

**MONROE TOWNSHIP**  
**LICKING COUNTY, OHIO**  
**REGULAR AUDIT**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**







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Board of Trustees  
Monroe Township  
7621 Johnstown-Alexandria Road  
Johnstown, Ohio 43031

We have reviewed the *Independent Auditor's Report* of Monroe Township, Licking County, prepared by Charles E. Harris & Associates, 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. Monroe 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 17, 2025

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MONROE TOWNSHIP  
LICKING COUNTY

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**INDEPENDENT AUDITOR'S REPORT**

Monroe Township  
Licking County  
7621 Johnstown-Alexandria Road  
Johnstown, Ohio 43031

To the Board of Trustees:

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

***Unmodified and Adverse Opinions***

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

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2024 and 2023, or the changes in financial position, thereof for the years then ended.

***Basis for Opinions***

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

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

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

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

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 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.

*Charles E. Harris & Associates, Inc.*

Charles E. Harris & Associates, Inc.  
June 2, 2025

**MONROE TOWNSHIP  
LICKING COUNTY**

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

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Combined Total
<b>Cash Receipts</b>						
Property and Other Local Taxes	\$ 301,030	\$ 3,221,435	\$ 219,856	\$ -	\$ -	\$ 3,742,321
Charges for Services	- 2,307,628	- 2,307,628	- -	- -	- -	2,307,628
Licenses, Permits and Fees	21,977 583,705	21,977 583,705	- -	- -	- -	605,682
Intergovernmental	58,062 1,208,366	58,062 1,208,366	1,226 -	- -	- -	1,267,654
Earnings On Investments	119,310 4,800	119,310 4,800	- -	27,968 2	2 152,080	152,080
Miscellaneous	4,276 80,979	4,276 80,979	- -	- -	- -	85,255
<i>Total Cash Receipts</i>	<i>504,655</i>	<i>7,406,913</i>	<i>221,082</i>	<i>27,968</i>	<i>2</i>	<i>8,160,620</i>
<b>Cash Disbursements</b>						
Current:						
General Government	297,300 33,072	297,300 33,072	2,864 -	2,864 -	- -	333,236
Public Safety	- 5,045,394	- 5,045,394	- -	- -	- -	5,045,394
Public Works	19,407 167,175	19,407 167,175	- -	- -	- -	186,582
Health	6,206 43,057	6,206 43,057	- -	- -	- -	49,263
Capital Outlay	15,565 293,609	15,565 293,609	- -	- -	- -	309,174
Debt Service:						
Principal Retirement	- 107,346	- 107,346	85,000 -	85,000 -	- -	192,346
Interest and Fiscal Charges	- 57,074	- 57,074	133,300 -	133,300 -	- -	190,374
<i>Total Cash Disbursements</i>	<i>338,478</i>	<i>5,746,727</i>	<i>221,164</i>	<i>-</i>	<i>-</i>	<i>6,306,369</i>
<i>Net Change in Fund Cash Balances</i>	<i>166,177</i>	<i>1,660,186</i>	<i>(82)</i>	<i>27,968</i>	<i>2</i>	<i>1,854,251</i>
<i>Fund Cash Balances, January 1</i>	<i>144,547</i>	<i>2,227,833</i>	<i>147,820</i>	<i>210,823</i>	<i>8,345</i>	<i>2,739,368</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 310,724</i>	<i>\$ 3,888,019</i>	<i>\$ 147,738</i>	<i>\$ 238,791</i>	<i>\$ 8,347</i>	<i>\$ 4,593,619</i>

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

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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### **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Monroe Township, Licking County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with Jersey Township, Liberty Township and McKean Township to provide fire services and to provide ambulance services.

#### ***Public Entity Risk Pool***

The Township participates in a public entity risk pool. Note 6 to the financial statements provide additional information for the risk pool. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

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

#### ***Basis of Presentation***

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, which is organized on a fund type basis.

