



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

**GREEN TOWNSHIP,
HAMILTON COUNTY, OHIO**

Financial Statements

Year Ended December 31, 2022

With Accountant's Compilation Report

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To the Board of Trustees of the
Green Township, Hamilton County, Ohio:

Management is responsible for the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Green Township, Hamilton County, Ohio (the Township), as of and for the year ended December 31, 2022, and related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents, in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial statement framework. We have performed a compilation engagement in accordance with Statements of Standards of Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note 2C of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The supplementary information contained in the management's discussion and analysis, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

This report is intended for the use of management and the Board of Trustees of the Green Township, and the Auditor of State of Ohio, and is not intended to be and should not be used by anyone other than those specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
February 16, 2023

Green Township
Hamilton County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

This discussion and analysis of the Green Township financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2022, within the limitations of the Township's modified cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2022 are as follows:

- Net position of the governmental activities increased \$8,703,800, or 17%. The Township experienced an increase in receipts during the year of \$3,531,518 and a decrease in disbursements of \$5,182,195.
- General receipts accounted for 93% of total receipts received. Program-specific receipts in the form of charges for services, operating and capital-related grants and contributions accounted for the remaining 7% of total receipts of \$58,800,280.
- The Township had \$50,096,480 in disbursements. Only \$4,380,044 of the disbursements was offset by program-specific charges for services and grants.

Using the Basic Financial Statements

This Annual Report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's modified cash basis of accounting.

Report Components

The Statement of Net Position and the Statement of Activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Green Township
Hamilton County, Ohio
Management's Discussion and Analysis
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Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on the modified cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's modified cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Reporting the Township as a Whole

The Statement of Net Position and the Statement of Activities reflect how the Township performed financially during 2022, within the limitations of the modified cash basis accounting. The Statement of Net Position presents the cash balances and investments of the governmental activities of the Township at year-end. The Statement of Activities compares cash disbursements with program receipts for each governmental program activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function activity draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the modified cash basis of accounting, you can think of these changes as one way to measure the Township's financial condition. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial condition is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other non-financial factors as well such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

In the Statement of Net Position and the Statement of Activities, all activity is accounted for as governmental activities:

Governmental Activities. All of the Township's basic services are reported here, including police, fire/EMS, streets and parks. Property Taxes and State and Federal Grants finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Green Township
Hamilton County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
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Reporting the Township's Most Significant Funds

Fund financial statements provide detailed information about the Township's major funds, not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted or committed as to how it may be used is being spent for the intended purpose. The funds of the Township are all categorized as governmental funds.

Governmental Funds - The Township's activities are reported in governmental funds. The Governmental Fund Financial Statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds include the General Fund, American Rescue Plan Act (ARPA) Fund, Tax Incremental Financing (TIF) Fund, Fire Levy Fund, Police Levy Fund, Road and Bridge Levy Fund, and the Safety Services Levy funds (Police and Fire, Fire, and Police). The programs reported in governmental funds are identical to those reported in the governmental activities section of the entity-wide statements.

General Fund. The General Fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general fund laws of Ohio.

American Rescue Plan Act (ARPA) Fund. This special revenue fund accounts for the receipts and disbursements received from the federal American Rescue Plan Act.

Tax Increment Financing (TIF) Fund. This special revenue fund accounts for payments received in lieu of taxes on property located within Green Township designated as a TIF parcel.

Fire Levy Fund. This special revenue fund accounts for tax revenues levied for the operations of the Township Fire Department.

Police Levy Fund. This special revenue fund accounts for tax revenues levied for the operation of the Township Police Department.

Road and Bridge Levy Fund. This special revenue fund accounts for tax revenues levied for operations of the Township Public Works Department.

Safety Services Police and Fire Levy Fund. This special revenue fund accounts for tax revenues levied for the operations of the Township Fire Department and Police Department.

Safety Services Fire Levy Fund. This special revenue fund accounts for tax revenues levied for the operations of the Township Fire Department.

