety services provided by the Township. Public works expenses totaled \$1,866,157 and relate to the Township's road maintenance and construction departments. General government expenses totaled \$903,393 and are related to the Township's administrative functions. Interest expenses account for interest paid on the Township's lease obligations.

The graph below presents the Township's governmental activities revenue and expenses for fiscal year 2024 and 2023.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2024 and 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As stated above, fluctuations in the pension expense reported under GASB 68 makes it difficult to compare financial information between years.

Governmental Activities

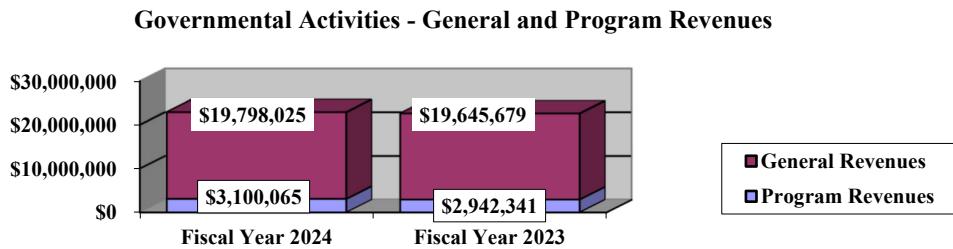
	<u>Total Cost of Services 2024</u>	<u>Net Cost of Services 2024</u>	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>
Program expenses:				
General government	\$ 903,393	\$ 835,488	\$ 1,150,567	\$ 1,103,809
Public safety	19,413,061	16,958,298	20,196,557	18,269,729
Public works	1,866,157	1,361,886	2,148,919	1,283,612
Conservation and recreation	110,158	50,854	126,234	38,835
Health	49,501	35,679	61,539	45,490
Other	74,868	74,868	166,478	166,478
Interest	<u>285,771</u>	<u>285,771</u>	<u>316,496</u>	<u>316,496</u>
Total expenses	<u>\$ 22,702,909</u>	<u>\$ 19,602,844</u>	<u>\$ 24,166,790</u>	<u>\$ 21,224,449</u>

The dependence upon tax revenues during fiscal year 2024 for governmental activities is apparent, as 86.35% of 2024 expenses are supported through taxes and other general revenues. The Township's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for Township's taxpayers.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR
THE FISCAL YEAR ENDED DECEMBER 31, 2024**

The graph below presents the Township's governmental activities revenue for fiscal years 2024 and 2023.



The Township's Funds

Governmental Funds

The Township's governmental funds reported a combined fund balance of \$19,276,327, which is more than last year's fund balance of \$16,706,257.

The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2024 and 2023.

	Fund Balance	Fund Balance	Change
	December 31, 2024	December 31, 2023	
General	\$ 2,666,362	\$ 1,713,803	\$ 952,559
Fire	3,283,982	2,486,962	797,020
Fire Station	4,583,920	4,611,011	(27,091)
Other governmental	<u>8,742,063</u>	<u>7,894,481</u>	<u>847,582</u>
Total	<u><u>\$ 19,276,327</u></u>	<u><u>\$ 16,706,257</u></u>	<u><u>\$ 2,570,070</u></u>

General Fund

The Township's general fund balance increased \$952,559. The table that follows assists in illustrating the revenues of the general fund.

Revenues	2024	2023	Increase (Decrease)	Percentage Change
	<u>Amount</u>	<u>Amount</u>	<u> </u>	<u> </u>
Property taxes	\$ 1,159,276	\$ 999,921	\$ 159,355	15.94 %
Fees, licenses and permits	121,099	126,999	(5,900)	(4.65) %
Fines, forfeitures, and settlements	6,110	7,158	(1,048)	(14.64) %
Intergovernmental	363,649	318,263	45,386	14.26 %
Investment income	799,842	738,921	60,921	(8.24) %
Other revenues	<u>33,730</u>	<u>60,813</u>	<u>(27,083)</u>	<u>(44.53) %</u>
Total	<u><u>\$ 2,483,706</u></u>	<u><u>\$ 2,252,075</u></u>	<u><u>\$ 231,631</u></u>	<u><u>10.29 %</u></u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

In total, revenues were \$2,483,706. Property tax revenue represents 46.68% of all general fund revenue. Property tax revenue can fluctuate year to year based on collections. Investment income totaled \$799,842 due to an increase in the fair value on the Township's investments. The Township plans to hold all investments to maturity to reduce interest rate risk. Other revenues decreased \$27,083 due to a decrease in miscellaneous operating receipts. Intergovernmental revenue increased due to increased money received from the State of Ohio.

	2024 <u>Amount</u>	2023 <u>Amount</u>	Increase (Decrease)	Percentage Change
Expenditures				
General government	\$ 788,912	\$ 967,558	\$ (178,646)	(18.46) %
Public safety	138,586	35,517	103,069	290.20 %
Public works	7,929	13,417	(5,488)	(40.90) %
Conservation and recreation	190,436	48,756	141,680	290.59 %
Health	26,144	26,907	(763)	(2.84) %
Other	66,990	159,609	(92,619)	(58.03) %
Capital outlay	1,050	21,425	(20,375)	(95.10) %
Principal retirement	10,149	20,748	(10,599)	(51.08) %
Interest and fiscal charges	<u>951</u>	<u>1,206</u>	<u>(255)</u>	<u>(21.14) %</u>
Total	<u>\$ 1,231,147</u>	<u>\$ 1,295,143</u>	<u>\$ (63,996)</u>	<u>(4.94) %</u>

In total, expenditures were \$1,231,147 in the general fund. General fund expenditures consist of the same categories as described in the governmental activities. General government expenditures totaled \$788,912 and accounted for 64.08% of total general fund expenditures. General government expenditures decreased due to a decrease in administrative expenditures. Public safety expenditures increased due to an increase in expenditures related to police and fire operations. Public works expenditures decreased due to a decrease in expenditures relating to highways. Conservation and recreation expenditures increased due to an increase in expenditures relating to park improvements. Other expenditures decreased due to a decrease in expenditures relating to information technologies. Capital Outlay decreased due to a decrease in expenditures relating to improvement of sites.

Fire Fund

The fire fund had \$15,239,704 in revenues and \$14,442,684 in expenditures and other financing uses. During 2024, the fire fund's fund balance increased \$797,020 from a balance of \$2,486,962 to \$3,283,982.

Fire Station Fund

The fire station fund had \$27,091 in expenditures. During 2024, the fire station fund's fund balance decreased \$27,091 from a balance of \$4,611,011 to \$4,583,920.

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

For the general fund, the original and final budgeted revenue and other financing sources were \$1,748,737 and \$2,043,737, respectively. Actual revenue and other financing sources were \$3,865,574, which was a \$1,821,837 increase from final budgeted amounts.

The original budgeted expenditures and other financing uses were \$3,556,280. Final budgeted expenditures and other financing uses were \$4,956,280, which was a \$1,400,000 increase. Total actual expenditures and other financing uses on the budget basis (cash outlays plus encumbrances) were \$3,100,967. This amount was \$1,855,313 less than the final budgeted amount (appropriations plus prior year encumbrances).

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2024, the Township had \$27,788,112 invested in land, construction in progress, buildings and improvements, equipment, vehicles, intangible right to use equipment, intangible right to use vehicles, intangible right to use SBITAs and infrastructure. The following table shows fiscal year 2024 compared to 2023 balances.

Capital Assets at June 30 (Net of Depreciation)

	Governmental Activities	
	2024	2023
Land	\$ 1,688,000	\$ 1,688,000
Construction in progress	27,091	-
Buildings and improvements	15,610,235	16,022,373
Equipment	1,145,890	1,205,174
Vehicles	3,572,378	4,466,692
Infrastructure	4,383,600	4,315,805
Intangible right to use vehicles	101,631	189,853
Intangible right to use equipment	1,256,124	1,449,374
Intangible right to use SBITAs	3,163	3,954
Total	<u>\$ 27,788,112</u>	<u>\$ 29,341,225</u>

Overall capital assets, net of accumulated depreciation, decreased \$1,553,113 from 2023 to 2024. Capital outlays of \$1,549,386 were exceeded by depreciation/amortization expense of \$3,099,224 during the year. See Note 7 to the basic financial statements for more detail on the Township's capital assets.

Debt Administration

At December 31, 2024, the Township has \$5,998,593 in long-term debt outstanding. Of this total, \$626,784 is due within one year and \$5,371,809 is due in greater than one year. The following table summarizes outstanding long-term debt:

Outstanding Debt, at Year End

	Governmental Activities	Governmental Activities
	2024	2023
LGIF loan	\$ -	\$ 81,375
Lease payable	1,335,275	1,556,659
Financed purchase note payable	4,661,731	5,065,769
SBITA payable	1,587	3,097
Total	<u>\$ 5,998,593</u>	<u>\$ 6,706,900</u>

See Note 12 to the basic financial statements for more detail on the Township's long-term obligations.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Economic Conditions and Outlook

Beavercreek Township is in Greene County and is one of the best places in Ohio to live. Living in Beavercreek Township offers residents “the comforts of home” while providing a unique feel unmatched in the county. Beavercreek Township’s legacy dates to the founding of the State of Ohio in 1803 and is known as one of the original four townships in this section of the state, with its borders extending as far north as Lake Erie. It is a beautiful valley, fertile, well-timbered, rolling, and picturesque. Based on the latest census information released in May 2024, the township population is 57,132.

Economic development activities create fiscal costs and benefits for the township. An effective economic development strategy will help Beavercreek Township augment its tax revenue base by developing projects with a positive fiscal impact. Both economic growth and decline have significant fiscal cost consequences for the township. Growth places demand on the township to extend distinct types of public services, while decline erodes the existing tax base caused by the loss of residential and business taxpayers.

In 2024, Beavercreek Township added \$58,448,472 in new residential construction valuation and \$41,531,438 in commercial construction valuation.

As the township grows, there will be a continued need to evaluate the community's fiscal health, particularly given that much of the new growth will likely be residential. Township residents and businesses enjoy an elevated level of public services. The cost of providing these services continues to rise, while revenue streams are not keeping up with the growth at the same rate. The township must look for alternative ways to provide and fund these services.

The township has recently invested significantly in local economic development by funding the U.S. 35 project, identifying a Highway Business Overlay District, and rezoning land for commercial growth. Continued partnerships balance this investment to protect the township's natural resources and beauty, including providing \$50,868 in subdivision impact fees to the Beavercreek Wetlands Association for further conservation and continued cleanup of the Little Miami River, a national scenic river designated.

The township will continue to evaluate fiscal and funding resources to provide tax and financial incentives to businesses to retain, expand, and create jobs in Beavercreek Township.

The township relies heavily on shared services and special funds for cost allocation. The Board and Staff will continue to discuss options in FY2024 to help ensure the township's long-term financial stability.

These economic factors were considered in preparing the township's budget for fiscal year 2024. Budgeted revenues and other financing sources in the General Fund for the Fiscal Year 2024 budget were \$3,495,000. The township will continue conservative budgeting practices and look at long-term budget forecasts to make adequate plans to maintain solvency. The township's interest income during 2024 was close to \$823,000.00. The Federal Reserve kept interest rates higher than usual in 2024, making investments more profitable. The township will use these additional funds for future capital projects.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have any questions about this report or need additional information, contact J Alexander Zaharieff, Fiscal Officer at Beavercreek Township, 851 N. Orchard Lane, Suite C, Beavercreek, Ohio 45434 or e-mail at jzaharieff@beavercreektownship.org.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 19,847,323
Receivables:	
Property taxes	17,923,535
Settlements	251,158
Accounts	111,847
Accrued interest	34,778
Due from other governments	893,039
Prepayments	238,826
Net pension asset	16,556
Net OPEB asset	89,783
Capital assets:	
Nondepreciable capital assets	1,715,091
Depreciable capital assets, net	<u>26,073,021</u>
Total capital assets, net	<u>27,788,112</u>
Total assets	<u>67,194,957</u>
Deferred outflows of resources:	
Pension	8,816,079
OPEB	<u>1,420,246</u>
Total deferred outflows of resources	<u>10,236,325</u>
Liabilities:	
Accounts payable	173,336
Accrued wages and benefits payable	280,282
Due to other governments	428,179
Accrued interest payable	3,832
Payroll withholdings payable	158,093
Long-term liabilities:	
Due within one year	1,091,551
Due in more than one year:	
Net pension liability	31,059,162
Net OPEB liability	2,139,087
Other amounts due in more than one year	<u>6,902,566</u>
Total liabilities	<u>42,236,088</u>
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	17,789,477
Pension	1,896,083
OPEB	<u>1,980,512</u>
Total deferred inflows of resources	<u>21,666,072</u>
Net position:	
Net investment in capital assets	21,789,519
Restricted for:	
Debt service	6
Capital projects	7,472,255
Public works	1,821,078
Police operations	623,193
Public safety	371,412
EMS operations	2,478,464
Cemetery	29,980
Pension and OPEB	106,339
Other purposes	30,612
Unrestricted (deficit)	<u>(21,193,736)</u>
Total net position	<u>\$ 13,529,122</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024**

							Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Program Revenues	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental activities:							
General government	\$ 903,393	\$ 67,905	\$ -	\$ -	\$ (835,488)		
Public safety	19,413,061	1,772,660	682,103	-	-	(16,958,298)	
Public works	1,866,157	5,579	441,067	57,625	-	(1,361,886)	
Conservation and recreation	110,158	59,304	-	-	-	(50,854)	
Health	49,501	13,821	1	-	-	(35,679)	
Other	74,868	-	-	-	-	(74,868)	
Interest	285,771	-	-	-	-	(285,771)	
Total governmental activities	<u>\$ 22,702,909</u>	<u>\$ 1,919,269</u>	<u>\$ 1,123,171</u>	<u>\$ 57,625</u>		<u>(19,602,844)</u>	
General revenues:							
Property taxes levied for:							
General purposes					1,158,741		
Roads					1,301,259		
Police					633,549		
Fire					14,226,336		
Other local taxes					178,429		
Grants and entitlements not restricted							
to specific programs					1,454,350		
Investment earnings					751,934		
Increase in fair value of investments					58,722		
Miscellaneous					34,705		
Total general revenues					<u>19,798,025</u>		
Change in net position					195,181		
Net position at beginning of year, as previously reported					14,558,313		
Change in accounting principle					<u>(1,224,372)</u>		
Net position at beginning of year (restated)					<u>13,333,941</u>		
Net position at end of year					<u>\$ 13,529,122</u>		

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	General	Fire	Fire Station	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 2,756,014	\$ 3,778,599	\$ 4,583,920	\$ 8,728,790	\$ 19,847,323
Receivables:					
Property taxes	1,200,266	14,661,217	-	2,062,052	17,923,535
Settlements	-	-	-	251,158	251,158
Accounts	15,284	-	-	96,563	111,847
Accrued interest	34,778	-	-	-	34,778
Interfund loans	-	-	-	364,000	364,000
Due from other governments	137,010	467,462	-	288,567	893,039
Prepayments	30,612	164,051	-	44,163	238,826
Total assets	<u>\$ 4,173,964</u>	<u>\$ 19,071,329</u>	<u>\$ 4,583,920</u>	<u>\$ 11,835,293</u>	<u>\$ 39,664,506</u>
Liabilities:					
Accounts payable	\$ 6,035	\$ 84,191	\$ -	\$ 83,110	\$ 173,336
Interfund loans payable	-	-	-	364,000	364,000
Accrued wages and benefits payable	7,927	246,426	-	25,929	280,282
Due to other governments	6,727	332,693	-	88,759	428,179
Payroll withholdings payable	158,093	-	-	-	158,093
Total liabilities	<u>178,782</u>	<u>663,310</u>	<u>-</u>	<u>561,798</u>	<u>1,403,890</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	1,191,240	14,546,361	-	2,051,876	17,789,477
Settlement revenue not available	-	-	-	251,158	251,158
Delinquent property tax revenue not available	9,026	114,856	-	10,176	134,058
Accrued interest not available	19,143	-	-	-	19,143
Intergovernmental revenue not available	109,411	462,820	-	218,222	790,453
Total deferred inflows of resources	<u>1,328,820</u>	<u>15,124,037</u>	<u>-</u>	<u>2,531,432</u>	<u>18,984,289</u>
Fund balances:					
Nonspendable	30,612	164,051	-	44,163	238,826
Restricted	-	3,119,931	4,583,920	8,697,900	16,401,751
Committed	79,441	-	-	-	79,441
Assigned	1,510,629	-	-	-	1,510,629
Unassigned	1,045,680	-	-	-	1,045,680
Total fund balances	<u>2,666,362</u>	<u>3,283,982</u>	<u>4,583,920</u>	<u>8,742,063</u>	<u>19,276,327</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 4,173,964</u></u>	<u><u>\$ 19,071,329</u></u>	<u><u>\$ 4,583,920</u></u>	<u><u>\$ 11,835,293</u></u>	<u><u>\$ 39,664,506</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024**