#### ***Fund Accounting***

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

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

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

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

**Fire Fund** The fire fund accounts for and reports tax restricted for fire department day to day business.

**EMS Fund** The EMS fund accounts for and reports amounts collected from EMS runs restricted for EMS day to day business.

**Road & Bridge Fund** The road and bridge fund accounts for and reports tax restricted for maintenance and repair of roads within the Township.

**Cemetery Fund** The cemetery fund accounts for and reports collected cemetery deed funds and fees.

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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

**American Rescue Plan Fund** The American Rescue Plan fund accounts for and reports Covid-19 funds awarded to the Township.

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

**Fire Station Bond Retirement Fund** The fire station bond retirement fund accounts for and reports resources restricted for the retirement of debt issued to finance the construction of a new fire station and administrative office.

**Capital Project Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant capital project fund:

**Fire Station Bond Fund** The fire station bond fund accounts for and reports other financing sources to pay for costs associated with the construction of a new Township fire station and administrative office.

**Permanent Funds** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Cemetery Endowment Fund** The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery.

**Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

**Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

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

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

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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

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

A summary of 2024 budgetary activity appears in Note 3.

**Deposits and Investments**

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

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

**Capital Assets**

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

**Accumulated Leave**

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

**Leases and SBITAs**

The Township is the lessee in various leases (as defined by GASB 87) related to vehicles and other equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid. See Note 9 for a summary of 2024 activity.

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

**Fund Balance**

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

**Nonspendable** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes the nonspendable portion of the corpus in permanent funds.

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

**Monroe Township**  
**Licking County**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2024**

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

**Note 3 – Budgetary Activity**

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

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 512,364	\$ 504,655	\$ (7,708)
Special Revenue	7,625,243	7,406,913	(218,330)
Debt Service	219,330	221,082	1,753
Capital Projects	92,845	27,968	(64,877)
Permanent	2	2	-

2024 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 469,676	\$ 366,641	\$ 103,035
Special Revenue	9,094,686	6,212,164	2,882,522
Debt Service	354,469	221,164	133,305
Capital Projects	299,820	1,152	298,668
Permanent	-	-	-

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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#### **Note 4 – Deposits and Investments**

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

	<u>2024</u>
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$ 3,568,647
Certificates of deposit	<u>8,347</u>
Total deposits	3,576,994
STAR Ohio	1,016,625
Total investments	<u>1,016,625</u>
Total Deposits and Investments	<u><u>\$ 4,593,619</u></u>
<b><i>Segregated Accounts - Not held in the Pool:</i></b>	
Retainage Accounts (Not held in the Pool)	<u>\$ 131,948</u>
<i>Total Outside Accounts</i>	<u><u>\$ 131,948</u></u>

The Township also has accounts held outside of the deposit pool for retainage related to construction contracts.

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2024, the Township is holding \$49,741 in unremitted employee payroll withholdings.

#### ***Deposits***

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

#### ***Investments***

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

#### **Note 5 – Property Taxes**

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

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

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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## **Note 6 – Risk Management**

### ***Workers' Compensation***

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

### ***Risk Pool Membership***

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

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

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

	2023
Cash and investments	\$ 33,494,457
Actuarial liabilities	\$ 10,885,549

## **Note 7 – Defined Benefit Pension Plans**

### ***Ohio Public Employees Retirement System***

Some Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2024.

### ***Ohio Police and Fire Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Township contributed to OP&F an amount equal to 25 percent of full-time fire fighters' wages, respectively. The Township has paid all contributions required through December 31, 2024.

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 7 – Defined Benefit Pension Plans (Continued)**

***Social Security***

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2024.

**Note 8 – Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses. For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5 percent to fund these benefits.

**Note 9 – Debt**

Debt outstanding at December 31, 2024, was as follows:

	Principal	Interest Rate
Administrative Building Bonds, Series 2019	\$ 3,980,000	4%
2019 John Deere Excavator	13,451	5.50%
Township Emergency & Administrative Bonds, Series 2020	1,480,000	3.05%
2021 Fire Truck	396,079	2.05%
<b>Total</b>	<b>\$ 5,869,530</b>	

In 2019, a general obligation bond in the amount of \$4,600,000 was issued for the construction of a fire station and administrative office. Payments are made annually with 4.00% interest from the Fire Station Bond Retirement Fund.