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Hamilton County, Ohio
Management's Discussion and Analysis
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Safety Services Police Levy Fund. This special revenue fund accounts for tax revenues levied for the operation of the Township Police Department.

The Township as a Whole

Table 1 provides a summary of the Township's net position for 2022 and 2021 on the modified cash basis:

(Table 1)
Net Position
Governmental Activities

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Assets			
Equity in Pooled Cash and Investments	\$ 60,388,058	\$ 51,684,258	\$ 8,703,800
<i>Total Assets</i>	<u>\$ 60,388,058</u>	<u>\$ 51,684,258</u>	<u>\$ 8,703,800</u>
Net Position			
Restricted for:			
Public Safety	\$ 9,607,871	\$ 13,347,289	\$ (3,739,418)
Streets	1,420,651	1,300,882	119,769
Other purposes	543,294	75,330	467,964
Capital projects	26,174,236	16,066,728	10,107,508
Unrestricted	<u>22,642,006</u>	<u>20,894,029</u>	<u>1,747,977</u>
<i>Total Net Position</i>	<u>\$ 60,388,058</u>	<u>\$ 51,684,258</u>	<u>\$ 8,703,800</u>

Net position of the governmental activities increased \$8,703,800, or 17%. The reasons for this increase are discussed in the following section for governmental activities.

Green Township
Hamilton County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
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Table 2 demonstrates the changes in net position for fiscal years 2022 and 2021.

(Table 2)			
Change in Net Position			
Governmental Activities			
	<u>2022</u>	<u>2021</u>	<u>Change</u>
Receipts:			
Program Receipts:			
Charges for Services	\$ 2,993,792	\$ 2,731,611	\$ 262,181
Operating Grants	208,231	141,507	66,724
Capital Grants	<u>1,178,021</u>	<u>1,205,454</u>	<u>(27,433)</u>
<i>Total Program Receipts</i>	<u>4,380,044</u>	<u>4,078,572</u>	<u>301,472</u>
General Receipts			
Property and Other Local Taxes	11,417,887	11,895,223	(477,336)
Payments in Lieu of Taxes	29,075,514	26,507,737	2,567,777
Grants and Entitlements not Restricted	11,549,066	10,960,403	588,663
Interest	403,229	264,622	138,607
Miscellaneous	<u>1,974,540</u>	<u>1,562,205</u>	<u>412,335</u>
<i>Total General Receipts</i>	<u>54,420,236</u>	<u>51,190,190</u>	<u>3,230,046</u>
<i>Total Receipts</i>	<u>58,800,280</u>	<u>55,268,762</u>	<u>3,531,518</u>
Disbursements:			
General Government	2,093,878	2,065,518	28,360
Public Safety	18,720,001	16,417,659	2,302,342
Public Works	2,455,201	2,486,904	(31,703)
Public Health	66,367	74,750	(8,383)
Economic Development	319,272	304,885	14,387
Conservation-Recreation	890,177	838,565	51,612
Payment to Schools	19,467,933	17,588,925	1,879,008
Capital Outlay	<u>6,083,651</u>	<u>15,501,469</u>	<u>(9,417,818)</u>
<i>Total Disbursements</i>	<u>50,096,480</u>	<u>55,278,675</u>	<u>(5,182,195)</u>
<i>Change in Net Position</i>	8,703,800	(9,913)	8,713,713
<i>Net Position, January 1</i>	<u>51,684,258</u>	<u>51,694,171</u>	<u>(9,913)</u>
<i>Net Position, December 31</i>	<u>\$ 60,388,058</u>	<u>\$ 51,684,258</u>	<u>\$ 8,703,800</u>

Total receipts increased \$3,531,518, or 6%, during 2022. The increase was driven by elevated payments in lieu of taxes attributable to increased development in TIF districts and corrections related to the Greenshire Subdivision TIF that required prior year adjustments. The correction shifted revenue from property taxes to payment in lieu of taxes. The Township also experienced an increase in grants and entitlements due to continued receipt of American Rescue Plan Act (ARPA) funds. Note: the ARPA receipts were reclassified in the 2021 column from capital grants to grants and entitlements not restricted based on recent accounting guidance.

