

# **SYLVANIA TOWNSHIP**

**LUCAS COUNTY, OHIO**

**REGULAR AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2024**





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Columbus, Ohio 43215  
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Board of Trustees  
Sylvania Township  
4927 North Holland-Sylvania Road  
Sylvania, Ohio 43560

We have reviewed the *Independent Auditor's Report* of Sylvania Township, Lucas County, prepared by Julian & Grube, Inc., for the audit period January 1, 2024 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. Sylvania Township is responsible for compliance with these laws and regulations.

KEITH FABER  
Ohio Auditor of State

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

September 29, 2025

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**SYLVANIA TOWNSHIP  
LUCAS COUNTY, OHIO**

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## Independent Auditor's Report

Sylvania Township  
Lucas County  
4927 North Holland-Sylvania Road  
Sylvania, Ohio 43560

To the Members of the Board of Trustees:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of Sylvania Township, Lucas County, Ohio, which comprises the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the year ended December 31, 2024, and the related notes to the financial statements.

#### *Unmodified Opinions on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total of Sylvania Township, as of and for the year ended December 31, 2024 in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) as 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 referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Sylvania Township, as of December 31, 2024, or changes in net position or, where applicable, cash flows thereof for the year then ended.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Sylvania 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 Sylvania 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 a basis of accounting 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 GAAP, 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 these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). 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 misstatements, 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 Sylvania 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Sylvania 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 Sylvania Township's ability to continue as a going concern for a reasonable period of time.



Sylvania Township  
Lucas County  
Independent Auditor's Report

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 25, 2025 on our consideration of Sylvania Township's internal control over financial reporting and on 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 Sylvania 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 Sylvania Township's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Julian & Grube, Inc." with a stylized flourish at the end.

Julian & Grube, Inc.  
June 25, 2025

**Sylvania Township**  
**Lucas County, Ohio**  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2024*

	General	Special Revenue	Debt Service	Capital Projects	Combined Total
<b>Cash Receipts</b>					
Property and Other Local Taxes	\$ 780,752	\$ 21,605,137	\$ -	\$ -	\$ 22,385,889
Charges for Services	-	2,080,041	-	-	2,080,041
Licenses, Permits and Fees	63,282	29,927	-	-	93,209
Cable and Franchise Fees	331,000	-	-	-	331,000
Fines, Forfeitures and Settlements	19,471	334,274	-	-	353,745
Intergovernmental	430,268	3,688,931	-	204,688	4,323,887
Special Assessments	-	443,734	-	-	443,734
Earnings on Investments	1,346,371	165,189	-	-	1,511,560
Miscellaneous	16,983	98,717	-	44,794	160,494
<i>Total Cash Receipts</i>	<u>2,988,127</u>	<u>28,445,950</u>	<u>-</u>	<u>249,482</u>	<u>31,683,559</u>
<b>Cash Disbursements</b>					
Current:					
General Government	899,391	502,018	-	-	1,401,409
Public Safety	-	21,817,214	-	-	21,817,214
Public Works	-	3,996,257	-	251,513	4,247,770
Health	-	219,283	-	-	219,283
Human Services	-	572,602	-	-	572,602
Capital Outlay	-	-	-	1,822,917	1,822,917
Debt Service:					
Principal Retirement	-	116,703	500,000	421,332	1,038,035
Interest and Fiscal Charges	-	2,441	76,800	136,031	215,272
<i>Total Cash Disbursements</i>	<u>899,391</u>	<u>27,226,518</u>	<u>576,800</u>	<u>2,631,793</u>	<u>31,334,502</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>2,088,736</u>	<u>1,219,432</u>	<u>(576,800)</u>	<u>(2,382,311)</u>	<u>349,057</u>
<b>Other Financing Receipts (Disbursements)</b>					
Other Debt Proceeds - OPWC	-	-	-	46,825	46,825
Sale of Capital Assets	-	-	-	23,527	23,527
Transfers In	-	408,507	576,800	2,216,194	3,201,501
Transfers Out	(1,017,701)	(2,183,800)	-	-	(3,201,501)
Advances In	-	35,323	-	-	35,323
Advances Out	-	(35,323)	-	-	(35,323)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(1,017,701)</u>	<u>(1,775,293)</u>	<u>576,800</u>	<u>2,286,546</u>	<u>70,352</u>
<i>Net Change in Fund Cash Balances</i>	<u>1,071,035</u>	<u>(555,861)</u>	<u>-</u>	<u>(95,765)</u>	<u>419,409</u>
<i>Fund Cash Balances, January 1</i>	<u>11,768,411</u>	<u>24,841,293</u>	<u>-</u>	<u>3,999,113</u>	<u>40,608,817</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 12,839,446</u>	<u>\$ 24,285,432</u>	<u>\$ -</u>	<u>\$ 3,903,348</u>	<u>\$ 41,028,226</u>