In 2020, a general obligation bond in the amount of \$1,700,000 was issued for the construction of a fire station and administrative office. Payments are made annually with 3.05% interest from the Fire Special Levy Fund.

***Financed Purchases***

In 2019, a lease purchase agreement was entered into with John Deere Credit, in the amount of \$45,567 and for an excavator for the Road & Bridge and Cemetery Funds. Payments are made annually with 5.50% interest.

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 9 – Debt (Continued)**

In 2021, a loan was entered into with Huntington Public Capital Corporation, in the amount of \$551,466, for the purpose of entering into a lease purchase agreement for a new fire truck.

**Amortization**

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

Year Ending December 31:	Finance Purchases	General Obligation Bonds
2025	\$ 68,138	\$ 319,659
2026	68,138	314,381
2027	61,317	318,980
2028	61,317	318,303
2029	61,317	327,473
2030-2034	122,634	1,697,064
2035-2039	-	1,708,284
2040-2044	-	1,714,114
2045-2048	-	1,035,363
Total	<u>\$ 442,861</u>	<u>\$ 7,753,619</u>

**Note 10 – Contingent Liabilities**

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

**Note 11 – Fund Balances**

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

Fund Balances	General	Special Revenue	Capital Projects	Permanent	Total
<b>Nonspendable:</b>					
Corpus	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
Outstanding Encumbrances	<u>28,163</u>	<u>465,437</u>	<u>1,152</u>	<u>-</u>	<u>494,752</u>
<b>Total</b>	<b><u>\$ 28,163</u></b>	<b><u>\$ 465,437</u></b>	<b><u>\$ 1,152</u></b>	<b><u>\$ 5,000</u></b>	<b><u>\$ 499,752</u></b>

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 11 – Fund Balances (Continued)**

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue, debt service, capital projects, and permanent funds include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 12 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2024, the Township received COVID-19 funding. The Township will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

**MONROE TOWNSHIP  
LICKING COUNTY**

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

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Combined Total
<b>Cash Receipts</b>						
Property and Other Local Taxes	\$ 213,921	\$ 1,829,454	\$ 211,500	\$ -	\$ -	\$ 2,254,875
Charges for Services	-	2,252,539	-	-	-	2,252,539
Licenses, Permits and Fees	20,439	435,628	-	-	-	456,067
Intergovernmental	52,837	689,304	3,057	-	-	745,198
Earnings On Investments	71,085	4,104	-	27,249	1	102,439
Miscellaneous	4,200	70,837	-	64,877	-	139,914
<i>Total Cash Receipts</i>	<u>362,482</u>	<u>5,281,866</u>	<u>214,557</u>	<u>92,126</u>	<u>1</u>	<u>5,951,032</u>
<b>Cash Disbursements</b>						
Current:						
General Government	303,089	31,412	3,053	-	-	337,554
Public Safety	-	4,318,949	-	-	-	4,318,949
Public Works	5,560	161,382	-	-	-	166,942
Health	6,153	62,396	-	-	-	68,549
Capital Outlay	23,500	300,902	-	1,788	-	326,190
Debt Service:						
Principal Retirement	4,900	111,299	75,000	-	-	191,199
Interest and Fiscal Charges	228	59,722	136,300	-	-	196,250
<i>Total Cash Disbursements</i>	<u>343,430</u>	<u>5,046,062</u>	<u>214,353</u>	<u>1,788</u>	<u>-</u>	<u>5,605,633</u>
<i>Excess of Receipts Over Disbursements</i>	<u>19,052</u>	<u>235,804</u>	<u>204</u>	<u>90,338</u>	<u>1</u>	<u>345,399</u>
<b>Other Financing Receipts</b>						
Other Financing Sources	-	68,000	-	-	-	68,000
<i>Total Other Financing Receipts</i>	<u>-</u>	<u>68,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,000</u>
<i>Net Change in Fund Cash Balances</i>	<u>19,052</u>	<u>303,804</u>	<u>204</u>	<u>90,338</u>	<u>1</u>	<u>413,399</u>
<i>Fund Cash Balances, January 1</i>	<u>125,495</u>	<u>1,924,029</u>	<u>147,616</u>	<u>120,485</u>	<u>8,344</u>	<u>2,325,969</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 144,547</u></u>	<u><u>\$ 2,227,833</u></u>	<u><u>\$ 147,820</u></u>	<u><u>\$ 210,823</u></u>	<u><u>\$ 8,345</u></u>	<u><u>\$ 2,739,368</u></u>