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Disbursements for general government represent the overhead costs of running the Township and the support services provided for other Township activities. Also included are the costs of the administrator, department heads, elected officials, as well as internal services, such as payroll, accounts payable and receivable, and purchasing.

Public safety includes the costs of police and fire protection; public health is the health services provided by Hamilton County; conservation-recreation activities are the costs of maintaining the parks and playing fields, the Senior Center, and the Nathanael Greene Lodge (a meeting facility); public works is the cost of maintaining the roads; and capital outlay is the cost for purchases of capital assets and capital improvements.

Total disbursements decreased by \$5,182,195, or 9%, during 2022. The majority of this decrease occurred in capital outlay due to completion of road improvements, sidewalks and street lighting on Harrison Avenue in 2021. The decrease was partially offset by increases in public safety disbursements, due to payroll growth and related benefits, and in payments to schools related to the increase in payments in lieu of taxes.

Governmental Activities

If you refer to the Statement of Activities, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for public safety, capital outlay, and payments to schools at year-end December 31, 2022, which account for 37%, 12%, and 39% of all governmental disbursements, respectively. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net (Receipt) Disbursement column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement.

Green Township
Hamilton County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

The Township's Funds

The Township's governmental funds had total receipts of \$58,800,280 and total disbursements of \$50,096,480. Total governmental funds balance increased by \$8,703,800, with the biggest increase occurring in the TIF fund.

Major Governmental Funds				
	2022	2021	Change in	
	Fund	Fund	Fund	% Change
	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>% Change</u>
General Fund	\$ 21,018,547	\$ 19,449,005	\$ 1,569,542	8.1%
ARPA Fund	467,075	882,234	(415,159)	-47.1%
TIF Fund	26,020,974	15,043,394	10,977,580	73.0%
Fire Levy Fund	4,523,521	4,135,566	387,955	9.4%
Police Levy Fund	668,448	507,196	161,252	31.8%
Road & Bridge Fund	1,623,459	1,445,024	178,435	12.3%
Safety Services- Police & Fire Fund	2,375,050	7,156,249	(4,781,199)	-66.8%
Safety Services- Fire Fund	696,455	419,057	277,398	66.2%
Safety Services- Police Fund	891,460	718,465	172,995	24.1%

The increase in the TIF fund was due to completion of Harrison Avenue improvements paid for in 2021. Additionally, public safety disbursements that were paid from the General and TIF funds in 2021 were paid from the Safety Services-Police and Fire funds in 2022.

General Fund Budgeting Highlights

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

During 2022, the Township amended its General Fund budget several times to reflect changing circumstances. Final budgeted receipts were above original budgeted receipts to reflect unanticipated increases in intergovernmental and interest receipts. Actual receipts were 1.2% over final budgeted receipts.

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The original budgeted disbursements were reduced during the year due to an overestimate for police pension contributions, a reduction in medical claims (and no increase in medical premiums) and delay in some staff hiring by departments. Final disbursements were budgeted at \$4,197,331, while actual budgetary disbursements were \$4,060,920 for the General Fund in 2022. The Township had \$210,970 in outstanding purchase orders at year-end 2022, but were \$136,411 within budgeted amounts. The result is an increase in the ending fund balance to \$20,748,080 for 2022.

Capital Assets

The Township does keep track of its capital assets for insurance purposes but not for financial reporting.

Current Issues

The challenge for all townships is to provide quality services to the public while staying within the restrictions imposed by limited resources. In 2022, the COVID-19 pandemic continued to affect all of our lives and has continued to create many challenges for Green Township. The Township has continued to work towards the primary goals of safety, enhanced infrastructure, economic development, and quality of life while maintaining one of the lowest tax rates in the area.