Total governmental fund balances	\$ 19,276,327
<i>Amounts reported for governmental activities on the Statement of Net Position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
	27,788,112
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.	
Delinquent property taxes receivable	134,058
Intergovernmental receivable	790,453
Settlement revenue receivable	251,158
Accrued interest receivable	<u>19,143</u>
Total	1,194,812
The net pension liability and net pension asset are not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred outflows of resources - pension	8,816,079
Deferred inflows of resources - pension	(1,896,083)
Net pension asset	16,556
Net pension liability	<u>(31,059,162)</u>
Total	(24,122,610)
The net OPEB liability are not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred outflows of resources	1,420,246
Deferred inflows of resources	(1,980,512)
Net OPEB asset	89,783
Net OPEB liability	<u>(2,139,087)</u>
Total	(2,609,570)
Long-term liabilities, including loans, leases, and subscriptions are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(1,995,524)
Accrued interest payable	(3,832)
Financed purchase note payable	(4,661,731)
Lease payable	(1,335,275)
SBITA payable	<u>(1,587)</u>
Total	<u>(7,997,949)</u>
Net position of governmental activities	<u>\$ 13,529,122</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	General	Fire	Fire Station	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 1,159,276	\$ 14,220,783	\$ -	\$ 1,935,258	\$ 17,315,317
Other local taxes	-	-	-	176,035	176,035
Charges for services	-	-	-	1,686,690	1,686,690
Fees, licenses and permits	121,099	21,612	-	19,400	162,111
Fines, forfeitures, and settlements	6,110	-	-	106,067	112,177
Intergovernmental	363,649	918,597	-	924,602	2,206,848
Investment income	741,120	-	-	93,754	834,874
Contributions and donations	-	975	-	-	975
Increase in fair value of investments	58,722	-	-	-	58,722
Other	33,730	77,737	-	13,103	124,570
Total revenues	<u>2,483,706</u>	<u>15,239,704</u>	<u>-</u>	<u>4,954,909</u>	<u>22,678,319</u>
Expenditures:					
Current:					
General government	788,912	-	-	-	788,912
Public safety	138,586	12,871,226	27,091	2,799,249	15,836,152
Public works	7,929	-	-	1,659,850	1,667,779
Conservation and recreation	190,436	-	-	-	190,436
Health	26,144	-	-	23,357	49,501
Other	66,990	-	-	-	66,990
Capital outlay	1,050	-	-	513,338	514,388
Debt service:					
Principal retirement	10,149	550,551	-	147,607	708,307
Interest	<u>951</u>	<u>279,264</u>	<u>-</u>	<u>5,569</u>	<u>285,784</u>
Total expenditures	<u>1,231,147</u>	<u>13,701,041</u>	<u>27,091</u>	<u>5,148,970</u>	<u>20,108,249</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,252,559</u>	<u>1,538,663</u>	<u>(27,091)</u>	<u>(194,061)</u>	<u>2,570,070</u>
Other financing sources (uses):					
Transfers in	200,000	-	-	1,041,643	1,241,643
Transfers out	<u>(500,000)</u>	<u>(741,643)</u>	<u>-</u>	<u>-</u>	<u>(1,241,643)</u>
Total other financing sources (uses)	<u>(300,000)</u>	<u>(741,643)</u>	<u>-</u>	<u>1,041,643</u>	<u>-</u>
Net change in fund balances	952,559	797,020	(27,091)	847,582	2,570,070
Fund balances at beginning of year	<u>1,713,803</u>	<u>2,486,962</u>	<u>4,611,011</u>	<u>7,894,481</u>	<u>16,706,257</u>
Fund balances at end of year	<u>\$ 2,666,362</u>	<u>\$ 3,283,982</u>	<u>\$ 4,583,920</u>	<u>\$ 8,742,063</u>	<u>\$ 19,276,327</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024**

Net change in fund balances - total governmental funds	\$ 2,570,070
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceed depreciation/amortization expense in the current period.	
Capital assets additions	\$ 1,549,386
Current year depreciation/amortization	<u>(3,099,224)</u>
Total	(1,549,838)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.	
(3,275)	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds:	
LGIF loan due from other entities	(70,339)
Delinquent property tax revenue	4,568
Intergovernmental revenues	23,570
Settlement revenue	251,158
Interest revenue	<u>10,814</u>
Total	219,771
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the Statement of Net Position.	
LGIF loan	81,375
Financed purchase notes payable	404,038
SBITA payable	1,510
Lease payable	<u>221,384</u>
Total	708,307
Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the Statement of Net Position.	
	13
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.	
Pension	2,071,934
OPEB	38,836
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the Statement of Activities.	
Pension	(3,307,786)
OPEB	<u>(361,700)</u>
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
	(191,151)
Change in net position of governmental activities	<u>\$ 195,181</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2024

	Private-Purpose Trust
Assets:	
Equity in pooled cash and cash equivalents	<u>\$ 7,692</u>
Net position:	
Restricted for individuals, organizations and other governments	<u>\$ 7,692</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Private-Purpose Trust
Additions:	
Earnings on investments	<u>\$ 293</u>
Net change in fiduciary net position	293
Net position beginning of year	<u>7,399</u>
Net position end of year	<u><u>\$ 7,692</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1 - DESCRIPTION OF THE REPORTING ENTITY

A. The Township

The constitution and laws of the State of Ohio establish the rights and privileges of the Beavercreek Township, Greene County, (the "Township") as a body corporate and politic. A publicly-elected three member Board of Trustees directs the Township. The Township provides general government services, road and bridge maintenance, cemetery maintenance, park maintenance, fire protection and emergency medical services. Police protection is provided by the Greene County Sheriff's Office.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

The primary government of the Township consists of all funds, departments, boards, and agencies that are not legally separate from the Township. For the Township, this includes all departments and activities that are directly operated by the elected Township officials.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's Governing Board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; or (3) the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the Township has no component units.

The following organizations are described due to their relationship to the Township:

PUBLIC ENTITY RISK POOLS

Ohio Township Association Risk Management Authority (OTARMA)

The Township participates in one public entity risk pool, Ohio Township Association Risk Management Authority (OTARMA). OTARMA has been in existence since 1987 and provides a group self-insurance program that spreads the cost of claims and related expenses among its members. The risk pool has an AAA rating from Demotech, an independent rating service, based on the financial activity, loss reserves, administration, and overall performance. Note 9, to the financial statements, provides additional information for this entity.

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

The financial statements of the Township have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the Township's accounting policies.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. 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.

The Statement of Net Position presents the financial condition of the governmental activities of the Township at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the Township's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the Township.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds in order 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 fund 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.

B. Fund Accounting

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are reported in three categories: governmental, proprietary, and fiduciary. The Township has no proprietary funds.

Governmental Funds

Governmental funds are those through which most governmental functions of the Township are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the Township's major governmental funds:

General Fund - This fund accounts for all financial resources, except those required to be accounted for 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.

Fire Fund - This fund receives property tax money for providing emergency fire department services to residents of the Township.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fire Station Fund - This fund accounts for funds that are used for making improvements to fire stations within the Township.

Other governmental funds of the Township are used to account for:

Nonmajor special revenue funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Nonmajor capital projects funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Nonmajor debt service funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The Township has a private-purpose trust fund in 2024. The Township's private-purpose trust fund accounts for resources restricted by a legally binding trust agreement. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The Township does not have any custodial funds.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the Township are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources are generally included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined and available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Township, available means expected to be received within 60 days after year-end.

Nonexchange transactions, in which the Township receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and payments in lieu of taxes are recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Township must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Township on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year-end: charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, and interest.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 9 and 10 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2024, but which were levied to finance 2025 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

See Notes 9 and 10 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. 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 ordinance, 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 Township Trustees may appropriate. The appropriations ordinance is Township Trustee's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Township Trustees. The legal level of control has been established by Township Trustees at the object level within each department within each fund for all funds.

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

The appropriations ordinance 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 appropriations ordinance 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 Township Trustees during the year, including all supplemental appropriations.

F. Cash and Investments

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 Investments".

During 2024, investments were limited to Federal Home Loan Bank (FHLB) securities, commercial paper, negotiable certificate of deposit, and U.S. government money market funds. Except for investments in nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

Interest earnings are allocated to Township funds according to State statutes, Township charter, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2024 was \$741,120 which includes \$644,268 assigned from other Township funds.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase 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.

G. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide Statement of Net Position but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the replacement cost back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value. The Township maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. In addition, assets having an estimated useful life of more than one year that are below the \$5,000 threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Township's historical records of necessary improvements and replacement. The Township reports all infrastructure acquired after 2004. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities	Estimated Lives
Buildings and improvements		45 years
Infrastructure		20 years
Equipment		5 years
Intangible leased assets		3 - 10 years
SBITAs		3 years
Vehicles		5 years

The Township is reporting intangible right to use assets related to leased equipment, vehicles, and Subscription Based Information Technology Agreements (SBITAs). The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease/subscription term or the useful life of the underlying asset.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Compensated Absences

The Township recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences - vacation, sick leave and comp time. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The Township's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

The Township's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the Township and, upon separation from service, the employee receives compensation in accordance with the severance policy. A liability for estimated value of sick leave that will be used by employees as time off and at separation is included in the liability for compensated absences.

Comp Time

The Township's policy permits employees to accumulate earned but unused comp time, which are eligible for payment at the employee's current pay rate upon separation from employment.

I. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, and compensated absences, that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes, bonds, lease payables, financed purchase note payables, and loans are recognized as liabilities on the fund financial statements when due. Net pension/OPEB liability and net pension/OPEB asset should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. Net Position

Net position represents the difference between all other elements on the Statement of Net Position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes unclaimed monies which have legal restrictions on their use. The Township's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

K. 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 governmental funds. The classifications are as follows:

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts 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 or enabling legislation (Township ordinances). Enabling legislation authorizes the Township to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Township can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of Township Trustees. The committed amounts cannot be used for any other purpose unless Township Trustees remove or change the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance 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 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. Assigned amounts represent intended uses established by Township Trustees. The Township Trustees have authorized the Township Fiscal Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. Fund balance is also assigned for any 2025 appropriations in excess of estimated receipts for the General Fund.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Township first applies restricted resources when an expenditure is 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 can be used.

L. Contributions of Capital

For the governmental activities, capital contributions are reported as a capital grant and contribution on the Statement of Activities. The Township had no contributed capital during 2024.

M. Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

N. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability and net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

O. Prepayments

Payments made to vendors for services that benefit future periods are recorded as prepayments in both government-wide and fund financial statements. A current asset for the prepaid amount is recorded at the time of purchase, and the expenditure is reported in the year in which services are consumed. Governmental fund balance has been presented as nonspendable equal to the balance of the prepayments at year-end.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2024, the Township has implemented certain paragraphs from GASB Implementation Guide No. 2021-1, certain paragraphs of GASB Statement No. 99, "Omnibus 2022", GASB Statement No. 100, "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62", Implementation Guide No. 2023-1 and GASB Statement No. 101, "Compensated Absences".

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on balances previously reported by the Township.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the Township.

GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2023-1 did not have an effect on the financial statements of the Township.

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

B. Restatement of Net Position

During 2024, there was a change in accounting principle related to the implementation of GASB Statement No. 101, "Compensated Absences". The effect of changing the accounting principle is shown in the table below.

	12/31/2023 As Previously Reported	Change in Accounting Principle	12/31/2023 As Restated
Net Position			
Governmental Activities	\$ 14,558,313	\$ (1,224,372)	\$ 13,333,941

NOTE 4 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such 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 Township Trustees has 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.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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.

Interim monies held by the Township may 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 obligation or security issued by any federal government agency or instrumentality including, but not limited to, the 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. Written repurchase agreements in the securities listed above;
4. 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;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (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;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and
8. Certain bankers' acceptances (for a period not to exceed 180 days) and commercial paper notes (for a period not to exceed 270 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.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments 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 Fiscal Officer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

A. Deposits with Financial Institutions

At December 31, 2024, the carrying amount of all Township deposits was \$11,155,212 and the bank balance of all Township deposits was \$11,256,589. Of the bank balance, \$10,904,175 was covered by the FDIC, \$299,552 was covered by the Ohio Pooled Collateral System (OPCS), and \$52,862 was exposed to custodial credit risk described below.

Custodial credit risk is the risk that, in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Township has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Township's 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, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2024, the Township's financial institutions were approved for a reduced collateral rate of 85 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Township to a successful claim by the FDIC.

B. Investments

As of December 31, 2024, the Township had the following investments:

Measurement/ Investment Type	Measurement Value	Investment						Maturities	
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months			
<i>Fair Value:</i>									
Negotiable CD's	\$ 3,946,232	\$ -	\$ 1,225,911	\$ 737,512	\$ 991,913	\$ 990,896			
FHLB	1,926,590	-	965,750	-	960,840	-			
Commercial paper	2,815,432	1,111,136	1,704,296	-	-	-			
U.S. Government Money Market Mutual Fund	11,549	11,549	-	-	-	-			
Total	\$ 8,699,803	\$ 1,122,685	\$ 3,895,957	\$ 737,512	\$ 1,952,753	\$ 990,896			

The weighted average of maturity of investments is 1.15 years.

Fair Value Measurements: The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Township's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs).

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Township from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the Township.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: The Township's investments in commercial paper were rated A1 and P1 by Standard & Poor's and Moody's Investor services, respectively. The Township's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Investments in negotiable CD's are fully covered by the FDIC. Standard & Poor's has assigned the U.S. government money market mutual funds an AAAm money market rating. The Township has no investment policy dealing with credit risk beyond the requirements of State statute.

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 requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Township Finance Director or qualified trustee.

Concentration of Credit Risk: The Township places no limit on the amount that may be invested in any single issuer. The following table includes the percentage of each investment type held by the Township at December 31, 2024:

<u>Measurement/ Investment Type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value:</i>		
Negotiable CD's	\$ 3,946,232	45.36
FHLB	1,926,590	22.15
Commercial paper	2,815,432	32.36
U.S. Government Money Market Mutual Fund	11,549	0.13
Total	<u>\$ 8,699,803</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the Statement of Net Position as of December 31, 2024:

<u>Cash and Investments per Note</u>
Carrying amount of deposits
Investments
Total

<u>Cash and Investments per Statement of Net Position</u>
Governmental activities
Private-purpose funds
Total

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 5 - RECEIVABLES

Receivables at December 31, 2024 consisted of property taxes; other local taxes; accounts (billings for user charged services and fines); and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are expected to be collected within the subsequent year with the exception of the opioid settlement receivable which will be collected over the course of the settlement agreements. Receivables in the amount of \$251,158 will not be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of amounts Due from Other Governments follows:

	<u>Amount</u>
Governmental Activities:	
General Fund	
Local government	\$ 67,059
Homestead and rollback	67,880
Other	<u>2,071</u>
Total General Fund	<u>137,010</u>
Fire Fund	
Homestead and rollback	\$ 462,820
Other	<u>4,642</u>
Total Fire Fund	<u>467,462</u>
Nonmajor governmental funds	
Permissive motor vehicle tax	\$ 86,365
Gasoline tax	90,344
Motor vehicle license tax	10,860
Homestead and rollback	91,563
Other	<u>9,435</u>
Total Nonmajor Fund	<u>288,567</u>
Total Governmental Activities	<u>\$ 893,039</u>

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the Township. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. 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 real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2024 public utility property taxes became a lien December 31, 2023, are levied after October 1, 2024, and are collected in 2025 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 6 - PROPERTY TAXES - (Continued)

The Greene County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Township. The Greene County Auditor periodically remits to the Township its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2024 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2024 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is considered a deferred inflow of resources.

The full tax rate for all Township operations for the year ended December 31, 2024 was \$19.35 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2023 property tax receipts were based are as follows:

Real property	\$2,627,264,560
Public utility personal property	<u>71,454,280</u>
Total assessed value	<u>\$2,698,718,840</u>

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 7 - CAPITAL ASSETS

Governmental Activities

Capital assets activity for the year ended December 31, 2024, was as follows:

Governmental Activities:	Balance			Balance 12/31/24
	12/31/23	Additions	Disposals	
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 1,688,000	\$ -	\$ -	\$ 1,688,000
Construction in progress	<u>-</u>	<u>27,091</u>	<u>-</u>	<u>27,091</u>
Total capital assets, not being depreciated/amortized	<u>1,688,000</u>	<u>27,091</u>	<u>-</u>	<u>1,715,091</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings	29,453,038	213,410	-	29,666,448
Equipment	3,974,060	445,125	(22,499)	4,396,686
Vehicles	13,878,554	433,769	(876,750)	13,435,573
Infrastructure	7,591,581	429,991	-	8,021,572
Intangible right to use assets				
Vehicles	360,263	-	(43,662)	316,601
Equipment	1,755,353	-	-	1,755,353
SBITAs	<u>4,745</u>	<u>-</u>	<u>-</u>	<u>4,745</u>
Total capital assets, being depreciated/amortized	<u>57,017,594</u>	<u>1,522,295</u>	<u>(942,911)</u>	<u>57,596,978</u>
<i>Less: accumulated depreciation/amortization:</i>				
Buildings	(13,430,665)	(625,548)	-	(14,056,213)
Equipment	(2,768,886)	(501,134)	19,224	(3,250,796)
Vehicles	(9,411,862)	(1,328,083)	876,750	(9,863,195)
Infrastructure	(3,275,776)	(362,196)	-	(3,637,972)
Intangible right to use assets				
Vehicles	(170,410)	(88,222)	43,662	(214,970)
Equipment	(305,979)	(193,250)	-	(499,229)
SBITAs	<u>(791)</u>	<u>(791)</u>	<u>-</u>	<u>(1,582)</u>
Total accumulated depreciation/amortization	<u>(29,364,369)</u>	<u>(3,099,224)</u>	<u>939,636</u>	<u>(31,523,957)</u>
Total capital assets, being depreciated/amortized, net	<u>27,653,225</u>	<u>(1,576,929)</u>	<u>(3,275)</u>	<u>26,073,021</u>
Governmental activities capital assets, net	<u>\$ 29,341,225</u>	<u>\$ (1,549,838)</u>	<u>\$ (3,275)</u>	<u>\$ 27,788,112</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 7 - CAPITAL ASSETS - (Continued)

Depreciation/amortization expense was charged to governmental functions/programs of the Township as follows:

Governmental Activities:

General government	\$ 106,481
Public safety	2,392,072
Public works	506,166
Conservation and recreation	80,117
Other	<u>14,388</u>
Total depreciation/amortization expense	<u>\$ 3,099,224</u>

NOTE 8 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts, theft, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. During Fiscal Year 2024 the Township contracted with OTARMA for property and apparatus insurance, liability insurance, crime, terrorism, and automobile coverage. Coverage provided through OTARMA is as follows:

Property Coverages

Blanket Total Insured Values	\$41,527,162
Building	\$38,512,172
Personal Property	\$3,014,990
Miscellaneous Property Scheduled	\$5,451,295
EDP - Hardware	\$674,135
Miscellaneous Property Unscheduled	\$220,000
Total Insured Value	<u>\$47,872,592</u>

Equipment Breakdown Property Damage	\$41,527,162
Deductible \$1,000	

Crime Coverage

Crime Limit	\$200,000
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Faithful Performance of Duty Coverage

Limit	\$250,000
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Automobile Coverages

Liability

Legal Liability for Automobile Claims	\$5,000,000
Covered Pollution Cost or Expense for Automobiles	\$5,000,000
Medical Expenses - Automobile	\$1,000
Uninsured and Underinsured Motorist Per Person	\$500,000
Uninsured and Underinsured Motorist Per Occurrence	\$500,000

Physical Damage

Total Insured Value	\$11,594,276
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Other Coverage

General Liability	\$5,000,000
Automobile Liability	\$5,000,000
Automobile Physical Damage	\$11,594,276

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 8 - RISK MANAGEMENT - (Continued)

Other Coverage – (Continued)

Law Enforcement Liability	\$5,000,000
Public Officials Wrongful Acts & Employment Practices	\$5,000,000
Excess Liability	Included
Property	\$47,872,592
Equipment Breakdown	Included
Employee Dishonesty	\$200,000
Faithful Performance of Duty	\$250,000

Cyber Coverages

Cyber Liability	\$1,000,000
Cyber Breach Event Costs Per Occurrence	\$1,000,000
Cyber Breach Even Costs Aggregate	\$1,000,000
Cyber Crime	\$200,000

During 2024 Beavercreek Township hosted a risk control visit with OTARMA's Risk Management Consulting Firm. As a result of the visit, the OTARMA consultant had no recommendations for the Township's control practices.