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

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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### **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Monroe Township, Licking County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with Jersey Township, Liberty Township and McKean Township to provide fire services and to provide ambulance services.

#### ***Public Entity Risk Pool***

The Township participates in a public entity risk pool. Note 6 to the financial statements provide additional information for the risk pool. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

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

#### ***Basis of Presentation***

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, which is organized on a fund type basis.

#### ***Fund Accounting***

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

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

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

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

**Fire Fund** The fire fund accounts for and reports tax restricted for fire department day to day business.

**EMS Fund** The EMS fund accounts for and reports amounts collected from EMS runs restricted for EMS day to day business.

**Road & Bridge Fund** The road and bridge fund accounts for and reports tax restricted for maintenance and repair of roads within the Township.

**Cemetery Fund** The cemetery fund accounts for and reports collected cemetery deed funds and fees.

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

**American Rescue Plan Fund** The American Rescue Plan fund accounts for and reports Covid-19 funds awarded to the Township.

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

**Fire Station Bond Retirement Fund** The fire station bond retirement fund accounts for and reports resources restricted for the retirement of debt issued to finance the construction of a new fire station and administrative office.

**Capital Project Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant capital project fund:

**Fire Station Bond Fund** The fire station bond fund accounts for and reports other financing sources to pay for costs associated with the construction of a new Township fire station and administrative office.

**Permanent Funds** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Cemetery Endowment Fund** The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery.

**Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

**Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

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

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

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

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

A summary of 2023 budgetary activity appears in Note 3.

**Deposits and Investments**

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

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

**Capital Assets**

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

**Accumulated Leave**

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

**Leases and SBITAs**

The Township is the lessee in various leases (as defined by GASB 87) related to vehicles and other equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid. See Note 9 for a summary of 2023 activity.

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

**Fund Balance**

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

**Nonspendable** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes the nonspendable portion of the corpus in permanent funds.

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

**Monroe Township**  
**Licking County**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

**Note 3 – Budgetary Activity**

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

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 353,858	\$ 362,482	\$ 8,624
Special Revenue	5,496,118	5,349,866	(146,252)
Debt Service	228,317	214,557	(13,760)
Capital Projects	91,142	92,126	984
Permanent	2	1	(1)

2023 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 468,028	\$ 344,527	\$ 123,501
Special Revenue	7,401,085	5,284,820	2,116,265
Debt Service	292,210	214,353	77,857
Capital Projects	210,516	2,940	207,576
Permanent	139	-	139

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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#### **Note 4 – Deposits and Investments**

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

	<u>2023</u>
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$ 1,733,315
Certificates of deposit	<u>8,345</u>
Total deposits	1,741,660
STAR Ohio	997,708
Total investments	<u>997,708</u>
Total Deposits and Investments	<u><u>\$ 2,739,368</u></u>
<b><i>Segregated Accounts - Not held in the Pool:</i></b>	
Retainage Accounts (Not held in the Pool)	<u>\$ 131,948</u>
<i>Total Outside Accounts</i>	<u><u>\$ 131,948</u></u>

The Township also has accounts held outside of the deposit pool for retainage related to construction contracts.

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the Township is holding \$41,781 in unremitted employee payroll withholdings.