In January 2022, the U.S. Treasury Department released revised guidance for the American Rescue Plan Act (ARPA) by offering a standard allowance for revenue loss of up to \$10 million. The Township had been using the TIF Fund to support personnel costs for first responders, as was permissible under State Senate Bill No. 4 through mid-2022, that amounted to \$3.7 million from April 2021 thru August 2021. However, the State Senate Bill includes a provision that requires repayment to the TIF Fund if new funding was made available to repay these expenditures and is allowable under federal legislation. On February 14, 2022, the Board approved the use of ARPA funds to reimburse the \$3.7 million first responder personnel costs paid from the TIF Fund by using an advance from the ARPA Fund retroactive to 2021. The advance was repaid in 2022.

The Green Township Police Department has placed a high value on maintaining strong community relations. It is imperative in these times that citizens have trust and confidence in the men and women who serve and protect their community. A number of programs have begun, with the police officers volunteering their time to participate in outreach efforts. The programs include bowling with local school children, a Toys, Tots and COPS Christmas program to help Township families in need during the holiday season, and a Birthday with a Badge program in cooperation with the local schools. An action plan was put in place through social media announcements, increased participation in events, and increased community partnerships.

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The Hamilton County Sheriff's Department no longer patrols Green Township, and this has resulted in staffing of sworn officers of 39 in 2017 to 53 in 2021. No additional staff were added in the Police Department in 2022. Only officers who left were replaced. This investment resulted in Green Township being named the third safest large city in Ohio by Advisor Smith insurance research group. The safety and well-being of our community remains a top priority for the Township. With the expansion of commercial and residential growth in our community, Green Township has seen an increase in calls for service by over 20%.

The Fire Department service demands have increased 30% since 2014, when a safety services levy was proposed to our community and was passed. This is due to a growing community, aging populations and modern development. The Fire Department has added 2 – 3 staff annually to meet this demand. This has resulted in increased costs to provide the services our community requires.

For the sixth year in a row, Green Township Fire and EMS received the Mission Lifeline EMS Gold (Plus) Award from the American Heart Association. This award recognizes the excellence demonstrated by our paramedics and Emergency Medical technicians in the management and transport of critical heart attack victims.

Green Township continues to seek further development to increase the availability of services, such as medical facilities, doctor's offices, restaurants, and businesses. Good Samaritan Hospital E/R Medical Office Building at 6929 Harrison began seeing patients in the new office area in 2021. Superior Credit Union at Harrison Avenue and Lee Court opened in 2021. New merchants opened in 2022 were Tractor Supply and Sonic Burgers. Hampton Inn & Suites held a Grand Opening in December 2022 with 96 units. A new mixed-use, 124-acre community, Trailside Village, is in the future for Green Township. It will include nearly 200 new homes and double the existing length of the hike/bike trail from Hutchinson to Oakdale Elementary. This growth provides new jobs and a new and stable tax base for Green Township. Bailey Place is developing an upscale senior living community on North Bend Road.

New sidewalks have been added to increase the walkability in the Township. The Public Services Department has improved many roads and sidewalks and continues to survey all Township roads for further repairs in the future. Road improvements were completed on Harrison Avenue leading to a safer and more efficient roadway in 2022. Plans are under way to extend improvements on Harrison Avenue and Race Road to create additional turning lanes and allow for a standard turning radius onto Harrison Avenue. Green Township spent approximately \$2.1 million in 2022 on 3.8 lane miles for street rehabilitation. Additional street improvements are expected to be done in 2023 at the cost of \$2.3 million. This results in maintaining property values for Green Township.

The Parks Department continues to maintain the parks to be safe and accessible to all residents. The Parks Department, with the assistance of many vendors, sponsors many activities for families of the community, including the 4th of July Fireworks/Concert, Kids Fun Day, Touch a Truck, and Winterfest. In 2020 these activities were canceled due to the pandemic. All of these events did return in 2022. A new activity has been made available to our residents with a Movie Night for families as well as an added live concert held at the Pavilion at Kuliga Park. Kuliga Park completed a renovation in 2022, and a new playground is planned for Veterans Park in 2023.

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Management's Discussion and Analysis
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Unaudited

The Public Services Department not only maintains the parks and streets. This Department oversees nuisances and property maintenance violations. This Department addresses any complaints about properties that are considered a nuisance or in violation of Green Township's Property Maintenance Code. In 2022, there were a total of 453 complaints received for nuisances and 71 for property maintenance code violations. Many of these were resolved by the owner after communication with the department. This is a process to continue to keep Green Township a safe and valued community.