NOTE 9 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset) and Net OPEB Liability (Asset)

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension/OPEB liability (asset) represents the Township's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the Township's obligation for this liability to annually required payments. The Township cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the Township does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability (asset) on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 10 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - Township employees, other than full-time 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. 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. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed. (The latest information available.) 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.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Traditional plan state and local 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 at retirement.

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.

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 member's original 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 3.00%. 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 3.00%.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (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 20.00% 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:

	<u>State and Local</u>	
	<u>Traditional</u>	<u>Combined</u>
2024 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2024 Actual Contribution Rates		
Employer:		
Pension ****	14.0 %	12.0 %
Post-employment Health Care Benefits ****	0.0	2.0
Total Employer	<u>14.0 %</u>	<u>14.0 %</u>
Employee	<u>10.0 %</u>	<u>10.0 %</u>

* 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.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

The Township's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$270,544 for 2024. Of this amount, \$32,696 is reported as due to other governments.

Plan Description - Ohio Police & Fire Pension Fund (OP&F)

Plan Description – Township full-time and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries under optional plans, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member's base pension benefit.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

2024 Statutory Maximum Contribution Rates		<u>Firefighters</u>
Employer		24.00 %
Employee		12.25 %
2024 Actual Contribution Rates		
Employer:		
Pension		23.50 %
Post-employment Health Care Benefits		0.50 %
Total Employer		<u>24.00 %</u>
Employee		<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The Township's contractually required contribution to OP&F was \$1,801,390 for 2024. Of this amount, \$298,057 is reported as due to other governments.

Net Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. The Township's proportion of the net pension liability (asset) was based on the Township's share of contributions to the pension plan relative to the contributions of all participating entities.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional	OPERS - Combined	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.01102600%	0.00523800%	0.30729520%	
Proportion of the net pension liability/asset current measurement date	<u>0.01051900%</u>	<u>0.00538600%</u>	<u>0.29297310%</u>	
Change in proportionate share	<u>-0.00050700%</u>	<u>0.00014800%</u>	<u>-0.01432210%</u>	
Proportionate share of the net pension liability	\$ 2,753,917	\$ -	\$ 28,305,245	\$ 31,059,162
Proportionate share of the net pension asset	-	(16,556)	-	(16,556)
Pension expense	351,949	1,216	2,954,621	3,307,786

At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OP&F	Total
Deferred outflows of resources				
Differences between expected and actual experience	\$ 45,011	\$ 672	\$ 908,682	\$ 954,365
Net difference between projected and actual earnings on pension plan investments	555,858	2,693	3,207,577	3,766,128
Changes of assumptions	-	614	1,788,862	1,789,476
Changes in employer's proportionate percentage/difference between employer contributions	22,694	-	211,482	234,176
Contributions subsequent to the measurement date	267,524	3,020	1,801,390	2,071,934
Total deferred outflows of resources	<u>\$ 891,087</u>	<u>\$ 6,999</u>	<u>\$ 7,917,993</u>	<u>\$ 8,816,079</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OPERS - Combined	OP&F	Total
Deferred inflows of resources				
Differences between expected and actual experience	\$ -	\$ 1,637	\$ 316,559	\$ 318,196
Changes of assumptions	- -	- -	429,849	429,849
Changes in employer's proportionate percentage/ difference between employer contributions	55,390	- -	1,092,648	1,148,038
Total deferred inflows of resources	\$ 55,390	\$ 1,637	\$ 1,839,056	\$ 1,896,083

\$2,071,934 reported as deferred outflows of resources related to pension resulting from Township contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS - Traditional	OPERS - Combined	OP&F	Total
Year Ending December 31:				
2025	\$ 123,010	\$ 413	\$ 1,218,408	\$ 1,341,831
2026	169,597	738	1,282,443	1,452,778
2027	354,717	1,552	2,069,137	2,425,406
2028	(79,151)	(446)	(242,237)	(321,834)
2029	- -	43	(54,051)	(54,008)
Thereafter	- -	42	38,467	38,509
Total	\$ 568,173	\$ 2,342	\$ 4,312,167	\$ 4,882,682

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2023, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2023, compared to the December 31, 2022 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 2.30%, simple through 2024, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2023, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.20% for 2023.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	24.00 %	2.85 %
Domestic equities	21.00	4.27
Real estate	13.00	4.46
Private equity	15.00	7.52
International equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00 %	

Discount Rate - The discount rate used to measure the total pension liability was 6.90% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

Sensitivity of the Township's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Township's proportionate share of the net pension liability (asset):		Current Discount Rate	
Traditional Pension Plan	\$ 4,335,406	\$ 2,753,917	\$ 1,438,578
Combined Plan	(10,018)	(16,556)	(21,706)

Actuarial Assumptions - OP&F

OP&F's total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No.67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. A comprehensive experience study was performed during 2022 by OP&F's actuary and completed as of December 31, 2021. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful life of the participants which was 6.03 years at December 31, 2023.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2023, compared to December 31, 2022, are presented below.

Valuation date	1/1/23 with actuarial liabilities rolled forward to 12/31/23
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

Healthy Mortality

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

Disabled Mortality

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

Contingent Annuitant Mortality

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.60 %	4.10 %
Non-US equity	12.40	4.90
Private markets	10.00	7.30
Core fixed income *	25.00	2.40
High yield fixed income	7.00	4.10
Private credit	5.00	6.80
U.S. inflation		
linked bonds *	15.00	2.10
Midstream energy infrastructure	5.00	5.80
Real assets	8.00	6.00
Gold	5.00	3.50
Private real estate	12.00	5.40
Commodities	2.00	3.50
Total	<u><u>125.00 %</u></u>	

Note: assumptions are geometric.

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - Total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payment of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 9 - DEFINED BENEFIT PENSION PLANS - (Continued)

	Current		
	1% Decrease	Discount Rate	1% Increase
Township's proportionate share of the net pension liability	\$ 37,492,405	\$ 28,305,245	\$ 20,665,228

NOTE 10 - POSTEMPLOYMENT BENEFITS

Net OPEB Liability (Asset)

See Note 9 for a description of the net OPEB liability (asset).

Plan Description - Ohio Public Employees Retirement System (OPERS)

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. 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. 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 and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

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 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:

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees Based on the following age-and-service criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

Group B 31 years of total service credit with at least 20 years of qualified health care service credit;

Group C 32 years of total service credit with at least 20 years of qualified health care service credit.

Age 59 or younger Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52;

Group C 32 years of qualified health care service credit and at least age 55.

Retirees who do not 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, as summarized in the following table:

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

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.

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51.00% and 90.00% of the base allowance for both non-Medicare and Medicare retirees.

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.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

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 50.00% 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.

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10.00% each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20.00% per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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 2024, state and local employers contributed at a rate of 14.00% of earnable salary. 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 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan which has continued through 2024. 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 2024 was 4.00%. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$503 for 2024. Of this amount, \$61 is reported as due to other governments.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

Plan Description - Ohio Police & Fire Pension Fund (OP&F)

Plan Description - The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

The Township's contractually required contribution to OP&F was \$38,333 for 2024. Of this amount, \$6,342 is reported as due to other governments.

Net OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The Township's proportion of the net OPEB liability was based on the Township's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	OPERS	OP&F	Total
Proportion of the net OPEB liability prior measurement date	0.01051700%	0.30729520%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.00994800%</u>	<u>0.29297310%</u>	
Change in proportionate share	<u>-0.00056900%</u>	<u>-0.01432210%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 2,139,087	\$ 2,139,087
Proportionate share of the net OPEB asset	(89,783)	-	(89,783)
OPEB expense	(3,647)	365,347	361,700

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience			
actual experience	\$ -	\$ 102,862	\$ 102,862
Net difference between projected and actual earnings on OPEB plan investments	53,920	157,959	211,879
Changes of assumptions	23,115	736,081	759,196
Changes in employer's proportionate percentage/ difference between employer contributions	1,819	305,654	307,473
Contributions subsequent to the measurement date	503	38,333	38,836
Total deferred outflows of resources	<u>\$ 79,357</u>	<u>\$ 1,340,889</u>	<u>\$ 1,420,246</u>
 Deferred inflows of resources			
Differences between expected and actual experience			
actual experience	\$ 12,780	\$ 393,101	\$ 405,881
Changes of assumptions	38,595	1,377,520	1,416,115
Changes in employer's proportionate percentage/ difference between employer contributions	451	158,065	158,516
Total deferred inflows of resources	<u>\$ 51,826</u>	<u>\$ 1,928,686</u>	<u>\$ 1,980,512</u>

\$38,836 reported as deferred outflows of resources related to OPEB resulting from Township contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2025.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2025	\$ (1,560)	\$ 216,203	\$ 214,643
2026	4,824	(97,467)	(92,643)
2027	41,970	(68,474)	(26,504)
2028	(18,206)	(202,191)	(220,397)
2029	-	(210,522)	(210,522)
Thereafter	-	(263,679)	(263,679)
Total	<u><u>\$ 27,028</u></u>	<u><u>\$ (626,130)</u></u>	<u><u>\$ (599,102)</u></u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
including wage inflation	
Prior Measurement date	2.75 to 10.75%
including wage inflation	
Single Discount Rate:	
Current measurement date	5.70%
Prior Measurement date	5.22%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	3.77%
Prior Measurement date	4.05%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2038
Prior Measurement date	5.50% initial, 3.50% ultimate in 2036
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.00% for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00 %	2.82 %
Domestic equities	25.00	4.27
Real Estate Investment Trusts (REITs)	5.00	4.68
International equities	25.00	5.16
Risk parity	3.00	4.38
Other investments	5.00	2.43
Total	<u><u>100.00 %</u></u>	

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

Discount Rate - A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.70%, as well as what the proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.70%) or one-percentage-point higher (6.70%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Township's proportionate share of the net OPEB liability/(asset)	\$ 49,342	\$ (89,783)	\$ (205,028)

Sensitivity of the Township's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Township's proportionate share of the net OPEB asset	\$ (93,511)	\$ (89,783)	\$ (85,553)

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

Actuarial Assumptions - OP&F

OP&F's total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the December 31, 2023, compared to the December 31, 2022 actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2023, with actuarial liabilities rolled forward to December 31, 2023
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	
Current measurement date	3.50% to 10.50%
Prior measurement date	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.07%
Prior measurement date	4.27%
Cost of Living Adjustments	2.20% simple per year

Health Mortality

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

Disabled Mortality

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

Contingent Annuitant Mortality

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.60 %	4.10 %
Non-US equity	12.40	4.90
Private markets	10.00	7.30
Core fixed income *	25.00	2.40
High yield fixed income	7.00	4.10
Private credit	5.00	6.80
U.S. inflation		
linked bonds *	15.00	2.10
Midstream energy infrastructure	5.00	5.80
Real assets	8.00	6.00
Gold	5.00	3.50
Private real estate	12.00	5.40
Commodities	2.00	3.50
Total	<u><u>125.00 %</u></u>	

Note: assumptions are geometric.

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - Total OPEB liability was calculated using the discount rate of 4.07%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38% was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07%.

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.07%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07%), or one percentage point higher (5.07%) than the current rate.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS - (Continued)

	1% Decrease	Current	Discount Rate	1% Increase
Township's proportionate share of the net OPEB liability	\$ 2,634,762	\$ 2,139,087		\$ 1,721,631

NOTE 11 - OTHER EMPLOYEE BENEFITS

A. Health Care Benefits

The Township offers employee health, vision, dental, life and disability insurance benefits. The Township offers accident insurance benefits through AFLAC. The employees share the cost of the monthly health care, vision, dental, life, disability, and accident premiums with the Township.

B. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from Township policies and State laws.

Township employees earn and accumulate vacation at varying rates depending on length of service. Vacation accrual rates change on the employees' anniversary date, when applicable. Employees are paid their full earned unused vacation leave upon termination.

Sick leave is earned at 10 hours per month for employees who work an average 40 hour work week. All employees with 10 or more years of full-time service with the Township (including prior service years with another governmental organization), who elect to retire, are entitled to receive 30% of the value of their accumulated unused sick leave.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 12 - LONG-TERM OBLIGATIONS

Governmental Activities

Due to the implementation of GASB Statement No. 101 (see Note 3 for detail), the Township has changed the accounting principle for calculating compensated absences, which is reflected in the schedule below. In 2024, the following changes occurred in the governmental activities long-term obligations.

	Restated			Amounts	
	Balance December 31, 2023	Additions	Reductions	Balance December 31, 2024	Due in One Year
Governmental Activities:					
LGIF Loan	\$ 81,375	\$ -	\$ (81,375)	\$ -	\$ -
Lease payable	1,556,659	-	(221,384)	1,335,275	204,028
Financed purchase note payable	5,065,769	-	(404,038)	4,661,731	421,169
SBITA payable	3,097	-	(1,510)	1,587	1,587
Net pension liability	32,447,150	-	(1,387,988)	31,059,162	-
Net OPEB liability	2,254,165	-	(115,078)	2,139,087	-
Compensated absences*	1,804,373	191,151	-	1,995,524	464,767
Total governmental activities long-term liabilities	\$ 43,212,588	\$ 191,151	\$ (2,211,373)	\$ 41,192,366	\$ 1,091,551

*The change in the compensated absences liability is presented as a net change.

Leases Payable:

The Township has entered into lease agreements for the use of right to use equipment and vehicles. Due to the implementation of GASB Statement No. 87, the Township will report an intangible capital asset and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid from the fire fund and the EMS fund a nonmajor special revenue fund.

The Township has entered into lease agreements for fire related equipment and vehicles at varying years and terms as follows:

<u>Purpose</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Vehicle	2023	3	2026	Monthly
Vehicle	2023	4	2027	Monthly
Vehicle	2023	4	2027	Monthly
Vehicle	2023	3	2026	Monthly
Equipment	2022	10	2031	Annually

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Principal	Interest	Total
2025	\$ 204,028	\$ 67,037	\$ 271,065
2026	188,762	57,159	245,921
2027	170,171	48,219	218,390
2028	178,877	39,513	218,390
2029	188,029	30,361	218,390
2030 - 2032	<u>405,408</u>	<u>31,371</u>	<u>436,779</u>
Total	<u><u>\$ 1,335,275</u></u>	<u><u>\$ 273,660</u></u>	<u><u>\$ 1,608,935</u></u>

Financed purchase note payable:

The financed purchase note payable will be repaid from the fire fund.

In 2022, the Township entered into a financed purchase note payable agreement with PNC bank to purchase much needed Fire Apparatus. Apparatus purchased includes one 2024 Pierce Enforcer PUC Engine/Rescue Truck, one 2024 Pierce Enforcer 100' Mid-Mount Aerial Platform Truck and four 2023 Pierce Enforcer Pumper Trucks.

The following is a summary of the future debt service requirements to retire the financed purchase note payable:

Fiscal Year Ending	<u>Financed Purchase Note Payable</u>		
	Principal	Interest	Total
2025	\$ 421,169	\$ 197,657	\$ 618,826
2026	439,026	179,800	618,826
2027	457,641	161,185	618,826
2028	477,045	141,781	618,826
2029	497,272	121,554	618,826
2030 - 2032	<u>2,369,578</u>	<u>234,544</u>	<u>2,604,122</u>
Total	<u><u>\$ 4,661,731</u></u>	<u><u>\$ 1,036,521</u></u>	<u><u>\$ 5,698,252</u></u>

SBITA payable:

The Township has entered into a SBITA agreement for the right to use software. Due to the implementation of GASB Statement No. 96, the Township will report an intangible capital asset and corresponding liability for the future scheduled payments under the SBITA. The SBITA payments will be paid from the general fund.

The Township has entered into a SBITA agreement with the following terms:

Purpose	SBITA Commencement Date	Years	SBITA End Date	Payment Method
Software	2023	3	2026	Annually

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of future SBITA payments under the SBITA agreement:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,587	\$ 81	\$ 1,668
Total	\$ 1,587	\$ 81	\$ 1,668

Net Pension Liability and Net OPEB Liability

The Township pays obligations related to employee compensation for governmental activities from the General Fund, the Fire Fund, the Road and Bridge Fund (a nonmajor governmental fund), and the SAFER Grant Fund (a nonmajor governmental fund). See Notes 9 and 10 for further information.

Legal Debt Margin

At December 31, 2024, the Township's overall legal debt margin was \$283,365,478 and the unvoted debt margin was \$148,429,536.

NOTE 13 - CONTINGENT LIABILITIES

A. Litigation

There are currently no matters in litigation with the Township as defendant.

B. Federal and State Grants

For the period January 1, 2024, to December 31, 2024, the Township received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Township believes such disallowances, if any, would be immaterial.