#### ***Deposits***

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

#### ***Investments***

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

#### **Note 5 – Property Taxes**

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

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

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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## **Note 6 – Risk Management**

### ***Workers' Compensation***

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

### ***Risk Pool Membership***

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

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

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

	2023
Cash and investments	\$ 33,494,457
Actuarial liabilities	\$ 10,885,549

## **Note 7 – Defined Benefit Pension Plans**

### ***Ohio Public Employees Retirement System***

Some Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

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

### ***Ohio Police and Fire Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Township contributed to OP&F an amount equal to 25 percent of full-time fire fighters' wages, respectively. The Township has paid all contributions required through December 31, 2023.

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 7 – Defined Benefit Pension Plans (Continued)**

***Social Security***

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

**Note 8 – Postemployment Benefits**

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

**Note 9 – Debt**

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

	Principal	Interest Rate
Administrative Building Bonds, Series 2019	\$ 4,065,000	4%
2019 John Deere Excavator	18,669	5.50%
Township Emergency & Administrative Bonds, Series 2020	1,530,000	3.05%
2021 Fire Truck	448,207	2.05%
<b>Total</b>	<b>\$ 6,061,876</b>	

The prior year debt balance was overstated by \$1,088.

In 2019, a general obligation bond in the amount of \$4,600,000 was issued for the construction of a fire station and administrative office. Payments are made annually with 4.00% interest from the Fire Station Bond Retirement Fund.

In 2020, a general obligation bond in the amount of \$1,700,000 was issued for the construction of a fire station and administrative office. Payments are made annually with 3.05% interest from the Fire Special Levy Fund.

**Monroe Township**  
*Licking County*  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

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**Note 9 – Debt (Continued)**

***Financed Purchases***

In 2019, a lease purchase agreement was entered into with John Deere Credit, in the amount of \$45,567 and for an excavator for the Road & Bridge and Cemetery Funds. Payments are made annually with 5.50% interest.

In 2021, a loan was entered into with Huntington Public Capital Corporation, in the amount of \$551,466, for the purpose of entering into a lease purchase agreement for a new fire truck.

***Amortization***

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

Year Ending December 31:	Finance Purchases	General Obligation Bonds
2024	\$ 68,138	\$ 314,584
2025	68,138	319,659
2026	68,138	314,381
2027	61,317	318,980
2028	61,317	318,303
2029-2033	183,951	1,678,500
2034-2038	-	1,704,469
2039-2043	-	1,726,636
2044-2048	-	1,372,696
Total	<u>\$ 510,999</u>	<u>\$ 8,068,208</u>

**Note 10 – Contingent Liabilities**

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

**Note 11 – Fund Balances**

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

**Monroe Township**  
*Licking County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 11 – Fund Balances (Continued)**

Fund Balances	Special		Capital		Total
	General	Revenue	Projects	Permanent	
<b>Nonspendable:</b>					
Corpus	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
Outstanding Encumbrances	<u>1,097</u>	<u>238,758</u>	<u>1,152</u>	<u>-</u>	<u>241,007</u>
<b>Total</b>	<b>\$ 1,097</b>	<b>\$ 238,758</b>	<b>\$ 1,152</b>	<b>\$ 5,000</b>	<b>\$ 246,007</b>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue, debt service, capital projects, and permanent funds include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 12 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the Township received COVID-19 funding. The Township will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

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

Monroe Township  
Licking County  
7621 Johnstown-Alexandria Road  
Johnstown, Ohio 43031

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type of Monroe Township, Licking County, (the Township) as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, and have issued our report thereon dated June 2, 2025, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as item 2024-001 that we consider to be a material weakness.

*Monroe Township  
Licking 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*.

We also noted certain other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated June 2, 2025.

***Township's Response to Findings***

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

***Purpose of this Report***

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

*Charles E. Harris & Associates*

***Charles E. Harris & Associates, Inc.***

June 2, 2025

MONROE TOWNSHIP  
LICKING COUNTY

SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

**FINDING 2024-001 - Material Weakness**

**Financial Reporting**

The Township should have procedures and controls in place to prevent and detect errors in financial reporting. During 2024 and 2023 receipts were not always posted or classified correctly. The following posting errors were noted:

For 2024

- A reclassification to properly record charges for services receipts for fire protection in the Special Levy (Fire) fund for \$1,747,745.