The Nathaniel Green Lodge offers small and large event areas for meetings and weddings. Updates to furniture and fixtures were completed for the Lodge. The Lodge was closed for a period of time and reopened with events at 50% capacity and sanitization protocol making it a safe place for social gatherings. In 2022, events at the Lodge were back to normal with continued effort to make it a safe place for our community. This facility offers beautiful indoor and outdoor surroundings for social gatherings from 10 to 200 people.

A 4.9-mill levy was placed on the November 2022 ballot and was approved by a 68% passage rate by our voters. These funds will be used by safety services to fill the gap for the cost of maintaining emergency response services at the current level and the expected increase in demand in future years.

The Township Elected Officials and Administrative Team will continue to seek additional revenue sources. This will allow Green Township the ability to continue to provide the level of service expected by the Green Township Residents.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Tom Straus, Fiscal Officer, Green Township, 6303 Harrison Avenue, Cincinnati, Ohio 45247.

Green Township
Hamilton County, Ohio
Statement of Net Position - Modified Cash Basis
December 31, 2022

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Investments	\$ 60,388,058
<i>Total Assets</i>	<u>60,388,058</u>
 Net Position	
Restricted for:	
Public safety	9,607,871
Streets	1,420,651
Other purposes	543,294
Capital projects	26,174,236
Unrestricted	<u>22,642,006</u>
<i>Total Net Position</i>	<u>\$ 60,388,058</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Activities - Modified Cash Basis
For the Year Ended December 31, 2022

	Program Cash Receipts				Net (Disbursements)
	Cash <u>Disbursements</u>	Charges for Services <u>and Sales</u>	Operating Grants and <u>Contributions</u>	Capital Grants and Contributions	Receipts and Changes in Net Position
Governmental Activities					<u>Governmental Activities</u>
General Government	\$ 2,093,878	\$ 948,469	\$ 56,250	\$ -	\$ (1,089,159)
Public Safety	18,720,001	1,750,791	25,011	-	(16,944,199)
Public Works	2,455,201	-	126,970	1,178,021	(1,150,210)
Public Health	66,367	-	-	-	(66,367)
Economic Development	319,272	10,915	-	-	(308,357)
Payment to Schools	19,467,933	-	-	-	(19,467,933)
Conservation-Recreation	890,177	283,617	-	-	(606,560)
Capital Outlay	<u>6,083,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,083,651)</u>
<i>Total Governmental Activities</i>	<u>\$ 50,096,480</u>	<u>\$ 2,993,792</u>	<u>\$ 208,231</u>	<u>\$ 1,178,021</u>	<u>(45,716,436)</u>

General Receipts

Property Taxes Levied for:

General Purposes	372,312
Public Safety	9,803,875
Public Works	1,241,700
Payment in Lieu of Taxes	29,075,514
Grants and Entitlements not Restricted to Specific Programs	11,549,066
Interest	403,229
Miscellaneous	<u>1,974,540</u>
<i>Total General Receipts</i>	<u>54,420,236</u>

Change in Net Position 8,703,800

Net Position Beginning of Year 51,684,258

Net Position End of Year \$ 60,388,058

See accompanying notes and accountants' compilation report.

Green Township
 Hamilton County, Ohio
 Statement of Assets and Fund Balances - Modified Cash Basis
 Governmental Funds
 December 31, 2022