NOTE 14 - OTHER COMMITMENTS

The Township utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year-end, the Township's commitments for encumbrances (not already included in payables) in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General Fund	\$ 67,929
Fire	303,565
Fire Station	158,747
Nonmajor Governmental Funds	<u>1,768,130</u>
Total	<u>\$ 2,298,371</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 15 - FUND BALANCE

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 resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balance	General	Fire	Fire Station	Nonmajor	Total
				Governmental Funds	Governmental Funds
Nonspendable:					
Prepayments	\$ 30,612	\$ 164,051	\$ -	\$ 44,163	\$ 238,826
Restricted:					
Debt service	-	-	-	6	6
Capital improvements	-	-	-	2,888,335	2,888,335
Public safety	-	-	-	120,254	120,254
Public works	-	-	-	2,598,934	2,598,934
Police	-	-	-	601,420	601,420
Fire	-	3,119,931	4,583,920	-	7,703,851
EMS	-	-	-	2,458,993	2,458,993
Cemetery	-	-	-	29,958	29,958
Total restricted	-	3,119,931	4,583,920	8,697,900	16,401,751
Committed:					
Accumulated leave	79,441	-	-	-	79,441
Assigned:					
General government	50,099	-	-	-	50,099
Public works	4,534	-	-	-	4,534
Conservation and recreation	10,126	-	-	-	10,126
Other	2,845	-	-	-	2,845
Capital Outlay	325	-	-	-	325
Subsequent year appropriations	1,442,700	-	-	-	1,442,700
Total assigned	1,510,629	-	-	-	1,510,629
Unassigned	1,045,680	-	-	-	1,045,680
Total fund balances	\$ 2,666,362	\$ 3,283,982	\$ 4,583,920	\$ 8,742,063	\$ 19,276,327

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 16 - INTERFUND TRANSACTIONS

A. Interfund Transfers

Interfund transfers for the year ended December 31, 2024 consisted of the following, as reported on the fund financial statements:

<u>Transfers from the Fire fund to:</u>	<u>Amount</u>
General fund	\$ 200,000
Nonmajor governmental funds	<u>541,643</u>
Total	<u>741,643</u>
<u>Transfers from General fund to:</u>	
Nonmajor governmental funds	<u>500,000</u>
Total	<u>500,000</u>
Total	<u>\$ 1,241,643</u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated for reporting in the statement of activities.

All transfers during fiscal year 2024 were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

B. Interfund Balances

Interfund balances at December 31, 2024, as reported on the fund statements consist of the following individual interfund loans receivable and payable:

<u>Receivable fund</u>	<u>Payable funds</u>	<u>Amount</u>
Nonmajor governmental funds	Nonmajor governmental funds	<u>\$ 364,000</u>

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by December 31. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Budgetary revenues:				
Property taxes	\$ 1,304,000	\$ 1,304,000	\$ 1,159,276	\$ (144,724)
Fees, licenses and permits	21,654	36,018	131,771	95,753
Intergovernmental	67,637	112,501	411,580	299,079
Investment income	119,776	199,229	728,855	529,626
Other	5,596	9,308	34,053	24,745
Total budgetary revenues	1,518,663	1,661,056	2,465,535	804,479
Budgetary expenditures:				
Current:				
General government	1,004,348	1,399,730	875,761	523,969
Public works	14,909	20,778	13,000	7,778
Health	29,983	41,786	26,144	15,642
Conservation and recreation	242,130	337,449	211,130	126,319
Other	82,651	115,188	72,069	43,119
Capital outlay	3,283	4,576	2,863	1,713
Total budgetary expenditures	1,377,304	1,919,507	1,200,967	718,540
Budgetary excess (deficiency) of revenues over (under) expenditures	141,359	(258,451)	1,264,568	1,523,019
Budgetary other financing sources (uses):				
Sale of capital assets	6	6	39	33
Transfers in	230,068	382,675	1,400,000	1,017,325
Transfers out	(2,178,976)	(3,036,773)	(1,900,000)	1,136,773
Total budgetary other financing sources (uses)	(1,948,902)	(2,654,092)	(499,961)	2,154,131
Net change in fund balance	(1,807,543)	(2,912,543)	764,607	3,677,150
Budgetary fund balances at beginning of year	1,664,763	1,664,763	1,664,763	-
Prior year encumbrances appropriated	63,924	63,924	63,924	-
Budgetary fund balances at end of year	<u>\$ (78,856)</u>	<u>\$ (1,183,856)</u>	<u>\$ 2,493,294</u>	<u>\$ 3,677,150</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Budgetary revenues:				
Property taxes	\$ 15,198,000	\$ 15,198,000	\$ 14,220,783	\$ (977,217)
Fees, licenses and permits	612	612	21,612	21,000
Intergovernmental	25,957	25,957	916,126	890,169
Contributions and donations	28	28	975	947
Other	1,256	1,256	44,313	43,057
Total budgetary revenues	<u>15,225,853</u>	<u>15,225,853</u>	<u>15,203,809</u>	<u>(22,044)</u>
Budgetary expenditures:				
Current:				
Public safety	<u>17,715,523</u>	<u>17,715,523</u>	<u>14,399,052</u>	<u>3,316,471</u>
Budgetary excess (deficiency) of revenues over (under) expenditures	<u>(2,489,670)</u>	<u>(2,489,670)</u>	<u>804,757</u>	<u>3,294,427</u>
Budgetary other financing sources (uses):				
Sale of capital assets	947	947	33,424	32,477
Transfers (out)	(912,462)	(912,462)	(741,643)	170,819
Total budgetary other financing sources (uses)	<u>(911,515)</u>	<u>(911,515)</u>	<u>(708,219)</u>	<u>203,296</u>
Net change in fund balances	<u>(3,401,185)</u>	<u>(3,401,185)</u>	<u>96,538</u>	<u>3,497,723</u>
Budgetary fund balances at beginning of year	2,489,609	2,489,609	2,489,609	-
Prior year encumbrances appropriated	802,340	802,340	802,340	-
Budgetary fund balances at end of year	<u>\$ (109,236)</u>	<u>\$ (109,236)</u>	<u>\$ 3,388,487</u>	<u>\$ 3,497,723</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
TOWNSHIP PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - TRADITIONAL PLAN**

LAST FIVE AND SIX FISCAL YEARS

Calendar Year (1)	Township's Proportion of the Net Pension Liability	Township's Proportionate Share of the Net Pension Liability	Township's Covered Payroll	Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.010519000%	\$ 2,753,917	\$ 1,779,043	154.80%	79.01%
2023	0.011026000%	3,257,085	1,748,079	186.32%	75.74%
2022	0.010390000%	903,972	1,444,864	62.56%	92.62%
2021	0.009424000%	1,395,489	1,404,671	99.35%	86.88%
2020	0.008954000%	1,769,819	1,256,286	140.88%	82.17%

Calendar Year	Contributions in Relation to the Contractually Required Contributions			Township's Covered Payroll	Contributions as a Percentage of Covered Payroll
	Contractually Required Contributions	Contractually Required Contributions	Contribution Deficiency (Excess)		
2024	\$ 267,524	\$ (267,524)	\$ -	\$ 1,910,886	14.00%
2023	249,066	(249,066)	-	1,779,043	14.00%
2022	244,731	(244,731)	-	1,748,079	14.00%
2021	202,281	(202,281)	-	1,444,864	14.00%
2020	196,654	(196,654)	-	1,404,671	14.00%
2019	175,880	(175,880)	-	1,256,286	14.00%

(1) Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

(2) Information prior to 2019 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET PENSION ASSET AND
TOWNSHIP PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - COMBINED PLAN

LAST FIVE AND SIX FISCAL YEARS

Calendar Year (1)	Township's Proportion of the Net Pension Asset	Township's Proportionate Share of the Net Pension Asset	Township's Covered Payroll	Township's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.005386000%	\$ 16,556	\$ 24,725	66.96%	144.55%
2023	0.005238000%	12,345	24,307	50.79%	137.14%
2022	0.004974000%	19,598	22,679	86.41%	169.88%
2021	0.005145000%	14,852	22,679	65.49%	157.67%
2020	0.005094000%	10,622	22,679	46.84%	145.28%

Calendar Year	Contributions in Relation to the Contractually Required Contributions			Township's Covered Payroll	Contributions as a Percentage of Covered Payroll
	Contractually Required Contributions	Contractually Required Contributions	Contribution Deficiency (Excess)		
2024	\$ 3,020	\$ (3,020)	\$ -	\$ 25,167	12.00%
2023	2,967	(2,967)	-	24,725	12.00%
2022	3,403	(3,403)	-	24,307	14.00%
2021	3,175	(3,175)	-	22,679	14.00%
2020	3,175	(3,175)	-	22,679	14.00%
2019	3,175	(3,175)	-	22,679	14.00%

(1) Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

(2) Information prior to 2019 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET PENSION ASSET AND
TOWNSHIP PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - MEMBER DIRECTED PLAN

LAST FIVE AND SIX FISCAL YEARS

Calendar Year (1)	Township's Proportion of the Net Pension Asset	Township's Proportionate Share of the Net Pension Asset	Township's Covered Payroll	Township's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.000000000%	\$ -	\$ -	0.00%	134.44%
2023	0.002412000%	189	17,010	1.11%	126.74%
2022	0.004837000%	878	30,330	2.89%	171.84%
2021	0.001794000%	327	10,770	3.04%	188.21%
2020	n/a	n/a	n/a	0.00%	118.84%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Township's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ -	\$ -	\$ -	\$ -	10.00%
2023	-	-	-	-	10.00%
2022	1,701	(1,701)	-	17,010	10.00%
2021	3,033	(3,033)	-	30,330	10.00%
2020	1,077	(1,077)	-	10,770	10.00%
2019	n/a	n/a	n/a	n/a	10.00%

(1) Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.
n/a - information not available.

(2) Information prior to 2019 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
TOWNSHIP PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST FIVE AND SIX FISCAL YEARS

Calendar Year (1)	Township's Proportion of the Net Pension Liability	Township's Proportionate Share of the Net Pension Liability	Township's Covered Payroll	Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.292973100%	\$ 28,305,245	\$ 7,600,349	372.42%	63.63%
2023	0.307295200%	29,190,065	7,637,898	382.17%	62.90%
2022	0.304552700%	19,026,691	6,904,336	275.58%	75.03%
2021	0.310138500%	21,142,420	7,278,123	290.49%	70.65%
2020	0.312159300%	21,028,718	6,669,115	315.31%	69.89%

Fire:

2024	\$ 1,801,390	\$ (1,801,390)	\$ -	\$ 7,665,489	23.50%
2023	1,786,082	(1,786,082)	-	7,600,349	23.50%
2022	1,794,906	(1,794,906)	-	7,637,898	23.50%
2021	1,622,519	(1,622,519)	-	6,904,336	23.50%
2020	1,710,359	(1,710,359)	-	7,278,123	23.50%
2019	1,567,242	(1,567,242)	-	6,669,115	23.50%

(1) Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

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Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/(ASSET) AND
TOWNSHIP OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST FIVE FISCAL YEARS

Fiscal Year (1) (2)	Township's Proportion of the Net OPEB Liability/(Asset)	Township's Proportionate Share of the Net OPEB Liability/(Asset)	Township's Covered Payroll	Township's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2024	0.009948000%	\$ (89,783)	\$ 1,803,768	4.98%	107.76%
2023	0.010517000%	66,312	1,789,396	3.71%	94.79%
2022	0.010010000%	(313,529)	1,497,873	20.93%	128.23%
2021	0.008998000%	(160,307)	1,438,120	11.15%	115.57%
2020	0.008489000%	1,172,551	1,278,965	91.68%	47.80%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Township's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 503	\$ (503)	\$ -	\$ 1,936,053	0.03%
2023	495	(495)	-	1,803,768	0.03%
2022	681	(681)	-	1,789,396	0.04%
2021	1,213	(1,213)	-	1,497,873	0.08%
2020	431	(431)	-	1,438,120	0.03%

(1) Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

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Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY AND
TOWNSHIP OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST FIVE AND SIX FISCAL YEARS

Fiscal Year (1) (2)	Township's Proportion of the Net OPEB Liability	Township's Proportionate Share of the Net OPEB Liability	Township's Covered Payroll	Township's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2024	0.292973100%	\$ 2,139,087	\$ 7,600,349	28.14%	51.89%
2023	0.307295200%	2,187,853	7,637,898	28.64%	52.59%
2022	0.304552700%	3,338,160	6,904,336	48.35%	46.86%
2021	0.310138500%	3,285,968	7,278,123	45.15%	45.42%
2020	0.312159300%	3,083,425	6,669,115	46.23%	47.08%
<i>Fire:</i>					
2024	\$ 38,333	\$ (38,333)	\$ -	\$ 7,665,489	0.50%
2023	38,002	(38,002)	-	7,600,349	0.50%
2022	38,189	(38,189)	-	7,637,898	0.50%
2021	34,522	(34,522)	-	6,904,336	0.50%
2020	36,391	(36,391)	-	7,278,123	0.50%
2019	33,346	(33,346)	-	6,669,115	0.50%

(1) Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

(2) Information prior to 2019 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1 - BUDGETARY PROCESS

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The schedule of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and any major special revenue fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis is as follows:

Net Change in Fund Balance

	<u>General fund</u>	<u>Fire Fund</u>
Budget basis	\$ 764,607	\$ 96,538
Net adjustment for revenue accruals	18,171	35,895
Net adjustment for expenditure accruals	35,405	307,898
Net adjustment for other sources/uses	(39)	(33,424)
Funds budgeted elsewhere	61,414	-
Adjustments for encumbrances	<u>73,001</u>	<u>390,113</u>
GAAP Basis	<u><u>\$ 952,559</u></u>	<u><u>\$ 797,020</u></u>

As part of Governmental Accounting Standards Board Statement No. 54, “Fund Balance Reporting”, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund. This includes the paying accumulated leave fund.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

Change in assumptions:

- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25%, (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75% and (d) COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2018, then 2.15% simple.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- For 2020, COLA for post 1/7/2013 retirees were changed to 1.40%, simple through 2020, then 2.15% simple.
- For 2021, COLA for post 1/7/2013 retirees were changed to 0.50%, simple through 2021, then 2.15% simple.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- For 2023, COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2023, then 2.05% simple.
- For 2024, COLA for post 1/7/2013 retirees were changed to 2.30%, simple through 2024, then 2.05% simple.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

Changes in assumptions:

- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- There were no changes in assumptions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.
- There were no changes in assumptions for 2024.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) the investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.
- For 2024, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed to 5.70%, (b) the municipal bond rate was changed to 3.77% and (c) the health care cost trend rate was changed to 5.50% initial, 3.50% ultimate in 2038.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) investment rate of return was reduced from 8.25% to 8.00%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66% and (b) the municipal bond rate was increased from 3.16% to 4.13%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56% and (b) the municipal bond rate was decreased from 4.13% to 2.75%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96% and (b) the municipal bond rate was decreased from 2.75% to 2.12%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50%, (b) the discount rate was changed from 2.96% to 2.84% and (c) the municipal bond rate was decreased from 2.12% to 2.05%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the municipal bond rate was increased from 2.05% to 3.65%.
- For 2024, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed to 4.07% and (b) and the municipal bond rate was changed to 3.38%.



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

Beavercreek Township
Greene County
851 Orchard Lane, Suite C
Beavercreek, Ohio 45434

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beavercreek Township, Greene County, Ohio (the Township) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 30, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Beavercreek Township
Greene County
Independent Auditor's Report on Internal Control Over Financial Reporting
And on Compliance and Other Matters Required by *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

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

Purpose of This Report

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

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 30, 2025



bhm cpa group, inc.

CERTIFIED PUBLIC ACCOUNTANTS

BEAVERCREEK TOWNSHIP
GREENE COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2023

**Beavercreek Township
Greene County**

*Table of Contents
For the Year Ended December 31, 2023*

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	17
Reconciliation of Total Government Fund Balances to Net Position	
Of Governmental Activities.....	18
Statement of Revenues, Expenditures and Changes in Fund	
Balances – Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities.....	20
Statement of Revenues, Expenditures and Changes in Fund	
Balance – Budget and Actual (Non-GAAP Budgetary Basis) –	
General Fund	21
Fire Fund.....	22
Statement of Fiduciary Net Position – Fiduciary Fund	23
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	24
Notes to the Basic Financial Statements.....	25
Required Supplementary Information:	
Schedule of the Township's Proportionate Share of the Net Pension Liability/Net Pension Asset:	
Ohio Public Employees Retirement System (OPERS)	74
Ohio Police and Fire (OP&F) Pension Fund	75
Schedule of Township Pension Contributions:	
Ohio Public Employees Retirement System (OPERS)	76
Ohio Police and Fire (OP&F) Pension Fund	78
Schedule of the Township's Proportionate Share of the Net OPEB Liability/Net OPEB Asset:	
Ohio Public Employees Retirement System (OPERS)	80
Ohio Police and Fire (OP&F) Pension Fund	81
Schedule of Township OPEB Contributions:	
Ohio Public Employees Retirement System (OPERS)	82
Ohio Police and Fire (OP&F) Pension Fund	84
Notes to Required Supplementary Information	86
Independent Auditor's Report on Internal Control Over Financial Reporting and on	
Compliance and Other Matters Required by <i>Government Auditing Standards</i>	90



INDEPENDENT AUDITOR'S REPORT

Beavercreek Township
Greene County
851 Orchard Lane, Suite C
Beavercreek, Ohio 45434

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beavercreek Township, Greene County, Ohio (Township), as of and for the year ended December 31, 2023, 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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beavercreek Township, Greene County, Ohio as of December 31, 2023, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Fire funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 *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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 30, 2025

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

The discussion and analysis of the Beavercreek Township's (the "Township") financial performance provides an overall review of the Township's financial activities for the fiscal year ended December 31, 2023. The intent of this discussion and analysis is to look at the Township's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the Township's financial performance.

Financial Highlights

Key financial highlights for 2023 are as follows:

- During 2023, net position of the Township decreased \$1,578,770 or 9.78% from 2022's net position.
- General revenues accounted for \$19,645,679 in revenue or 86.97% of total revenues. Program specific revenues in the form of charges for services and sales, operating and capital grants and contributions accounted for \$2,942,341 or 13.03% of total revenues of \$22,588,020.
- The Township had \$24,166,790 in expenses related to governmental activities; only \$2,942,341 of these expenses was offset by program specific charges for services, operating and capital grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$19,645,679 were not adequate to provide for these programs.
- The Township's major governmental funds are the general fund, the fire fund and the fire station fund. The general fund had \$2,296,490 in revenues and other financing sources and \$2,695,143 in expenditures. During 2023, the general fund's fund balance decreased \$398,653 from a balance of \$2,112,456 to \$1,713,803.
- The fire fund had \$15,516,208 in revenues and \$18,210,776 in expenditures and other financing uses. During 2023, the fire fund's fund balance decreased \$2,694,568 from a balance of \$5,181,530 to \$2,486,962.
- The fire station fund had \$3,000,000 in other financing sources and \$1,460 in expenditures. During 2023, the fire station fund's fund balance increased \$2,998,540 from a balance of \$1,612,471 to \$4,611,011.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Township as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the whole Township, presenting both an aggregate view of the Township's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Township's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Township, the general fund, fire fund, and the fire station fund are by far the most significant funds, and the only governmental funds reported as major funds.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Reporting the Township as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the Township to provide programs and activities, the view of the Township as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

These two statements report the Township's net position and changes in net position. This change in net position is important because it tells the reader that, for the Township as a whole, the financial position of the Township has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Township's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and statement of activities, the governmental activities include the Township's programs and services, including fire, police, road maintenance, capital improvements, and general administration.