*See accompanying notes to the financial statements*

**Sylvania Township**  
**Lucas County, Ohio**  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Proprietary Fund Types*  
*For the Year Ended December 31, 2024*

	Internal Service
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 2,973,390
Miscellaneous	157,212
<i>Total Operating Cash Receipts</i>	<u>3,130,602</u>
<b>Operating Cash Disbursements</b>	
Purchased Services	562,434
Claims	2,334,893
<i>Total Operating Cash Disbursements</i>	<u>2,897,327</u>
<i>Net Change in Fund Cash Balances</i>	233,275
<i>Fund Cash Balances, January 1</i>	<u>1,147,554</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 1,380,829</u></u>
<i>See accompanying notes to the financial statements</i>	

**Sylvania Township**  
**Lucas County, Ohio**  
*Combined Statement of Additions, Deductions*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Fiduciary Fund Types*  
*For the Year Ended December 31, 2024*

	Custodial
<b>Additions</b>	
Intergovernmental	\$ 197,100
Special Assessment Collections for Distribution	85,286
Amounts Held for Employees	15,832
Other Amounts Collected for Distribution	160,106
<i>Total Additions</i>	<u>458,324</u>
<b>Deductions</b>	
Distributions to Other Governments	85,286
Distributions on Behalf of Employees	9,464
Other Distributions	368,437
<i>Total Deductions</i>	<u>463,187</u>
<i>Net Change in Fund Balances</i>	(4,863)
<i>Fund Cash Balances, January 1</i>	<u>71,310</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 66,447</u></u>

*See accompanying notes to the financial statements*

**Sylvania Township**  
*Lucas County, Ohio*  
*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 Sylvania Township, Lucas 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, police and fire protection and emergency medical services.

***Joint Ventures and Jointly Governed Organizations***

The Township participates in a joint venture and a jointly governed organization. Note 13 to the financial statements provide additional information about Sylvania Senior Citizen Center (Senior Center) and the JEDD agreement with City of Sylvania, as joint ventures. Note 14 to the financial statements provides additional information about Sylvania Area Joint Recreation District (SAJRD), a jointly governed organization.

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, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all 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:

***Road and Bridge Fund*** The Road and Bridge Fund accounts for and reports proceeds of property tax revenue to provide for construction, maintenance, and repair of Township roads and bridges in the unincorporated area.

***Police Fund*** The Police Fund accounts for and reports proceeds of property tax revenues to provide police protection to the Township in the incorporated and unincorporated areas.

***Fire Fund*** The Fire Fund accounts for and reports proceeds of property tax revenues and charges for services to provide fire protection to the Township in the incorporated and unincorporated areas.

***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 Funds:

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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***Bond Retirement Fund*** The Bond Retirement Fund accounts and reports resources restricted for the Township's share of Sylvania Senior Center construction and for the Fire Fund General Obligation bonds issued by the Township.

***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 funds:

***General Capital Project Fund*** The General Capital Project Fund accounts for any Capital expenditures such as building improvements or large vehicles.

***Road and Bridge Capital Project Fund*** This fund accounts for any Capital expenditure such as equipment, large vehicles and accessories and any building improvements in the premises utilized by the Road and Bridge Department.

***Police Capital Project Fund*** This fund accounts for any Capital expenditures such as vehicles, building improvement, police equipment and accessories.

***Fire Capital Project Fund*** This fund accounts for any Capital expenditures such as a new fire building and addition, fire equipment, ladders, vehicles, and accessories

***Internal Service Fund*** This fund accounts for services provided by one department to other departments of the government unit. The Township had the following Internal Service Fund:

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

***Fiduciary Funds*** Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. The Township Fiduciary funds only comprise Custodial funds.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Township had the following significant Custodial Funds.

***Special Assessment E-SID Fund*** The Township operates as flow through entity. Special Assessment remitted by Lucas County is forwarded to the Port-Authority for debt payment.

***Ohio Demolition Fund*** The Fund accounts for the distribution of funds remitted by insurance company to the property owner for the repairs.

***Employee Section 125 Plan*** The fund accounts for the distribution of money deducted from employee pay checks for medical and dependent day care expenses.