For 2023

- An adjustment to reallocate property tax advance revenue from property and other local taxes in the amount of \$255 in the Road and Bridge fund and \$1,248 in the Special Levy (Fire) fund to property and other local taxes in the General fund for \$605 and to the Debt Service fund for \$898;
- An adjustment to reallocate property tax rollback revenue from the Special Levy (Fire Fund) in the amount of \$56,609 to the General, Road and Bridge, and Debt Service Funds in the amounts of \$26,101, \$27,451, and \$3,057; respectively;
- A reclassification to properly record refunds in the amount of \$64,877 to miscellaneous instead of Sale of Bonds in the New Fire Station (Bond) fund;
- A reclassification to properly record charges for services receipts for fire protection in the Special Levy (Fire) fund for \$1,807,202; and
- An adjustment to properly record \$836 of zoning receipts from licenses, permits and fees in the Cemetery fund to licenses, permits and fees in the General fund.

Not posting receipts correctly resulted in the financial statements requiring reclassification and adjusting entries. The financial statements reflect all adjustments and reclassifications. The Township has made the adjustments to their accounting system.

We also noted the following posting errors, however, these errors were not material to the financial statements.

For 2024

- A correcting adjustment made by the County Auditor on the 1<sup>st</sup> Half Property tax Settlement was improperly adjusted to intergovernmental instead of property and other local taxes.

For 2023

- An American Rescue Plan fund receipt was improperly recorded as other financing sources instead of intergovernmental revenue; and
- The sale of a 2005 Ford F-550 dump truck was improperly recorded as miscellaneous instead of sale of fixed asset revenue.

Not posting receipts correctly could result in the financial statements requiring reclassifications or adjusting entries. The financial statements do not reflect these reclassifications due to the amounts being immaterial.

MONROE TOWNSHIP  
LICKING COUNTY

SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

**FINDING 2024-001 - Material Weakness (Continued)**

**Financial Reporting (Continued)**

Also, during 2024 and 2023 aspects of the notes to the financial statements were corrected from the Hinkle filing to agree to the financial statements in the audit report and to include all necessary note disclosures. We made corrections to the following note disclosures:

- Budgetary Activity
- Deposits and Investments
- Fund Balances
- Debt

We recommend the Fiscal Officer refer to the Ohio Township Handbook, Uniform Accounting Network (UAN) Manual and other Auditor of State guidance to determine the proper establishment of disbursement accounts and proper posting. Also, to help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements and notes to the financial statements. Such review should include procedures to ensure that all receipts and disbursements are properly identified and classified on the financial statements. We recommend the Township use the most current available templates for financial statements and notes to the financial statements on the Auditor of State's website <http://www.ohioauditor.gov/references/shells/regulatory.html> to prepare an accurate annual financial report.

**Management's Response** – See Corrective Action Plan.

MONROE TOWNSHIP  
LICKING COUNTY

**SUMMARY SCHEDULE OF PRIOR FINDINGS –  
PREPARED BY MANAGEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Finding Number	Finding Summary	Status	Additional Information
2022-001	Material Weakness - Financial Reporting	Not Corrected	N/A

MONROE TOWNSHIP  
LICKING COUNTY

**CORRECTIVE ACTION PLAN - PREPARED BY MANAGEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	The Township will attempt to correctly post all transactions in the future. We recommend the Fiscal Officer refer to the Ohio Township Handbook, Uniform Accounting Network (UAN) Manual and Auditor of State guidance to determine the proper establishment of receipt and disbursement accounts and proper posting.	Immediately	Debra Farley – Fiscal Officer

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# OHIO AUDITOR OF STATE KEITH FABER



MONROE TOWNSHIP

LICKING 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 9/30/2025

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)