Reporting the Township's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the Township's major funds. The Township uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Township's most significant funds. The Township's major governmental funds are the general fund, the fire fund, and the fire station fund.

Governmental Funds

Most of the Township's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance Township programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

Reporting the Township's Fiduciary Responsibilities

The Township is the trustee, or fiduciary, for its trust programs. This activity is presented as a private-purpose trust fund. These activities are excluded from the Township's other financial statements because the assets cannot be utilized by the Township to finance its operations.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

Required supplementary information present information on the Township's net pension liability/asset and net OPEB liability/asset.

The Township as a Whole

The statement of net position provides the perspective of the Township as a whole. The table below provides a summary of the Township's net position at December 31, 2023 and December 31, 2022 respectively.

Net Position

	<u>Governmental Activities</u>	<u>Governmental Activities</u>
	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Current and other assets	\$ 36,694,906	\$ 35,253,786
Capital assets, net	<u>29,341,225</u>	<u>29,414,492</u>
Total assets	<u>66,036,131</u>	<u>64,668,278</u>
<u>Deferred outflows</u>		
Pension	11,066,514	7,343,593
OPEB	<u>2,250,605</u>	<u>2,575,538</u>
Total deferred outflows	<u>13,317,119</u>	<u>9,919,131</u>
<u>Liabilities</u>		
Current liabilities	1,517,648	1,685,889
Long-term liabilities		
Due within one year	897,621	779,432
Due in more than one year		
Net pension liability	32,447,150	19,930,663
Net OPEB liability	<u>2,254,165</u>	<u>3,338,160</u>
Other amounts	<u>6,389,280</u>	<u>6,911,933</u>
Total liabilities	<u>43,505,864</u>	<u>32,646,077</u>
<u>Deferred inflows</u>		
Property taxes	17,487,271	16,861,135
Pension	<u>1,518,656</u>	<u>7,442,384</u>
OPEB	<u>2,283,146</u>	<u>1,500,730</u>
Total deferred inflows	<u>21,289,073</u>	<u>25,804,249</u>
<u>Net position</u>		
Net investment in capital assets	22,715,700	22,347,903
Restricted	<u>11,974,071</u>	<u>7,658,695</u>
Unrestricted (deficit)	<u>(20,131,458)</u>	<u>(13,869,515)</u>
Total net position	<u>\$ 14,558,313</u>	<u>\$ 16,137,083</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, *“Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.”* The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement 75, *“Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.”* For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Township’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, the net pension asset, and the net OPEB asset. Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s net pension liability/asset or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio’s statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability to equal the Township’s proportionate share of each plan’s collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees’ past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Township is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer’s promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

In accordance with GASB 68 and GASB 75, the Township's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability/asset and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2023, the Township's assets plus deferred outflows exceeded liabilities plus deferred inflows of resources by \$14,558,313.

At year-end, capital assets represented 44.43% of total assets. Capital assets include land, construction in progress, buildings and improvements, equipment, vehicles, intangible right to use equipment, intangible right to use vehicles, intangible right to use subscriptions and infrastructure. The net investment in capital assets at December 31, 2023, was \$22,715,700. These capital assets are used to provide services to the constituents and are not available for future spending. Although the Township's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

For more information on the Township's deferred outflows related to pension and OPEB, see Note 10 and 11, respectively.

Total assets include a net pension asset reported. See Note 10 and 11, respectively for more detail.

Long-term liabilities include amounts for the net pension liability and the net OPEB liability. These liabilities are outside of the control of the Township. The Township contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions and OPEB to Township employees, not the Township.

For more information on the Township's deferred inflows and inflows related to pension and OPEB, see Note 10 and 11, respectively.

The net pension liability for governmental activities increased \$12,516,487 or 62.80%, deferred outflow of resources related to pension increased \$3,722,921 or 50.70% and deferred inflows of resources related to pension decreased \$5,923,728 or 79.59%. These changes were the result of changes at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund. Primarily, net investment income on investments at the pension systems were negative for the 2022 measurement date that are used for the 2023 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous year's large positive investment returns.

A portion of the Township's net position, \$11,974,071, represents resources that are subject to external restriction on how they may be used. The balance of unrestricted net position is a deficit of \$20,131,458, which is primarily caused by the reporting of the net pension liability and net OPEB liability.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

The table below shows the changes in net position for 2023 and 2022 respectively.

Change in Net Position		<u>Governmental Activities</u>	<u>Governmental Activities</u>
		<u>2023</u>	<u>2022</u>
Revenues			
Program revenues:			
Charges for services and sales	\$ 1,899,812	\$ 1,375,232	
Operating grants and contributions	1,009,105	1,419,758	
Capital grants and contributions	33,424	56,771	
General revenues:			
Property taxes	17,249,707	16,921,676	
Other local taxes	169,600	163,948	
Grants and entitlements	1,423,065	1,356,968	
Investment earnings	742,494	(146,050)	
Other	60,813	49,068	
Total revenues	<u>22,588,020</u>	<u>21,197,371</u>	
Expenses			
General government	1,150,567	1,243,017	
Public safety	20,196,557	16,365,453	
Public works	2,148,919	2,003,976	
Conservation and recreation	126,234	102,834	
Health	61,539	61,695	
Other	166,478	94,360	
Interest and fiscal charges	316,496	53,814	
Total expenses	<u>24,166,790</u>	<u>19,925,149</u>	
Changes in net position	(1,578,770)	1,272,222	
Net position at beginning of year	<u>16,137,083</u>	<u>14,864,861</u>	
Net position at end of year	<u><u>\$ 14,558,313</u></u>	<u><u>\$ 16,137,083</u></u>	

Governmental Activities

For fiscal year 2023, the net position of the Township's governmental activities decreased \$1,578,770 from 2022's net position. Total governmental expenses of \$24,166,790 were partially offset by program revenues of \$2,942,341 and general revenues of \$19,645,679 were not adequate to cover the remaining expense. Program revenues supported 13.03% of the total governmental expenses.

Overall, expenses of the governmental activities increased \$4,241,641 or 21.29%. This increase is primarily the result of an increase in pension expense. Pension expense increased \$3,051,389. This increase was the result of an increase in expenses incurred at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund due to a decrease in net investment income on investments compared to previous years.

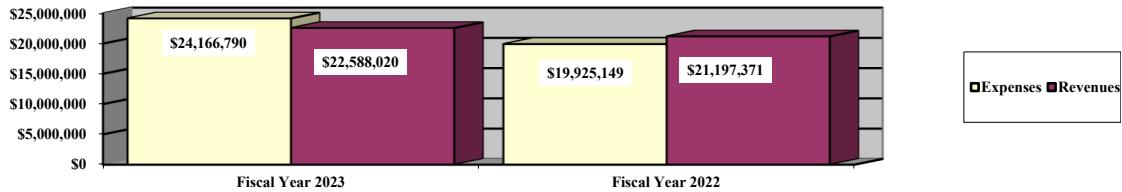
Public safety expenses totaled \$20,196,557 and include expenses related to fire, police, EMS, and other safety services provided by the Township. Public works expenses totaled \$2,148,919 and relate to the Township's road maintenance and construction departments. General government expenses totaled \$1,150,567 and are related to the Township's administrative functions. Interest and fiscal charges account for interest paid on the Township's lease obligations.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

The graph below presents the Township's governmental activities revenue and expenses for fiscal year 2023 and 2022.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2023 and 2022. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As stated above, fluctuations in the pension expense reported under GASB 68 makes it difficult to compare financial information between years.

Governmental Activities

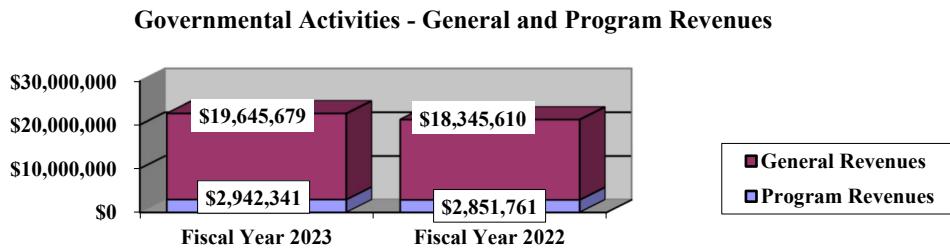
	Total Cost of Services <u>2023</u>	Net Cost of Services <u>2023</u>	Total Cost of Services <u>2022</u>	Net Cost of Services <u>2022</u>
Program expenses:				
General government	\$ 1,150,567	\$ 1,103,809	\$ 1,243,017	\$ 1,206,109
Public safety	20,196,557	18,269,729	16,365,453	14,049,173
Public works	2,148,919	1,283,612	2,003,976	1,599,804
Conservation and recreation	126,234	38,835	102,834	21,150
Health	61,539	45,490	61,695	48,978
Other	166,478	166,478	94,360	94,360
Interest and fiscal charges	<u>316,496</u>	<u>316,496</u>	<u>53,814</u>	<u>53,814</u>
Total expenses	<u>\$ 24,166,790</u>	<u>\$ 21,224,449</u>	<u>\$ 19,925,149</u>	<u>\$ 17,073,388</u>

The dependence upon tax revenues during fiscal year 2023 for governmental activities is apparent, as 81.29% of 2023 expenses are supported through taxes and other general revenues. The Township's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for Township's taxpayers.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR
THE FISCAL YEAR ENDED DECEMBER 31, 2023**

The graph below presents the Township's governmental activities revenue for fiscal years 2023 and 2022.



The Township's Funds

Governmental Funds

The Township's governmental funds reported a combined fund balance of \$16,706,257, which is more than last year's fund balance of \$15,189,282.

The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2023 and 2022.

	Fund Balance December 31, 2023	Fund Balance December 31, 2022	<u>Change</u>
General	\$ 1,713,803	\$ 2,112,456	\$ (398,653)
Fire	2,486,962	5,181,530	(2,694,568)
Fire Station	4,611,011	1,612,471	2,998,540
Other governmental	<u>7,894,481</u>	<u>6,282,825</u>	<u>1,611,656</u>
Total	<u><u>\$ 16,706,257</u></u>	<u><u>\$ 15,189,282</u></u>	<u><u>\$ 1,516,975</u></u>

General Fund

The Township's general fund balance decreased \$398,653. The table that follows assists in illustrating the revenues of the general fund.

<u>Revenues</u>	<u>2023 Amount</u>	<u>2022 Amount</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Property taxes	\$ 999,921	\$ 952,967	\$ 46,954	4.93 %
Fees, licenses and permits	126,999	110,024	16,975	15.43 %
Fines and forfeitures	7,158	8,568	(1,410)	(16.46) %
Intergovernmental	318,263	257,389	60,874	23.65 %
Investment income	738,921	(146,372)	885,293	604.82 %
Other revenues	<u>60,813</u>	<u>49,068</u>	<u>11,745</u>	<u>23.94 %</u>
Total	<u><u>\$ 2,252,075</u></u>	<u><u>\$ 1,231,644</u></u>	<u><u>\$ 1,020,431</u></u>	<u><u>82.85 %</u></u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

In total, revenues were \$2,252,075. Property tax revenue represents 44.40% of all general fund revenue. Property tax revenue can fluctuate year to year based on collections. Investment income totaled \$738,921 due to an increase in the fair value on the Township's investments. The Township plans to hold all investments to maturity to reduce interest rate risk. Other revenues increased \$11,745 due to an increase in miscellaneous operating receipts.

	2023 <u>Amount</u>	2022 <u>Amount</u>	Increase (Decrease)	Percentage Change
Expenditures				
General government	\$ 967,558	\$ 1,014,115	\$ (46,557)	(4.59) %
Public safety	35,517	76,543	(41,026)	(100.00) %
Public works	13,417	39,076	(25,659)	(65.66) %
Conservation and recreation	48,756	25,356	23,400	92.29 %
Health	26,907	26,492	415	1.57 %
Other	159,609	94,360	65,249	69.15 %
Capital outlay	21,425	151,198	(129,773)	(85.83) %
Principal retirement	20,748	18,169	2,579	14.19 %
Interest and fiscal charges	<u>1,206</u>	<u>2,051</u>	<u>(845)</u>	<u>(41.20) %</u>
Total	<u>\$ 1,295,143</u>	<u>\$ 1,447,360</u>	<u>\$ (152,217)</u>	<u>(10.52) %</u>

In total, expenditures were \$1,295,143 in the general fund. General fund expenditures consist of the same categories as described in the governmental activities. General government expenditures totaled \$967,558 and accounted for 74.71% of total general fund expenditures. General government expenditures decreased due to a decrease in administrative expenditures. Public works expenditures decreased due to a decrease in expenditures relating to highways. Conservation and recreation expenditures increased due to an increase in expenditures relating to park improvements. Other expenditures increased due to an increase in expenditures relating to information technologies. Capital Outlay decreased due to a decrease in expenditures relating to improvement of sites.

Fire Fund

The fire fund had \$15,516,208 in revenues and \$18,210,776 in expenditures and other financing uses. During 2023, the fire fund's fund balance decreased \$2,694,568 from a balance of \$5,181,530 to \$2,486,962.

Fire Station Fund

The fire station fund had \$3,000,000 in other financing sources and \$1,460 in expenditures. During 2023, the fire station fund's fund balance increased \$2,998,540 from a balance of \$1,612,471 to \$4,611,011.

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

For the general fund, the original and final budgeted revenue and other financing sources were \$1,357,642 and \$1,463,342, respectively. Actual revenue and other financing sources were \$1,973,437, which was a \$510,095 increase from final budgeted amounts.

The original budgeted expenditures and other financing uses were \$2,422,353. Final budgeted expenditures and other financing uses were \$2,971,774, which was a \$549,421 increase. Total actual expenditures and other financing uses on the budget basis (cash outlays plus encumbrances) were \$1,817,106. This amount was \$1,154,668 less than the final budgeted amount (appropriations plus prior year encumbrances).

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2023, the Township had \$29,341,225 invested in land, buildings and improvements, equipment, vehicles, intangible right to use equipment, intangible right to use vehicles, intangible right to use SBITAs and infrastructure. The following table shows fiscal year 2023 compared to 2022 balances.

Capital Assets at June 30 (Net of Depreciation)

	Governmental Activities	
	2023	2022
Land	\$ 1,688,000	\$ 1,688,000
Buildings and improvements	16,022,373	15,900,103
Equipment	1,205,174	1,255,793
Vehicles	4,466,692	5,080,910
Infrastructure	4,315,805	3,703,458
Intangible right to use vehicles	189,853	143,604
Intangible right to use equipment	1,449,374	1,642,624
Intangible right to use SBITAs	3,954	-
Total	\$ 29,341,225	\$ 29,414,492

Overall capital assets, net of accumulated depreciation, decreased \$73,267 from 2022 to 2023. Capital outlays of \$2,939,097 did not exceed depreciation expense of \$2,989,803 during the year. See Note 8 to the basic financial statements for more detail on the Township's capital assets.

Debt Administration

At December 31, 2023, the Township has \$6,706,900 in long-term debt outstanding. Of this total, \$708,307 is due within one year and \$5,998,593 is due in greater than one year. The following table summarizes outstanding long-term debt:

Outstanding Debt, at Year End

	Governmental Activities	Governmental Activities
	2023	2022
LGIF loan	\$ 81,375	\$ 127,875
Lease payable	1,556,659	1,652,117
Financed purchase note payable	5,065,769	5,414,472
SBITA payable	3,097	-
Total	\$ 6,706,900	\$ 7,194,464

See Note 13 to the basic financial statements for more detail on the Township's long-term obligations.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Economic Conditions and Outlook

Beavercreek Township is located in Greene Count and is one of the best places in Ohio to live. Living in Beavercreek Township offers residents “the comforts of home” while providing a unique feel that is unmatched in the county. Beavercreek Township’s legacy dates back to the founding of the State of Ohio in 1803 and is known as one of the original four townships in this section of the state with its borders extending as far north as Lake Erie. It is a beautiful valley, fertile, well timbered, rolling, and picturesque.

Economic development activities create both fiscal costs and benefits to the Township. An effective economic development strategy will help Beavercreek Township augment its tax revenue base by developing those projects having a positive fiscal impact on the Township. Both economic growth and economic decline have significant fiscal cost consequences to the Township. Growth places demands on the Township to extend public services of various types, while decline erodes the existing tax base caused by the loss of residential and business taxpayers.

In 2023, Beavercreek Township added \$54,806,397 in new residential construction valuation and \$14,170,317 in commercial construction valuation.

As the township continues to grow, there will be a continued need to evaluate the fiscal health of the community, particularly given the fact that much of the new growth is likely to be residential. Township residents and businesses enjoy a high level of public services. The cost of providing these services continues to rise while revenue streams are not keeping up with the growth at the same rate. The Township will need to look for alternative ways to provide and fund these types of services.

The Township has recently made a significant investment in local economic development activities through its funding the U.S. 35 project, identifying a Highway Business Overlay District, and rezoning land for commercial growth. This is balanced by continued partnerships to protect the natural resources and beauty of the Township, including providing \$50,868 in subdivision impact fees to the Beavercreek Wetlands Association for further conservation and continued cleanup of the national scenic river designated Little Miami River.

The Township will continue to evaluate fiscal and funding resources to provide tax and financial incentives to businesses to retain, expand and create jobs in Beavercreek Township.

The Township continues to rely heavily on shared-services and reliance on special funds for cost allocation. The Board and Staff will continue to discuss options in FY2024 to determine options to help insure the long-term financial stability of the Township.