***Ohio EPA Recycling Grant*** The Township operates as a flow through entity with funds approved by the OEPA being provided to the cooperating enterprise.

***Employee Escrow Fund*** This fund accounts for the money withheld from the new Police cadet salary which is returned back to them after completing three yrs of service, if not the money becomes part of the Police department funds.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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***Basis of Accounting***

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

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

***Budgetary Process***

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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

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

The Township values U.S. Treasury Notes, federal securities, and certificate of deposits at cost. Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

***Capital Assets***

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

***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.

***Financed Purchases***

The Township is the lessee for three Ambulances for transporting patients under noncancelable leases. The ownership of the underlying asset transfers to the Township by the end of the contract.

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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In 2022 and 2023 Township had entered into a Lease contract for a Fire Engine and an Aerial Platform Fire Truck, which did not become effective until March and November 2024. The ownership of the underlying asset transfers to the Township by the end of the contract. Lease revenue/disbursements are recognized when they are received/paid. Lease activity appears in Note 10.

***SBITAs***

The Township contract for IT is only limited to support service and does not give Township authority to use IT assets, the contract does not meet definition of (SBITA) contracts (as defined by GASB 96).

***Settlement Monies***

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2024, distributions of \$90,613 are reflected as fines, forfeitures and settlements revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

***Fund Balance***

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

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 15.



**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

**Note 3 – Budgetary Activity**

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

Fund Type	2024 Budgeted vs. Actual Receipts		Variance
	Budgeted Receipts	Actual Receipts	
General	\$2,830,780	\$2,988,127	\$157,347
Special Revenue	28,789,588	28,889,780	100,192
Debt Service	576,800	576,800	0
Capital Projects	2,467,707	2,536,028	68,321
Internal Service	3,118,642	3,130,602	11,960
Total	<u>\$37,783,517</u>	<u>\$38,121,337</u>	<u>\$337,820</u>

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,101,326	\$2,001,620	\$1,099,706
Special Revenue	34,708,692	31,143,922	3,564,770
Debt Service	576,800	576,800	0
Capital Projects	4,151,777	3,438,781	712,996
Internal Service	3,240,016	2,950,377	289,639
Total	<u>\$45,778,611</u>	<u>\$40,111,500</u>	<u>\$5,667,111</u>

**Note 4 – Deposits and Investments**

To improve cash management, cash received by the Township is pooled. Monies for all funds 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:

	2024
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$6,492,487
Certificates of deposit	33,113,000
Total deposits	<u>39,605,487</u>
U.S. Treasury Notes	1,804,744
STAR Ohio	12,256
Federal Securities	1,024,283
Money Market	28,732
Total investments	<u>2,870,015</u>
<i>Total carrying amount of deposits and investments held in the Pool</i>	<u><u>\$42,475,502</u></u>

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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The Township has a payroll clearing account that is held outside of the deposit pool where gross payroll is held for distribution. The expenditures included in the accompanying financial statements reflect gross payroll. The balance in the Township's payroll clearing account represents 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***

The Federal Reserve holds the Township's U.S. Treasury Notes and federal securities in book-entry form, in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities.

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.

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

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

**Note 6 – Interfund Balances**

There were no Outstanding advances at December 31, 2024, all advances outstanding from prior year from Police and Fire Funds were advanced back during 2024.

**Note 7 – Risk Management**

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

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

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

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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

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

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

***Workers' Compensation***

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

***Self-Insurance***

The Township is also self-insured for health insurance. The Self Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee. A comparison of Self Insurance Fund cash and investments to the actuarially measured liability as of December 31 follows:

	<u>2024</u>
Cash and investments	\$1,380,829
Actuarial liabilities	\$232,400

**Note 8 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Most of the 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.

Law Enforcement OPERS members contributed 13 percent of their gross salaries and the Township contributed an amount equaling 18.10% percent of participants gross salaries. The Township has paid all contributions required through December 31, 2024.

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

Township 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 post-retirement health care and survivor and disability benefits. All Township police officers are excluded from OP&F and they are part of OPERS Law Enforcement.

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Township contributed to OP&F an amount equal to 24% percent of full-time fire fighters' wages, respectively. The Township has paid all contributions required through December 31, 2024.