	General	ARPA	Tax Increment Financing	Fire Levy	Police Levy	Road and Bridge	Safety Services Police & Fire	Safety Services Fire	Safety Services Police	Other Governmental Funds	Total Governmental Funds
Assets											
Equity in Pooled Cash and Investments	\$ 21,018,547	\$ 467,075	\$ 26,020,974	\$ 4,523,521	\$ 668,448	\$ 1,623,459	\$ 2,375,050	\$ 696,455	\$ 891,460	\$ 2,103,069	\$ 60,388,058
Total Assets	\$ 21,018,547	\$ 467,075	\$ 26,020,974	\$ 4,523,521	\$ 668,448	\$ 1,623,459	\$ 2,375,050	\$ 696,455	\$ 891,460	\$ 2,103,069	\$ 60,388,058
Fund Balances											
Restricted for:											
Public safety	\$ -	\$ -	\$ -	\$ 4,523,521	\$ 668,448	\$ -	\$ 2,375,050	\$ 696,455	\$ 891,460	\$ 452,937	\$ 9,607,871
Streets	-	-	-	-	-	-	-	-	-	1,420,651	1,420,651
Capital projects	-	-	26,020,974	-	-	-	-	-	-	153,262	26,174,236
Other purposes	-	467,075	-	-	-	-	-	-	-	76,219	543,294
Committed to:											
Roads and bridges	-	-	-	-	-	1,623,459	-	-	-	-	1,623,459
Assigned to:											
Encumbered obligations	210,970	-	-	-	-	-	-	-	-	-	210,970
Public safety	16,718	-	-	-	-	-	-	-	-	-	16,718
Unassigned	20,790,859	-	-	-	-	-	-	-	-	-	20,790,859
Total Fund Balances	\$ 21,018,547	\$ 467,075	\$ 26,020,974	\$ 4,523,521	\$ 668,448	\$ 1,623,459	\$ 2,375,050	\$ 696,455	\$ 891,460	\$ 2,103,069	\$ 60,388,058

See accompanying notes and accountants' compilation report.

Green Township
 Hamilton County, Ohio
 Statement of Receipts, Disbursements and Changes in Fund Balances - Modified Cash Basis
 Governmental Funds
 For the Year Ended December 31, 2022

	General	ARPA	Tax Increment Financing	Fire Levy	Police Levy	Road and Bridge	Safety Services Police & Fire	Safety Services Fire	Safety Services Police	Other Governmental Funds	Total Governmental Funds
Receipts											
Property and Other Local Taxes	\$ 372,312	\$ -	\$ -	\$ 1,994,428	\$ 516,327	\$ 883,883	\$ 6,040,760	\$ 713,726	\$ 538,634	\$ 357,817	\$ 11,417,887
Charges for Services	490,520	-	-	1,499,977	-	-	-	-	-	-	1,990,497
Licenses, Permits and Fees	876,928	-	-	9,662	-	-	-	-	-	-	886,590
Fines and Forfeitures	16,910	-	-	-	-	-	-	-	-	73,858	90,768
Intergovernmental	2,924,862	4,456,946	2,934,622	269,049	59,700	99,888	534,850	100,131	75,476	1,282,440	12,737,964
Special Assessments	25,937	-	-	-	-	-	-	-	-	126,970	152,907
Interest	400,708	-	-	-	-	-	-	-	-	2,521	403,229
Other	319,150	-	828,703	425,874	-	110,965	304,687	-	-	55,545	2,044,924
Payment in Lieu of Taxes	-	-	29,075,514	-	-	-	-	-	-	-	29,075,514
Total Receipts	5,427,327	4,456,946	32,838,839	4,198,990	576,027	1,094,736	6,880,297	813,857	614,110	1,899,151	58,800,280
Disbursements											
Current:											
General Government	1,757,059	-	336,819	-	-	-	-	-	-	-	2,093,878
Public Safety	919,182	876,948	-	3,811,035	414,775	-	11,661,496	536,459	441,115	58,991	18,720,001
Public Works	5,870	-	-	-	-	915,250	-	-	-	1,534,081	2,455,201
Public Health	66,367	-	-	-	-	-	-	-	-	-	66,367
Economic Development	204,464	-	-	-	-	-	-	-	-	114,808	319,272
Payment to Schools	-	-	19,467,933	-	-	-	-	-	-	-	19,467,933
Conservation-Recreation	890,177	-	-	-	-	-	-	-	-	-	890,177
Capital Outlay	14,666	259,735	5,791,929	-	-	1,051	-	-	-	16,270	6,083,651
Total Disbursements	3,857,785	1,136,683	25,596,681	3,811,035	414,775	916,301	11,661,496	536,459	441,115	1,724,150	50,096,480
Excess (Deficiency) of Receipts Over (Under) Disbursements	1,569,542	3,320,263	7,242,158	387,955	161,252	178,435	(4,781,199)	277,398	172,995	175,001	8,703,800
Other Financing Sources (Uses)											
Advances In	-	-	3,735,422	-	-	-	-	-	-	-	3,735,422
Advances Out	-	(3,735,422)	-	-	-	-	-	-	-	-	(3,735,422)
Total Other Financing Sources (Uses)	-	(3,735,422)	3,735,422	-	-	-	-	-	-	-	-
Net Change in Fund Balances	1,569,542	(415,159)	10,977,580	387,955	161,252	178,435	(4,781,199)	277,398	172,995	175,001	8,703,800
Fund Balances Beginning of Year	19,449,005	882,234	15,043,394	4,135,566	507,196	1,445,024	7,156,249	419,057	718,465	1,928,068	51,684,258
Fund Balances End of Year	\$ 21,018,547	\$ 467,075	\$ 26,020,974	\$ 4,523,521	\$ 668,448	\$ 1,623,459	\$ 2,375,050	\$ 696,455	\$ 891,460	\$ 2,103,069	\$ 60,388,058