These economic factors were considered in preparing the Township’s budget for fiscal year 2023. Budgeted revenues and other financing sources in the General Fund for Fiscal Year 2023 budget were \$2,869,397. The Township will continue conservative budgeting practices and will continue to look at long-term budget forecasts to make adequate plans to maintain solvency.

Contacting the Township’s Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township’s finances and to show the Township’s accountability for the money it receives. If you have any questions about this report or need additional information, contact J Alexander Zaharieff, Fiscal Officer at Beavercreek Township, 851 N. Orchard Lane, Suite C, Beavercreek, Ohio 45434 or e-mail at jzaharieff@beavercreektownship.org.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 17,771,980
Receivables:	
Property taxes	17,616,761
Accounts	190,743
Accrued interest	11,699
Due from other governments	1,006,999
Prepayments	84,190
Net pension asset	12,534
Capital assets:	
Nondepreciable capital assets	1,688,000
Depreciable capital assets, net	<u>27,653,225</u>
Total capital assets, net	<u>29,341,225</u>
Total assets	<u>66,036,131</u>
Deferred outflows of resources:	
Pension	11,066,514
OPEB	<u>2,250,605</u>
Total deferred outflows of resources	<u>13,317,119</u>
Liabilities:	
Accounts payable	240,262
Accrued wages and benefits payable	275,686
Due to other governments	517,011
Accrued interest payable	3,845
Payroll withholdings payable	158,780
Unearned revenue	322,064
Long-term liabilities:	
Due within one year	897,621
Due in more than one year:	
Net pension liability	32,447,150
Net OPEB liability	2,254,165
Other amounts due in more than one year	<u>6,389,280</u>
Total liabilities	<u>43,505,864</u>
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	17,487,271
Pension	1,518,656
OPEB	<u>2,283,146</u>
Total deferred inflows of resources	<u>21,289,073</u>
Net position:	
Net investment in capital assets	22,715,700
Restricted for:	
Debt service	123,090
Capital projects	7,045,540
Public works	1,743,796
Police operations	955,266
Public safety	27,357
EMS operations	2,013,147
Cemetery	39,515
Pension	12,534
Other purposes	13,826
Unrestricted (deficit)	<u>(20,131,458)</u>
Total net position	<u>\$ 14,558,313</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

							Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Program Revenues	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental activities:							
General government	\$ 1,150,567	\$ 46,758	\$ -	\$ -	\$ (1,103,809)		
Public safety	20,196,557	1,746,738	180,090	-	-	(18,269,729)	
Public works	2,148,919	2,875	829,008	33,424	-	(1,283,612)	
Conservation and recreation	126,234	87,399	-	-	-	(38,835)	
Health	61,539	16,042	7	-	-	(45,490)	
Other	166,478	-	-	-	-	(166,478)	
Interest and fiscal charges	316,496	-	-	-	-	(316,496)	
Total governmental activities	<u>\$ 24,166,790</u>	<u>\$ 1,899,812</u>	<u>\$ 1,009,105</u>	<u>\$ 33,424</u>	<u>\$ (21,224,449)</u>		
General revenues:							
Property taxes levied for:							
General purposes					989,338		
Roads					1,216,827		
Police					680,063		
Fire					14,363,479		
Other local taxes					169,600		
Grants and entitlements not restricted							
to specific programs					1,423,065		
Investment earnings					522,899		
Increase in fair value of investments					219,595		
Miscellaneous					60,813		
Total general revenues					<u>19,645,679</u>		
Change in net position					(1,578,770)		
Net position at beginning of year					<u>16,137,083</u>		
Net position at end of year					<u>\$ 14,558,313</u>		

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Fire	Fire Station	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 1,798,957	\$ 3,291,949	\$ 4,611,011	\$ 8,070,063	\$ 17,771,980
Receivables:					
Property taxes	1,193,042	14,392,665	-	2,031,054	17,616,761
Accounts	19,933	-	-	170,810	190,743
Accrued interest	11,699	-	-	-	11,699
Due from other governments	180,629	459,490	-	296,541	936,660
Prepayments	13,826	51,965	-	18,399	84,190
Total assets	<u>\$ 3,218,086</u>	<u>\$ 18,196,069</u>	<u>\$ 4,611,011</u>	<u>\$ 10,586,867</u>	<u>\$ 36,612,033</u>
Liabilities:					
Accounts payable	\$ 19,397	\$ 138,615	\$ -	\$ 82,250	\$ 240,262
Accrued wages and benefits payable	7,767	239,989	-	27,930	275,686
Due to other governments	11,869	480,519	-	24,623	517,011
Unearned revenue	-	-	-	322,064	322,064
Payroll withholdings payable	158,780	-	-	-	158,780
Total liabilities	<u>197,813</u>	<u>859,123</u>	<u>-</u>	<u>456,867</u>	<u>1,513,803</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	1,183,481	14,283,362	-	2,020,428	17,487,271
Delinquent property tax revenue not available	9,561	109,303	-	10,626	129,490
Accrued interest not available	8,329	-	-	-	8,329
Intergovernmental revenue not available	105,099	457,319	-	204,465	766,883
Total deferred inflows of resources	<u>1,306,470</u>	<u>14,849,984</u>	<u>-</u>	<u>2,235,519</u>	<u>18,391,973</u>
Fund balances:					
Nonspendable	13,826	51,965	-	18,399	84,190
Restricted	-	2,434,997	4,611,011	7,876,082	14,922,090
Committed	18,027	-	-	-	18,027
Assigned	1,086,458	-	-	-	1,086,458
Unassigned	595,492	-	-	-	595,492
Total fund balances	<u>1,713,803</u>	<u>2,486,962</u>	<u>4,611,011</u>	<u>7,894,481</u>	<u>16,706,257</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,218,086</u>	<u>\$ 18,196,069</u>	<u>\$ 4,611,011</u>	<u>\$ 10,586,867</u>	<u>\$ 36,612,033</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2023**

Total governmental fund balances	\$ 16,706,257
<i>Amounts reported for governmental activities on the Statement of Net Position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
	29,341,225
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.	
Delinquent property taxes receivable	129,490
Intergovernmental receivable	837,222
Accrued interest receivable	<u>8,329</u>
Total	975,041
The net pension liability and net pension asset are not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred outflows of resources - pension	11,066,514
Deferred inflows of resources - pension	(1,518,656)
Net pension asset	12,534
Net pension liability	<u>(32,447,150)</u>
Total	(22,886,758)
The net OPEB liability are not due in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred outflows of resources	2,250,605
Deferred inflows of resources	(2,283,146)
Net OPEB liability	<u>(2,254,165)</u>
Total	(2,286,706)
Long-term liabilities, including loans, leases, and subscriptions are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(580,001)
Accrued interest payable	(3,845)
Financed purchase note payable	(5,065,769)
Lease payable	(1,556,659)
SBITA payable	(3,097)
LGIF loan	<u>(81,375)</u>
Total	<u>(7,290,746)</u>
Net position of governmental activities	<u>\$ 14,558,313</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Fire	Fire Station	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 999,921	\$ 14,543,813	\$ -	\$ 1,924,851	\$ 17,468,585
Other local taxes	-	-	-	170,956	170,956
Charges for services	-	-	-	1,707,616	1,707,616
Fees, licenses and permits	126,999	12,915	-	18,917	158,831
Fines and forfeitures	7,158	-	-	26,207	33,365
Intergovernmental	318,263	936,087	-	1,102,426	2,356,776
Investment income	519,326	-	-	58,527	577,853
Increase in fair value of investments	219,595	-	-	-	219,595
Other	60,813	23,393	-	57,805	142,011
Total revenues	2,252,075	15,516,208	-	5,067,305	22,835,588
Expenditures:					
Current:					
General government	967,558	-	-	-	967,558
Public safety	35,517	13,334,047	1,460	2,869,702	16,240,726
Public works	13,417	-	-	1,525,240	1,538,657
Conservation and recreation	48,756	-	-	-	48,756
Health	26,907	-	-	34,632	61,539
Other	159,609	-	-	-	159,609
Capital outlay	21,425	-	-	1,440,994	1,462,419
Debt service:					
Principal retirement	20,748	488,085	-	138,340	647,173
Interest and fiscal charges	1,206	342,089	-	8,490	351,785
Total expenditures	1,295,143	14,164,221	1,460	6,017,398	21,478,222
Excess (deficiency) of revenues over (under) expenditures	956,932	1,351,987	(1,460)	(950,093)	1,357,366
Other financing sources (uses):					
Lease transaction	-	-	-	154,864	154,864
Transfers in	39,670	-	3,000,000	2,406,885	5,446,555
Transfers out	(1,400,000)	(4,046,555)	-	-	(5,446,555)
SBITA transaction	4,745	-	-	-	4,745
Total other financing sources (uses)	(1,355,585)	(4,046,555)	3,000,000	2,561,749	159,609
Net change in fund balances	(398,653)	(2,694,568)	2,998,540	1,611,656	1,516,975
Fund balances at beginning of year	2,112,456	5,181,530	1,612,471	6,282,825	15,189,282
Fund balances at end of year	\$ 1,713,803	\$ 2,486,962	\$ 4,611,011	\$ 7,894,481	\$ 16,706,257

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

Net change in fund balances - total governmental funds	\$ 1,516,975
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceed depreciation/amortization expense in the current period.	
Capital assets additions	\$ 2,939,097
Current year depreciation/amortization	<u>(2,989,803)</u>
Total	(50,706)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds:	(22,561)
LGF loan due from other entities	(40,193)
Delinquent property tax revenue	(218,878)
Intergovernmental revenues	7,930
Interest revenue	<u>3,573</u>
Total	(247,568)
The issuance of leases and SBITAs are reported as an other financing source in the governmental funds, however, in the Statement of Activities, they are not reported as revenues as they increase liabilities on the Statement of Net Position.	
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the Statement of Net Position.	(159,609)
LGF loan	46,500
Financed purchase notes payable	348,703
SBITA payable	1,648
Lease payable	<u>250,322</u>
Total	647,173
Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the Statement of Net Position.	
	35,289
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.	
Pension	2,038,115
OPEB	38,497
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the Statement of Activities.	
Pension	(4,915,895)
OPEB	<u>(375,380)</u>
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
	<u>(83,100)</u>
Change in net position of governmental activities	<u>\$ (1,578,770)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final	Actual		
Revenues:					
Property taxes	\$ 951,300	\$ 1,057,000	\$ 999,921	\$ (57,079)	
Fees, licenses and permits	46,563	46,563	111,556	64,993	
Fines and forfeitures	2,988	2,988	7,158	4,170	
Intergovernmental	111,580	111,580	267,324	155,744	
Investment income	216,157	216,157	517,870	301,713	
Other	29,054	29,054	69,608	40,554	
Total revenues	1,357,642	1,463,342	1,973,437	510,095	
Expenditures:					
Current:					
General government	1,348,328	1,654,144	1,011,435	642,709	
Public works	39,992	49,063	30,000	19,063	
Health	35,869	44,005	26,907	17,098	
Conservation and recreation	70,851	86,921	53,148	33,773	
Other	219,588	269,394	164,722	104,672	
Capital outlay	41,184	50,525	30,894	19,631	
Total expenditures	1,755,812	2,154,052	1,317,106	836,946	
Excess (deficiency) of revenues over (under) expenditures	(398,170)	(690,710)	656,331	1,347,041	
Other financing (uses):					
Advances out	(666,541)	(817,722)	(500,000)	317,722	
Total other financing (uses)	(666,541)	(817,722)	(500,000)	317,722	
Net change in fund balance	(1,064,711)	(1,508,432)	156,331	1,664,763	
Fund balance at beginning of year	1,406,055	1,406,055	1,406,055	-	
Prior year encumbrances appropriated	102,377	102,377	102,377	-	
Fund balance at end of year	\$ 443,721	\$ -	\$ 1,664,763	\$ 1,664,763	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final	Actual		
Revenues:					
Property taxes	\$ 14,495,460	\$ 14,975,000	\$ 14,543,813	\$ (431,187)	
Fees, licenses and permits	8,843	8,843	12,915	4,072	
Intergovernmental	639,429	639,429	933,916	294,487	
Other	18,675	18,675	27,275	8,600	
Total revenues	15,162,407	15,641,947	15,517,919	(124,028)	
Expenditures:					
Current:					
Public safety	19,879,813	16,914,154	14,952,534	1,961,620	
Excess (deficiency) of revenues over (under) expenditures	(4,717,406)	(1,272,207)	565,385	1,837,592	
Other financing sources (uses):					
Sale of capital assets	593	593	866	273	
Transfers (out)	(5,330,969)	(4,535,698)	(4,009,670)	526,028	
Total other financing sources (uses)	(5,330,376)	(4,535,105)	(4,008,804)	526,301	
Net change in fund balances	(10,047,782)	(5,807,312)	(3,443,419)	2,363,893	
Fund balances at beginning of year	4,604,396	4,604,396	4,604,396	-	
Prior year encumbrances appropriated	1,328,632	1,328,632	1,328,632	-	
Fund balance (deficit) at end of year	\$ (4,114,754)	\$ 125,716	\$ 2,489,609	\$ 2,363,893	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2023

	Private-Purpose Trust
Assets:	
Equity in pooled cash and cash equivalents	<u>\$ 7,399</u>
Net position:	
Restricted for individuals, organizations and other governments	<u>\$ 7,399</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Private-Purpose Trust
Additions:	
Earnings on investments	<u>\$ 769</u>
Net change in fiduciary net position	769
Net position beginning of year	<u>6,630</u>
Net position end of year	<u><u>\$ 7,399</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 - DESCRIPTION OF THE REPORTING ENTITY

A. The Township

The constitution and laws of the State of Ohio establish the rights and privileges of the Beavercreek Township, Greene County, (the "Township") as a body corporate and politic. A publicly-elected three member Board of Trustees directs the Township. The Township provides general government services, road and bridge maintenance, cemetery maintenance, park maintenance, fire protection and emergency medical services. Police protection is provided by the Greene County Sheriff's Office.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

The primary government of the Township consists of all funds, departments, boards, and agencies that are not legally separate from the Township. For the Township, this includes all departments and activities that are directly operated by the elected Township officials.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's Governing Board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; or (3) the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the Township has no component units.

The following organizations are described due to their relationship to the Township:

PUBLIC ENTITY RISK POOLS

Ohio Township Association Risk Management Authority (OTARMA)

The Township participates in one public entity risk pool, Ohio Township Association Risk Management Authority (OTARMA). OTARMA has been in existence since 1987 and provides a group self-insurance program that spreads the cost of claims and related expenses among its members. The risk pool has an AAA rating from Demotech, an independent rating service, based on the financial activity, loss reserves, administration, and overall performance. Note 9, to the financial statements, provides additional information for this entity.

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

The financial statements of the Township have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the Township's accounting policies.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. 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.

The Statement of Net Position presents the financial condition of the governmental activities of the Township at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the Township's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the Township.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds in order 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 fund 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.

B. Fund Accounting

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are reported in three categories: governmental, proprietary, and fiduciary. The Township has no proprietary funds.

Governmental Funds

Governmental funds are those through which most governmental functions of the Township are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the Township's major governmental funds:

General Fund - This fund accounts for all financial resources, except those required to be accounted for 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.

Fire Fund - This fund receives property tax money for providing emergency fire department services to residents of the Township.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Fire Station Fund - This fund accounts for funds that are used for making improvements to fire stations within the Township.

Other governmental funds of the Township are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The Township has a private-purpose trust fund in 2023. The Township's private-purpose trust fund accounts for resources restricted by a legally binding trust agreement. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The Township does not have any custodial funds.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the Township are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources are generally included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and inflows of resources, and in the presentation of expenses versus expenditures.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined and available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Township, available means expected to be received within 60 days after year-end.

Nonexchange transactions, in which the Township receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and payments in lieu of taxes are recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Township must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Township on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year-end: charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, and interest.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 10 and 11 for deferred outflows of resources related to net pension liability/asset and net OPEB liability, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

See Notes 10 and 11 for deferred inflows of resources related to net pension liability/asset and net OPEB liability, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. 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 ordinance, 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 Township Trustees may appropriate. The appropriations ordinance is Township Trustee's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Township Trustees. The legal level of control has been established by Township Trustees at the object level within each department within each fund for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the 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 Township Trustees.

The appropriations ordinance 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 appropriations ordinance 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 Township Trustees during the year, including all supplemental appropriations.

F. Cash and Investments

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 Investments".

During 2023, investments were limited to nonnegotiable certificates of deposit, Federal Home Loan Bank (FHLB) securities, commercial paper, negotiable certificate of deposit, and U.S. government money market funds. Except for investments in nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Interest earnings are allocated to Township funds according to State statutes, Township charter, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2023 was \$519,326 which includes \$463,855 assigned from other Township funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase 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.

G. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide Statement of Net Position but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the replacement cost back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value. The Township maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Township's historical records of necessary improvements and replacement. The Township reports all infrastructure acquired after 2004. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities	Estimated Lives
Buildings and improvements		45 years
Infrastructure		20 years
Equipment		5 years
Intangible leased assets		3 - 10 years
SBITAs		3 years
Vehicles		5 years

The Township is reporting intangible right to use assets related to leased equipment, vehicles, and Subscription Based Information Technology Agreements (SBITAs). The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease/subscription term or the useful life of the underlying asset.

H. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Township will compensate the employees for the benefits through paid time off or some other means. The Township records a liability for accumulated unused vacation time when earned for all employees.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the Township has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in Township policies. The Township records a liability for accumulated unused sick leave for all employees at 30% of unused sick leave.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements.

I. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, and compensated absences, that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes, bonds, lease payables, financed purchase note payables, and loans are recognized as liabilities on the fund financial statements when due. Net pension/OPEB liability and net pension/OPEB asset should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

J. Net Position

Net position represents the difference between all other elements on the Statement of Net Position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes unclaimed monies which have legal restrictions on their use. The Township's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

K. 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 governmental funds. The classifications are as follows:

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Restricted - The restricted classification includes amounts 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 or enabling legislation (Township ordinances). Enabling legislation authorizes the Township to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Township can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of Township Trustees. The committed amounts cannot be used for any other purpose unless Township Trustees remove or change the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance 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 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. Assigned amounts represent intended uses established by Township Trustees. The Township Trustees have authorized the Township Fiscal Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. Fund balance is also assigned for any 2024 appropriations in excess of estimated receipts for the General Fund.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Township first applies restricted resources when an expenditure is 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 can be used.