**Note 9 – 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 10 – Debt**

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

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds Fire Fund	\$3,175,000	2.0-3%
OPWC-CL23T	24,054	0%
OPWC-CL19U	42,176	0%
OPWC-CL24W	126,439	0%
OPWC-CLO9Y	121,347	0%
OPWC-CL47AA	77,492	0%
Ambulance Lease 2023	184,222	3.46%
Ambulance Lease 2023	195,596	3.09%
Fire Engine -2024	650,763	2.95%
Aerial Platform-2024	1,666,152	5.89%
Total	<u><u>\$6,263,241</u></u>	

During 2016, the Township issued general obligation bonds in the amount of \$6,575,000 to refund the Fire Fund general obligation bonds. The bonds were issued for 15 years, maturing in 2030, carrying an interest rate between 2% and 3%.

The Ohio Public Works Commission Loan CL23T relates to loan agreement in the amount of \$80,181 for St. James Wood & Sylvania Ave Resurfacing. This agreement is for ten years, has a zero percent interest rate, and matures January 1, 2028.

The Ohio Public Works Commission Loan CL19U relates to a loan agreement in the amount of \$93,724 for road improvements to Fair Hills and Corey Woods sub-divisions. This agreement is for ten years, has a zero percent interest rate, and matures July 1, 2029.

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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The Ohio Public Works Commission Loan CL24W relates to loan agreement in the amount of \$186,887 for road improvements pertaining to Holt and Gill House Road. This agreement is for ten years, has a zero percent interest rate, and matures January 1, 2031. This project is a joint project with Lucas County that originated in 2020. The Township pays each loan installment, in total when due on behalf of themselves and the County and receives reimbursement from the County for their portion of the loan. Starting July 2022, due to a change in estimate the total loan agreement was changed from \$186,887 to \$208,346 and as a result, annual payments were changed from \$18,689 to \$21,073.

The Ohio Public Works Commission Loan CLO9Y relates to loan agreement in the amount of \$151,684 for road improvements pertaining to Summerfield, Covert, Flanders and Centennial Fair Hills. This agreement is for ten years, has a zero percent interest rate, and matures January 1, 2033. This project is a joint project with Lucas County that originated in 2022. The Township pays each loan installment, in total when due on behalf of themselves and the County and receives reimbursement from the County for their portion of the loan.

During 2023, the Ohio Public Works Commission issued loan CL47AA for roadway improvements. The Township will continue to draw down on the loan as work progresses. The Township portion has been completed; however, the County portion is not completed, and an extension has been requested until 4/1/2025. No amortization schedule is available until the project is complete, at which time the Township will be liable to pay.

During 2024, the Ohio Public Works Commission approved loan CL55AA for roadway improvements. No loan proceeds have been received by the Township as of December 31, 2024 and no amortization schedule is available. This loan has not been reflected as part of outstanding debt of the Township.

***Financed Purchases***

The Township has entered into financed purchases agreements for Ambulances, Fire Engine and Aerial Platform where ownership of the underlying asset transfers to the Township by the end of the contract.

The Township entered into a Lease/purchase agreement with US Bancorp Government Leasing and Financing Inc, in year 2019 for a new Ambulance for Transporting patients. The ownership of the underlying asset transfers to the Township by the end of the contract. The lease was paid in full in 2024 in the amount of \$63,073 of principal and \$2,441 of interest.

In 2022 the Township entered into two Lease/purchase agreements for new Ambulances for Transporting patients with REV financial Services LLC, however; the obligation did not start until 2023, as neither Ambulances were delivered in 2022. One of the Ambulances was delivered in late 2023 and other is still yet to be delivered. Per contract and amortization schedule the payments for both vehicles started in April and May of 2023. The ownership of the underlying asset transfers to the Township by the end of the contract. The Township disbursed \$118,676 in principal and \$16,297 in interest for the Ambulances for the year ended December 31, 2024.

In 2022 the Township entered into a Lease/purchase agreement, for replacing a Fire Engine through the State of Ohio Department of Administrative Services Purchasing Program which has a contract with manufacturer Sutphen Corporation, to be delivered in 22-25 months at a maximum cost of \$727,180. This Engine has been delivered. The seven year lease payment started in March 2024 and per Lease-Purchase Financing Agreement with (Lessor) Leasing 2, Inc is payable to Santander Bank acting as escrow agent. The Township disbursed \$76,417 in principal and \$43,505 in interest for this Fire Engine for the year ended December 31, 2024.

In late 2023, the Township entered into a Lease/purchase agreement with manufacturer Sutphen Corporation for purchase of SPH100 Aerial Platform Fire Truck to be delivered in 12-18 months at a maximum cost of \$1,892,391. The seven year lease payments started in November 2024 and per Lease-Purchase Financing Agreement with (Lessor) Leasing 2, Inc is payable to Santander Bank acting as escrow agent. The Township disbursed \$226,239 in principal and \$111,376 in interest for this aerial ladder for the year ended December 31, 2024. This Aerial Ladder is to be delivered in 2026.