L. Contributions of Capital

For the governmental activities, capital contributions are reported as a capital grant and contribution on the Statement of Activities. The Township had no contributed capital during 2023.

M. Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

N. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability and net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

O. Prepayments

Payments made to vendors for services that benefit future periods are recorded as prepayments in both government-wide and fund financial statements. A current asset for the prepaid amount is recorded at the time of purchase, and the expenditure is reported in the year in which services are consumed. Governmental fund balance has been presented as nonspendable equal to the balance of the prepayments at year-end.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2023, the Township has implemented GASB Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”, GASB Statement No. 96, “Subscription Based Information Technology Arrangements”, certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, “Omnibus 2022”.

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the Township.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the Township.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the Township.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations and changes in fund balances on the basis of GAAP, the budgetary basis as provided by law and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements, appropriations, and encumbrances (budget basis).

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with State statute. The major differences between the budget basis and the GAAP basis are revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis) are:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrued (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis); and
3. In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).
4. Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement for the General Fund and Fire Fund (as reported in the fund financial statements) to the budgetary basis statement.

Net Changes in Fund Balance		
	<u>General Fund</u>	<u>Fire Fund</u>
Budget basis	\$ 156,331	\$ (3,443,419)
Net adjustment for revenue accruals	278,638	(1,711)
Net adjustment for expenditure accruals	(6,444)	(14,027)
Net adjustment for other financing sources/uses	(895,255)	(37,751)
Encumbrances	63,924	802,340
Fund budgeted elsewhere **	4,153	-
GAAP basis	<u>\$ (398,653)</u>	<u>\$ (2,694,568)</u>

**Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the Pay Accumulated Leave Fund.

NOTE 5 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such 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.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Inactive deposits are public deposits that Township Trustees has 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.

Interim monies held by the Township may 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 obligation or security issued by any federal government agency or instrumentality including, but not limited to, the 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. Written repurchase agreements in the securities listed above;
4. 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;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (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;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and
8. Certain bankers' acceptances (for a period not to exceed 180 days) and commercial paper notes (for a period not to exceed 270 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.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments 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 Fiscal Officer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

A. Deposits with Financial Institutions

At December 31, 2023, the carrying amount of all Township deposits was \$9,464,393 and the bank balance of all Township deposits was \$9,534,641. Of the bank balance, \$7,907,611 was covered by the FDIC, \$1,627,030 was covered by the Ohio Pooled Collateral System (OPCS).

Custodial credit risk is the risk that, in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Township has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Township's 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, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2023, the Township's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Township to a successful claim by the FDIC.

B. Investments

As of December 31, 2023, the Township had the following investments:

Measurement/ Investment Type	Measurement Value	Investment				Maturities
		6 months or less	7 to 12 months	19 to 24 months	Greater than 24 months	
<i>Fair Value:</i>						
Negotiable CD's	\$ 2,773,168	\$ 243,978	\$ 827,603	\$ 1,212,080	\$ 489,507	
FHLB	1,859,130	-	-	928,040	931,090	
Commercial paper	3,666,417	3,084,813	581,604	-	-	
U.S. Government Money Market Mutual Fund	16,271	16,271	-	-	-	
Total	\$ 8,314,986	\$ 3,345,062	\$ 1,409,207	\$ 2,140,120	\$ 1,420,597	

The weighted average of maturity of investments is 1.16 years.

Fair Value Measurements: The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Township's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs).

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Township from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the Township.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: The Township's investments in commercial paper were rated A1 and P1 by Standard & Poor's and Moody's Investor services, respectively. The Township's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Investments in negotiable CD's are fully covered by the FDIC. Standard & Poor's has assigned the U.S. government money market mutual funds an AAAm money market rating. The Township has no investment policy dealing with credit risk beyond the requirements of State statute.

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 requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Township Finance Director or qualified trustee.

Concentration of Credit Risk: The Township places no limit on the amount that may be invested in any single issuer. The following table includes the percentage of each investment type held by the Township at December 31, 2023:

<u>Measurement/ Investment Type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value:</i>		
Negotiable CD's	\$ 2,773,168	33.35
FHLB	1,859,130	22.36
Commercial paper	3,666,417	44.09
U.S. Government Money Market Mutual Fund	16,271	0.20
Total	<u>\$ 8,314,986</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the Statement of Net Position as of December 31, 2023:

<u>Cash and Investments per Note</u>
Carrying amount of deposits
Investments
Total

<u>Cash and Investments per Statement of Net Position</u>
Governmental activities
Private-purpose funds
Total

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 6 - RECEIVABLES

Receivables at December 31, 2023 consisted of property taxes; other local taxes; accounts (billings for user charged services and fines); and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered collectible in full and will be received within one year, except for property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of amounts Due from Other Governments follows:

	<u>Amount</u>
Governmental Activities:	
General Fund	
Local government	\$ 66,889
Homestead and rollback	60,260
Other	<u>53,480</u>
Total General Fund	<u>180,629</u>
Fire Fund	
Homestead and rollback	\$ 457,319
Other	<u>2,171</u>
Total Fire Fund	<u>459,490</u>
Nonmajor governmental funds	
Permissive motor vehicle tax	\$ 82,807
Gasoline tax	84,876
Motor vehicle license tax	9,883
Homestead and rollback	85,287
Other	<u>33,688</u>
Total Nonmajor Fund	<u>296,541</u>
Total Governmental Activities	<u>\$ 936,660</u>

In addition to the above, the Township receives money from the other entities to pay their portion of the LGIF loan the Township entered into to purchase a mobile radio system. As of December 31, 2023, the Township expects to collect \$70,339 from the other entities. The Township expects to collect the entire amount by 2024. See Note 13 for more information.

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the Township. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. 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 real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property 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 became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 7 - PROPERTY TAXES – (Continued)

The Greene County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Township. The Greene County Auditor periodically remits to the Township its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is considered a deferred inflow of resources.

The full tax rate for all Township operations for the year ended December 31, 2023 was \$21.15 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2022 property tax receipts were based are as follows:

Real property	\$2,609,648,730
Public utility personal property	<u>62,914,010</u>
Total assessed value	<u>\$2,672,562,740</u>

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 8 - CAPITAL ASSETS

Governmental Activities

Due to the implementation of GASB Statement No. 96, the Township has reported capital assets for the right to use SBITAs which are reflected in the schedule below. Capital assets activity for the year ended December 31, 2023, was as follows:

	Balance 12/31/22	Additions	Disposals	Balance 12/31/23
<u>Governmental Activities:</u>				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 1,688,000	\$ -	\$ -	\$ 1,688,000
Total capital assets, not being depreciated/amortized	<u>1,688,000</u>	<u>-</u>	<u>-</u>	<u>1,688,000</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings	28,715,782	737,256	-	29,453,038
Equipment	3,530,535	443,690	(165)	3,974,060
Vehicles	13,339,901	628,653	(90,000)	13,878,554
Infrastructure	6,623,841	967,740	-	7,591,581
Intangible right to use assets				
Vehicles	248,343	157,013	(45,093)	360,263
Equipment	1,755,353	-	-	1,755,353
SBITAs	<u>-</u>	<u>4,745</u>	<u>-</u>	<u>4,745</u>
Total capital assets, being depreciated/amortized	<u>54,213,755</u>	<u>2,939,097</u>	<u>(135,258)</u>	<u>57,017,594</u>
<i>Less: accumulated depreciation/amortization:</i>				
Buildings	(12,815,679)	(614,986)	-	(13,430,665)
Equipment	(2,274,742)	(494,293)	149	(2,768,886)
Vehicles	(8,258,991)	(1,242,871)	90,000	(9,411,862)
Infrastructure	(2,920,383)	(355,393)	-	(3,275,776)
Intangible right to use assets				
Vehicles	(104,739)	(88,219)	22,548	(170,410)
Equipment	(112,729)	(193,250)	-	(305,979)
SBITAs	<u>-</u>	<u>(791)</u>	<u>-</u>	<u>(791)</u>
Total accumulated depreciation/amortization	<u>(26,487,263)</u>	<u>(2,989,803)</u>	<u>112,697</u>	<u>(29,364,369)</u>
Total capital assets, being depreciated/amortized, net	<u>27,726,492</u>	<u>(50,706)</u>	<u>(22,561)</u>	<u>27,653,225</u>
Governmental activities capital assets, net	<u>\$ 29,414,492</u>	<u>\$ (50,706)</u>	<u>\$ (22,561)</u>	<u>\$ 29,341,225</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 8 - CAPITAL ASSETS – (Continued)

Depreciation/amortization expense was charged to governmental functions/programs of the Township as follows:

Governmental Activities:

General government	\$ 107,775
Public safety	2,319,272
Public works	478,409
Conservation and recreation	77,478
Other	6,869
Total depreciation/amortization expense	<u>\$ 2,989,803</u>

NOTE 9 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts, theft, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. During Fiscal Year 2023 the Township contracted with OTARMA for property and apparatus insurance, liability insurance, crime, terrorism, and automobile coverage. Coverage provided through OTARMA is as follows:

Property Coverages

Blanket Total Insured Values	\$37,751,966
Building	\$35,011,066
Personal Property	\$2,740,900
Miscellaneous Property Scheduled	\$5,567,776
EDP - Hardware	\$612,850
Miscellaneous Property Unscheduled	\$200,000
Total Insured Value	<u>\$44,132,592</u>

Equipment Breakdown Property Damage	\$33,921,148
Deductible \$1,000	

Crime Coverage

Crime Limit	\$200,000
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Faithful Performance of Duty Coverage

Limit	\$250,000
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Automobile Coverages

Liability

Legal Liability for Automobile Claims	\$5,000,000
Covered Pollution Cost or Expense for Automobiles	\$5,000,000
Medical Expenses - Automobile	\$1,000
Uninsured and Underinsured Motorist Per Person	\$500,000
Uninsured and Underinsured Motorist Per Occurrence	\$500,000

Physical Damage

Total Insured Value	\$8,506,187
Comprehensive Deductible	\$500
Collision Deductible	\$1,000

Other Coverage

General Liability	\$5,000,000
Automobile Liability	\$5,000,000
Automobile Physical Damage	\$8,506,187

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 9 - RISK MANAGEMENT – (Continued)

Other Coverage – (Continued)

Law Enforcement Liability	\$5,000,000
Public Officials Wrongful Acts & Employment Practices	\$5,000,000
Excess Liability	\$14,435
Property	\$44,132,592
Equipment Breakdown	Included
Employee Dishonesty	\$200,000
Faithful Performance of Duty	\$250,000

During 2023 Beavercreek Township hosted a risk control visit with OTARMA's Risk Management Consulting Firm. As a result of the visit, the OTARMA consultant had no recommendations for the Township's control practices.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Asset and Net OPEB Liability

The net pension liability/asset and the net OPEB liability reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions and OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability/asset and the net OPEB liability represent the Township's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the Township's obligation for this liability to annually required payments. The Township cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the Township does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability/asset is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability/asset on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 11 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - Township employees, other than full-time 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.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 3.00%. 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 3.00%.

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 20.00% 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.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	<u>State and Local</u>	
	<u>Traditional</u>	<u>Combined</u>
2023 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2023 Actual Contribution Rates		
Employer:		
Pension ****	14.0 %	12.0 %
Post-employment Health Care Benefits ****	0.0	2.0
Total Employer	<u>14.0 %</u>	<u>14.0 %</u>
Employee	<u>10.0 %</u>	<u>10.0 %</u>

* 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.

The Township's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$252,033 for 2023. Of this amount, \$29,928 is reported as due to other governments.

Plan Description - Ohio Police & Fire Pension Fund (OP&F)

Plan Description - Township full-time firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, statutory survivors and annuity beneficiaries. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

2023 Statutory Maximum Contribution Rates		<u>Firefighters</u>
Employer		24.00 %
Employee		12.25 %
2023 Actual Contribution Rates		
Employer:		
Pension		23.50 %
Post-employment Health Care Benefits		0.50 %
Total Employer		<u>24.00 %</u>
Employee		12.25 %

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

Employer contribution rates are expressed as a percentage of covered payroll. The Township's contractually required contribution to OP&F was \$1,786,082 for 2023. Of this amount, \$295,588 is reported as due to other governments.

Net Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The Township's proportion of the net pension liability or asset was based on the Township's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.01039000%	0.00497400%	0.00483700%	0.30455270%	
Proportion of the net pension liability/asset current measurement date	<u>0.01102600%</u>	<u>0.00523800%</u>	<u>0.00241200%</u>	<u>0.30729520%</u>	
Change in proportionate share	<u>0.00063600%</u>	<u>0.00026400%</u>	<u>-0.00242500%</u>	<u>0.00274250%</u>	
Proportionate share of the net pension liability	\$ 3,257,085	\$ -	\$ -	\$ 29,190,065	\$ 32,447,150
Proportionate share of the net pension asset	-	(12,345)	(189)	-	(12,534)
Pension expense	627,541	1,583	(18)	4,286,789	4,915,895

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

At December 31, 2023, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience					
	\$ 108,186	\$ 758	\$ 546	\$ 437,837	\$ 547,327
Net difference between projected and actual earnings on pension plan investments	928,372	4,501	89	4,249,717	5,182,679
Changes of assumptions	34,410	818	15	2,632,840	2,668,083
Changes in employer's proportionate percentage/ difference between employer contributions	102,915	-	-	527,395	630,310
Contributions subsequent to the measurement date	249,066	2,967	-	1,786,082	2,038,115
Total deferred outflows of resources	<u>\$ 1,422,949</u>	<u>\$ 9,044</u>	<u>\$ 650</u>	<u>\$ 9,633,871</u>	<u>\$ 11,066,514</u>
 Deferred inflows of resources					
Differences between expected and actual experience					
	\$ -	\$ 1,771	\$ -	\$ 665,034	\$ 666,805
Changes of assumptions	-	-	-	569,198	569,198
Changes in employer's proportionate percentage/ difference between employer contributions	-	-	-	282,653	282,653
Total deferred inflows of resources	<u>\$ -</u>	<u>\$ 1,771</u>	<u>\$ -</u>	<u>\$ 1,516,885</u>	<u>\$ 1,518,656</u>

\$2,038,115 reported as deferred outflows of resources related to pension resulting from Township contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2024.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS - Traditional	OPERS - Combined	Member- Directed	OP&F	Total
Year Ending December 31:					
2024	\$ 206,268	\$ 184	\$ 90	\$ 895,110	\$ 1,101,652
2025	239,570	832	94	1,500,880	1,741,376
2026	273,264	1,151	101	1,571,325	1,845,841
2027	454,781	1,940	113	2,394,900	2,851,734
2028	-	(14)	65	(31,311)	(31,260)
Thereafter	-	213	187	-	400
Total	\$ 1,173,883	\$ 4,306	\$ 650	\$ 6,330,904	\$ 7,509,743

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2023, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	<u><u>100.00 %</u></u>	

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate

- The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Township's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 4,879,005	\$ 3,257,085	\$ 1,907,939
Combined Plan	(6,443)	(12,345)	(17,024)
Member-Directed Plan	(121)	(189)	(241)

Actuarial Assumptions - OP&F

OP&F's total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Experience study assumptions were performed by OP&F's prior actuary and completed as of December 31, 2016. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful lives of the participants which was 5.81 years at December 31, 2022.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2022, compared to December 31, 2021, are presented below.

Valuation date	1/1/22 with actuarial liabilities rolled forward to 12/31/22
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

Health Mortality

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

Disabled Mortality

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

Contingent Annuitant Mortality

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - DEFINED BENEFIT PENSION PLANS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation		
linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
 Total	 <u>125.00 %</u>	

Note: assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation.

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - The total pension liability was calculated using the discount rate of 7.50%. A discount rate of 7.50% was used in the previous measurement date. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

	Current		
	1% Decrease	Discount Rate	1% Increase
Township's proportionate share of the net pension liability	\$ 38,507,328	\$ 29,190,065	\$ 21,444,624

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

See Note 10 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

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 50.00% 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 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. 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 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 2.00% 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 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$495 for 2023. Of this amount, \$59 is reported as due to other governments.

Plan Description - Ohio Police & Fire Pension Fund (OP&F)

Plan Description – The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Township's contractually required contribution to OP&F was \$38,002 for 2023. Of this amount, \$6,289 is reported as due to other governments.

Net OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The Township's proportion of the net OPEB liability was based on the Township's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.01001000%	0.30455270%	
Proportion of the net OPEB liability current measurement date	<u>0.01051700%</u>	<u>0.30729520%</u>	
Change in proportionate share	<u>0.00050700%</u>	<u>0.00274250%</u>	
Proportionate share of the net OPEB liability	\$ 66,312	\$ 2,187,853	\$ 2,254,165
OPEB expense	(89,952)	465,332	375,380

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

At December 31, 2023, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 130,558	\$ 130,558
Net difference between projected and actual earnings on OPEB plan investments	131,697	187,654	319,351
Changes of assumptions	64,769	1,090,309	1,155,078
Changes in employer's proportionate percentage/ difference between employer contributions	5,578	601,543	607,121
Contributions subsequent to the measurement date	495	38,002	38,497
Total deferred outflows of resources	<u>\$ 202,539</u>	<u>\$ 2,048,066</u>	<u>\$ 2,250,605</u>

	OPERS	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 16,540	\$ 431,403	\$ 447,943
Changes of assumptions	5,329	1,789,484	1,794,813
Changes in employer's proportionate percentage/ difference between employer contributions	1,194	39,196	40,390
Total deferred inflows of resources	<u>\$ 23,063</u>	<u>\$ 2,260,083</u>	<u>\$ 2,283,146</u>

\$38,497 reported as deferred outflows of resources related to OPEB resulting from Township contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2024.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2024	\$ 26,580	\$ 253,893	\$ 280,473
2025	47,714	240,465	288,179
2026	41,068	(76,601)	(35,533)
2027	63,619	(45,626)	17,993
2028	-	(185,549)	(185,549)
Thereafter	-	(436,601)	(436,601)
Total	<u>\$ 178,981</u>	<u>\$ (250,019)</u>	<u>\$ (71,038)</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
	including wage inflation
Prior Measurement date	2.75 to 10.75%
	including wage inflation
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6% for 2022.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	<u><u>100.00 %</u></u>	

Discount Rate - A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Township's proportionate share of the net OPEB liability/(asset)	\$ 225,695	\$ 66,312	\$ (65,205)

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	Current Health Care Trend Rate Assumption			
	1% Decrease	Assumption	1% Increase	
Township's proportionate share of the net OPEB liability	\$ 62,155	\$ 66,312	\$ 70,990	

Actuarial Assumptions - OP&F

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.27%
Prior measurement date	2.84%
Cost of Living Adjustments	2.20% simple per year

Health Mortality

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

Disabled Mortality

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

Contingent Annuitant Mortality

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation		
linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	<u>2.00</u>	3.60
 Total	 <u>125.00 %</u>	

Note: assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation.