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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

Year Ending December 31:	Finance Purchases	General Obligation Bonds	OPWC Loans
2025	\$592,510	\$571,800	\$53,632
2026	592,510	571,700	53,632
2027	592,510	566,400	53,632
2028	457,537	566,000	45,614
2029	457,537	569,870	40,928
2030-2032	457,537	572,880	66,578
Total	<u>\$3,150,141</u>	<u>\$3,418,650</u>	<u>\$314,016</u>

**Note 11 – Construction and Contractual Commitments**

The Township Road Fund had an OPWC resurfacing road project outstanding at year end. The amount of \$681,513 has been properly encumbered for the Highway Improvement contract.

**Note 12 – Contingent Liabilities**

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor. 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 13 – Joint Ventures**

**Sylvania Senior Center**

Sylvania Senior Citizens Center (Senior Center) – The Township is a participant with the City of Sylvania (the City) in a joint venture to enhance the programs and services available to senior citizen residents in the City and the Township. The City and the Township agreed to jointly pay to construct a community center under the authority of Ohio Revised Code Section 173.11. The original agreement required the Township to bear 60% of the construction costs and the City of Sylvania to bear 40% of the construction costs, resulting in a 60/40 split in equity interest between the two. The community center is managed by Sylvania Community Services Center, Inc. (SCS), an Ohio nonprofit corporation.

In 2002, the Township had issued 20 year \$1,135,000 in general obligation bonds to fund the Township's 60% of the construction costs for the community center. The Township has fully funded the share by making the last Principal payment of \$80,000 in 2022.

The Senior Center's financial statements have not been included within the Township's reporting entity.

**Joint Economic Development District**

The Sylvania Township entered into a joint economic development district (JEDD) agreement with the City of Sylvania in 2020. This JEDD is located entirely within Sylvania Township. In 2020, the JEDD Board enacted a 1.5% income tax on the district and collection began January 1, 2021.

**Sylvania Township**  
*Lucas County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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The JEDD is governed by a Board of Directors consisting of five (5) members. The Board consists of one (1) member representing the City, one (1) member representing the Township, one (1) member representing the owners of business operating within the District, one (1) member representing persons is employed in the District, and one (1) member selected by the other members. The main source of income is a tax levied upon the income earned by persons working within the JEDD boundaries and the net profits of businesses located within the District.

**Note 14 – Jointly Governed Organizations**

The Township in conjunction with the City of Sylvania and the Sylvania City School District formed the Sylvania Area Joint Recreation District (the “SAJRD”) under the authority of Ohio Revised Code Section 755.14 (C). The SAJRD Board of Trustees is composed of twelve members, four of whom are appointed by each of the three separate governmental entities identified above. SAJRD has two supporting levies. A .85 mills permanent operating levy was passed in 1988 and replaced in 2000. In addition, a .5 mill, 25-year capital improvement levy was passed in 1994. Millage on this levy has been reduced over time to .3 mills. Taxes are collected by the Lucas County Auditor and remitted to the SAJRD Board of Trustees. SAJRD is fiscally independent of the Township and the SAJRD’s financial statements have not been included within the Township’s reporting entity.

**Note 15 – Fund Balances**

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

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Internal Service</u>	<u>Total</u>
Outstanding Encumbrances	\$84,528	\$1,698,281	\$0	\$806,988	\$53,050	\$2,642,847
Total	<u>\$84,528</u>	<u>\$1,698,281</u>	<u>\$0</u>	<u>\$806,988</u>	<u>\$53,050</u>	<u>\$2,642,847</u>

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 would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 16 – 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. The Township will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

Sylvania Township  
Lucas County  
4927 North Holland-Sylvania Road  
Sylvania, Ohio 43560

To the Members of 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, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total of Sylvania Township, Lucas County, Ohio, as of and for the year ended December 31, 2024, and the related notes to the financial statements and have issued our report thereon dated June 25, 2025, wherein we noted Sylvania 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 Sylvania 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 Sylvania Township's internal control. Accordingly, we do not express an opinion on the effectiveness of Sylvania 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 Sylvania Township's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Sylvania 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*.

Sylvania Township

Lucas County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *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 Sylvania 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 Sylvania Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.

June 25, 2025

# OHIO AUDITOR OF STATE KEITH FABER



**SYLVANIA TOWNSHIP**

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