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - For 2022, the total OPEB liability was calculated using the discount rate of 4.27%. For 2021, the total OPEB liability was calculated using the discount rate of 2.84%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2035 and the Municipal Bond Index Rate of 3.65% was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27%.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 11 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27%), or one percentage point higher (5.27%) than the current rate.

	Current		
	1% Decrease	Discount Rate	1% Increase
Township's proportionate share of the net OPEB liability	\$ 2,694,135	\$ 2,187,853	\$ 1,760,420

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

NOTE 12 - OTHER EMPLOYEE BENEFITS

A. Health Care Benefits

The Township offers employee health, vision, dental, life and disability insurance benefits. The Township offers accident insurance benefits through AFLAC. The employees share the cost of the monthly health care, vision, dental, life, disability, and accident premiums with the Township.

B. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from Township policies and State laws.

Township employees earn and accumulate vacation at varying rates depending on length of service. Vacation accrual rates change on the employees' anniversary date, when applicable. Employees are paid their full earned unused vacation leave upon termination.

Sick leave is earned at 10 hours per month for employees who work an average 40 hour work week. All employees with 10 or more years of full-time service with the Township (including prior service years with another governmental organization), who elect to retire, are entitled to receive 30% of the value of their accumulated unused sick leave.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 13 - LONG-TERM OBLIGATIONS

Governmental Activities

The Township's governmental activities long-term obligations activity for 2023 follows. Due to the implementation of GASB Statement No. 96, the Township has reported obligations for subscriptions payable which are reflected in the schedule below.

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023	Amounts	
					Due in One Year	
Governmental Activities:						
LGIF Loan	\$ 127,875	\$ -	\$ (46,500)	\$ 81,375	\$ 81,375	
Lease payable	1,652,117	154,864	(250,322)	1,556,659	221,384	
Financed purchase note payable	5,414,472	-	(348,703)	5,065,769	404,038	
SBITA payable	-	4,745	(1,648)	3,097	1,510	
Net pension liability	19,930,663	12,516,487	-	32,447,150	-	
Net OPEB liability	3,338,160	66,312	(1,150,307)	2,254,165	-	
Compensated absences	<u>496,901</u>	<u>254,075</u>	<u>(170,975)</u>	<u>580,001</u>	<u>189,314</u>	
Total governmental activities						
long-term liabilities	<u>\$ 30,960,188</u>	<u>\$ 12,996,483</u>	<u>\$ (1,968,455)</u>	<u>\$ 41,988,216</u>	<u>\$ 897,621</u>	

LGIF Loan

The Township entered into an agreement with other entities to take out a Local Government Investment Fund (LGIF) Loan with the State of Ohio as part of a demonstration project from the Ohio Development Services Agency. The loan matures July 31, 2024 and carries a 0% interest rate. Principal payments are due to the State of Ohio on January 31, April 30, July 31, and October 31.

The following is a summary of the future annual debt service requirements to maturity for the LGIF Loan:

	For the year ending December 31,	Local	
		Government Investment	Loan
	2024		<u>81,375</u>
	Total	\$	<u>81,375</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

The Township entered into an agreement with Cedarville Township, the City of Beavercreek, Greene County, Miami Township, and New Jasper Township to take out an LGIF Loan. The entities agreed to reimburse the Township for each entities respective portion of the loan. The Township has recorded a due from other governments receivable of \$70,339 at December 31, 2023 for the remaining balance of the amount due to the Township. The following is a summary of the amounts the Township expects to collect until the loan matures:

	For the year ending <u>December 31,</u>	LGIF Receivable from other entities
	2024	70,339
Total	\$	<u>70,339</u>

Leases Payable:

The Township has entered into lease agreements for the use of right to use equipment and vehicles. Due to the implementation of GASB Statement No. 87, the Township will report an intangible capital asset and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid from the fire fund and the EMS fund a nonmajor special revenue fund.

The Township has entered into lease agreements for fire related equipment and vehicles at varying years and terms as follows:

<u>Purpose</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Vehicle	2022	3	2024	Monthly
Vehicle	2022	3	2024	Monthly
Vehicle	2022	3	2024	Monthly
Vehicle	2023	3	2026	Monthly
Vehicle	2023	4	2027	Monthly
Vehicle	2023	4	2027	Monthly
Vehicle	2023	3	2026	Monthly
Equipment	2022	10	2031	Annually

The following is a schedule of future lease payments under the lease agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 221,384	\$ 77,709	\$ 299,093
2025	204,028	67,037	271,065
2026	188,762	57,159	245,921
2027	170,171	48,219	218,390
2028	178,877	39,513	218,390
2029 - 2032	<u>593,437</u>	<u>61,732</u>	<u>655,169</u>
Total	<u>\$ 1,556,659</u>	<u>\$ 351,369</u>	<u>\$ 1,908,028</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Financed purchase note payable:

The financed purchase note payable will be repaid from the fire fund.

In 2022, the Township entered into a financed purchase note payable agreement with PNC bank to purchase much needed Fire Apparatus. Apparatus purchased includes one 2024 Pierce Enforcer PUC Engine/Rescue Truck, one 2024 Pierce Enforcer 100' Mid-Mount Aerial Platform Truck and four 2023 Pierce Enforcer Pumper Trucks.

The following is a summary of the future debt service requirements to retire the financed purchase note payable:

<u>Year Ending</u>	<u>Financed Purchase Note Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 404,038	\$ 214,789	\$ 618,827
2025	421,169	197,657	618,826
2026	439,026	179,800	618,826
2027	457,641	161,185	618,826
2028	477,045	141,781	618,826
2029 - 2032	2,866,850	356,098	3,222,948
Total	<u>\$ 5,065,769</u>	<u>\$ 1,251,310</u>	<u>\$ 6,317,079</u>

SBITA payable:

The Township has entered into a SBITA agreement for the right to use software. Due to the implementation of GASB Statement No. 96, the Township will report an intangible capital asset and corresponding liability for the future scheduled payments under the SBITA. The SBITA payments will be paid from the general fund.

The Township has entered into a SBITA agreement with the following terms:

<u>Purpose</u>	<u>SBITA</u>		<u>SBITA</u>	<u>Payment</u>
	<u>Commencement</u>	<u>Date</u>		
Software	2023	3	2026	Annually

The following is a schedule of future SBITA payments under the SBITA agreement:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,510	\$ 158	\$ 1,668
2025	1,587	81	1,668
Total	<u>\$ 3,097</u>	<u>\$ 239</u>	<u>\$ 3,336</u>

Net Pension Liability and Net OPEB Liability

The Township pays obligations related to employee compensation for governmental activities from the General Fund, the Fire Fund, the Road and Bridge Fund (a nonmajor governmental fund), and the SAFER Grant Fund (a nonmajor governmental fund). See Notes 10 and 11 for further information.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)

Compensated Absences

The compensated absences liability will be paid from the funds from which the employees' salaries are paid. For governmental activities, compensated absences are paid from the General Fund, Road and Bridge Fund, and the Fire Fund.

Legal Debt Margin

At December 31, 2023, the Township's overall legal debt margin was \$280,619,088 and the unvoted debt margin was \$146,990,951.

NOTE 14 - CONTINGENT LIABILITIES

A. Litigation

There are currently no matters in litigation with the Township as defendant.

B. Federal and State Grants

For the period January 1, 2023, to December 31, 2023, the Township received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Township believes such disallowances, if any, would be immaterial.

NOTE 15 - OTHER COMMITMENTS

The Township utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year-end, the Township's commitments for encumbrances (not already included in payables) in the governmental funds were as follows:

Fund	Year-End Encumbrances
General Fund	\$ 47,319
Fire	515,019
Fire Station	162,166
Nonmajor Governmental Funds	<u>1,020,537</u>
Total	<u><u>\$ 1,745,041</u></u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 16 - FUND BALANCE

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 resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balance	General	Fire	Fire Station	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepayments	\$ 13,826	\$ 51,965	\$ -	\$ 18,399	\$ 84,190
Restricted:					
Debt service	-	-	-	52,751	52,751
Capital improvements	-	-	-	2,434,529	2,434,529
Public safety	-	-	-	27,357	27,357
Public works	-	-	-	2,387,407	2,387,407
Police	-	-	-	933,512	933,512
Fire	-	2,434,997	4,611,011	-	7,046,008
EMS	-	-	-	2,001,281	2,001,281
Cemetery	-	-	-	39,245	39,245
Total restricted	-	2,434,997	4,611,011	7,876,082	14,922,090
Committed:					
Accumulated leave	18,027	-	-	-	18,027
Assigned:					
General government	15,976	-	-	-	15,976
Public works	17,119	-	-	-	17,119
Conservation and recreation	6,795	-	-	-	6,795
Other	4,730	-	-	-	4,730
Capital Outlay	1,702	-	-	-	1,702
Subsequent year appropriations	1,040,136	-	-	-	1,040,136
Total assigned	1,086,458	-	-	-	1,086,458
Unassigned	595,492	-	-	-	595,492
Total fund balances	\$ 1,713,803	\$ 2,486,962	\$ 4,611,011	\$ 7,894,481	\$ 16,706,257

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 17 - INTERFUND TRANSACTIONS

Interfund Transfers

Interfund transfers for the year ended December 31, 2023 consisted of the following, as reported on the fund financial statements:

<u>Transfers from the Fire fund to:</u>	<u>Amount</u>
General fund	\$ 39,670
Fire Station fund	3,000,000
Nonmajor governmental funds	<u>1,006,885</u>
Total	<u>4,046,555</u>
<u>Transfers from General fund to:</u>	
Nonmajor governmental funds	<u>1,400,000</u>
Total	<u>1,400,000</u>
Total	<u><u>\$ 5,446,555</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated for reporting in the statement of activities.

All transfers during fiscal year 2023 were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/NET PENSION ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

LAST FOUR YEARS

	2023	2022	2021	2020
<i>Traditional Plan:</i>				
Township's proportion of the net pension liability	0.011026%	0.010390%	0.009424%	0.008954%
Township's proportionate share of the net pension liability	\$ 3,257,085	\$ 903,972	\$ 1,395,489	\$ 1,769,819
Township's covered payroll	\$ 1,748,079	\$ 1,444,864	\$ 1,404,671	\$ 1,256,286
Township's proportionate share of the net pension liability as a percentage of its covered payroll	186.32%	62.56%	99.35%	140.88%
Plan fiduciary net position as a percentage of the total pension liability	75.74%	96.62%	86.88%	82.17%
<i>Combined Plan:</i>				
Township's proportion of the net pension asset	0.005238%	0.004974%	0.005145%	0.005094%
Township's proportionate share of the net pension asset	\$ 12,345	\$ 19,598	\$ 14,852	\$ 10,622
Township's covered payroll	\$ 24,307	\$ 22,679	\$ 22,679	\$ 22,679
Township's proportionate share of the net pension asset as a percentage of its covered payroll	50.79%	86.41%	65.49%	46.84%
Plan fiduciary net position as a percentage of the total pension asset	137.14%	169.88%	157.67%	145.28%
<i>Member Directed Plan:</i>				
Township's proportion of the net pension asset	0.002412%	0.004837%	0.001794%	n/a
Township's proportionate share of the net pension asset	\$ 189	\$ 878	\$ 327	n/a
Township's covered payroll	\$ 17,010	\$ 30,330	\$ 10,770	n/a
Township's proportionate share of the net pension asset as a percentage of its covered payroll	1.11%	2.89%	3.04%	n/a
Plan fiduciary net position as a percentage of the total pension asset	126.74%	171.84%	188.21%	118.84%

Note: Information prior to 2020 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST FOUR YEARS

	2023	2022	2021	2020
Township's proportion of the net pension liability	0.30729520%	0.30455270%	0.31013850%	0.31215930%
Township's proportionate share of the net pension liability	\$ 29,190,065	\$ 19,026,691	\$ 21,142,420	\$ 21,028,718
Township's covered payroll	\$ 7,637,898	\$ 6,904,336	\$ 7,278,123	\$ 6,669,115
Township's proportionate share of the net pension liability as a percentage of its covered payroll	382.17%	275.58%	290.49%	315.31%
Plan fiduciary net position as a percentage of the total pension liability	62.90%	75.03%	70.65%	69.89%

Note: Information prior to 2020 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF TOWNSHIP PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

LAST FIVE YEARS

	2023	2022	2021	2020
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 249,066	\$ 244,731	\$ 202,281	\$ 196,654
Contributions in relation to the contractually required contribution	<u>(249,066)</u>	<u>(244,731)</u>	<u>(202,281)</u>	<u>(196,654)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's covered payroll	\$ 1,779,043	\$ 1,748,079	\$ 1,444,864	\$ 1,404,671
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 2,967	\$ 3,403	\$ 3,175	\$ 3,175
Contributions in relation to the contractually required contribution	<u>(2,967)</u>	<u>(3,403)</u>	<u>(3,175)</u>	<u>(3,175)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's covered payroll	\$ 24,725	\$ 24,307	\$ 22,679	\$ 22,679
Contributions as a percentage of covered payroll	12.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ -	\$ 1,701	\$ 3,033	\$ 1,077
Contributions in relation to the contractually required contribution	<u>-</u>	<u>(1,701)</u>	<u>(3,033)</u>	<u>(1,077)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's covered payroll	\$ -	\$ 17,010	\$ 30,330	\$ 10,770
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

Note: Information prior to 2019 was unavailable.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019

\$ 175,880

(175,880)

\$ -

\$ 1,256,286

14.00%

\$ 3,175

(3,175)

\$ -

\$ 22,679

14.00%

n/a

n/a

n/a

10.00%

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF TOWNSHIP PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST FIVE YEARS

	2023	2022	2021	2020
<i>Fire:</i>				
Contractually required contribution	\$ 1,786,082	\$ 1,794,906	\$ 1,622,519	\$ 1,710,359
Contributions in relation to the contractually required contribution	<u>(1,786,082)</u>	<u>(1,794,906)</u>	<u>(1,622,519)</u>	<u>(1,710,359)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's covered payroll	\$ 7,600,349	\$ 7,637,898	\$ 6,904,336	\$ 7,278,123
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

Note: Information prior to 2019 was unavailable.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019

\$ 1,567,242

(1,567,242)

\$ -

\$ 6,669,115

23.50%

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/NET OPEB ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

LAST FOUR YEARS

	2023	2022	2021	2020
Township's proportion of the net OPEB liability/asset	0.010517%	0.010010%	0.008998%	0.008489%
Township's proportionate share of the net OPEB liability/(asset)	\$ 66,312	\$ (313,529)	\$ (160,307)	\$ 1,172,551
Township's covered payroll	\$ 1,789,396	\$ 1,497,873	\$ 1,438,120	\$ 1,278,965
Township's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	-3.71%	20.93%	11.15%	91.68%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	94.79%	128.23%	115.57%	47.80%

Note: Information prior to 2020 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST FOUR YEARS

	2023	2022	2021	2020
Township's proportion of the net OPEB liability	0.30729520%	0.30455270%	0.31013850%	0.31215930%
Township's proportionate share of the net OPEB liability	\$ 2,187,853	\$ 3,338,160	\$ 3,285,968	\$ 3,083,425
Township's covered payroll	\$ 7,637,898	\$ 6,904,336	\$ 7,278,123	\$ 6,669,115
Township's proportionate share of the net OPEB liability as a percentage of its covered payroll	28.64%	48.35%	45.15%	46.23%
Plan fiduciary net position as a percentage of the total OPEB liability	52.59%	46.86%	45.42%	47.08%

Note: Information prior to 2020 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the Township's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF TOWNSHIP OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

LAST FIVE YEARS

	2023	2022	2021	2020
Contractually required contribution	\$ 495	\$ 681	\$ 1,213	\$ 431
Contributions in relation to the contractually required contribution	<u>(495)</u>	<u>(681)</u>	<u>(1,213)</u>	<u>(431)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Township's covered payroll	\$ 1,803,768	\$ 1,789,396	\$ 1,497,873	\$ 1,438,120
Contributions as a percentage of covered payroll	0.03%	0.04%	0.08%	0.03%

Note: Information prior to 2019 was unavailable.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019

\$ -

 -

\$ -

\$ 1,278,965

0.00%

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF TOWNSHIP OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND**

LAST FIVE YEARS

	2023	2022	2021	2020
<i>Fire:</i>				
Contractually required contribution	\$ 38,002	\$ 38,189	\$ 34,522	\$ 36,391
Contributions in relation to the contractually required contribution	<u>(38,002)</u>	<u>(38,189)</u>	<u>(34,522)</u>	<u>(36,391)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Township's covered payroll	\$ 7,600,349	\$ 7,637,898	\$ 6,904,336	\$ 7,278,123
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Note: Information prior to 2019 was unavailable.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019

\$ 33,346

(33,346)

\$ -

\$ 6,669,115

0.50%

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

Changes in assumptions :

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed from 0.50%, simple through 2021, then 2.15% simple to 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- There were no changes in assumptions for 2023.

(Continued)

BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

PENSION

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

Changes in assumptions :

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- There were no changes in assumptions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

(Continued)

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.

(Continued)

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50% and (b) the discount rate was changed from 2.96% to 2.84%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.



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

Beavercreek Township
Greene County
851 Orchard Lane, Suite C
Beavercreek, Ohio 45434

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beavercreek Township, Greene County, Ohio (the Township) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 30, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Beavercreek Township
Greene County
Independent Auditor's Report on Internal Control Over Financial Reporting
And on Compliance and Other Matters Required by *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

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

Purpose of This Report

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

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 30, 2025

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OHIO AUDITOR OF STATE KEITH FABER



BEAVERCREEK TOWNSHIP

GREENE 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 10/9/2025

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