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$ 370,000	\$ 372,312	\$ 372,312	\$ -
Charges for Services	379,000	447,024	490,520	43,496
Licenses, Permits and Fees	805,000	866,013	866,013	-
Fines and Forfeitures	15,200	16,935	16,910	(25)
Intergovernmental	2,551,000	2,922,882	2,924,862	1,980
Special Assessments	25,000	25,937	25,937	-
Interest	250,000	406,000	400,708	(5,292)
Other	202,100	291,041	313,491	22,450
<i>Total Receipts</i>	<u>4,597,300</u>	<u>5,348,144</u>	<u>5,410,753</u>	<u>62,609</u>
Disbursements				
Current:				
General Government	2,106,301	1,905,600	1,833,085	72,515
Public Safety	1,085,786	962,361	954,150	8,211
Public Health	78,000	66,367	66,367	-
Economic Development	236,428	238,797	234,311	4,486
Conservation-Recreation	1,124,494	1,006,780	958,341	48,439
Capital Outlay	5,800	17,426	14,666	2,760
<i>Total Disbursements</i>	<u>4,636,809</u>	<u>4,197,331</u>	<u>4,060,920</u>	<u>136,411</u>
<i>Net Change in Fund Balance</i>	(39,509)	1,150,813	1,349,833	199,020
<i>Fund Balance Beginning of Year</i>	19,136,802	19,136,802	19,136,802	-
<i>Prior Year Encumbrances Appropriated</i>	261,445	261,445	261,445	-
<i>Fund Balance End of Year</i>	<u>\$ 19,358,738</u>	<u>\$ 20,549,060</u>	<u>\$ 20,748,080</u>	<u>\$ 199,020</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
American Rescue Plan Act (ARPA) Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Intergovernmental	\$ 4,456,946	\$ 4,456,946	\$ 4,456,946	\$ -
<i>Total Receipts</i>	<u>4,456,946</u>	<u>4,456,946</u>	<u>4,456,946</u>	<u>-</u>
Disbursements				
Current:				
Public Safety	-	876,948	876,948	-
Capital Outlay	<u>1,188,599</u>	<u>259,735</u>	<u>259,735</u>	<u>-</u>
<i>Total Disbursements</i>	<u>1,188,599</u>	<u>1,136,683</u>	<u>1,136,683</u>	<u>-</u>
<i>Excess Receipts Over Disbursements</i>	<u>3,268,347</u>	<u>3,320,263</u>	<u>3,320,263</u>	<u>-</u>
Other Financing Use				
Advances out	<u>(3,735,422)</u>	<u>(3,735,422)</u>	<u>(3,735,422)</u>	<u>-</u>
<i>Total Other Financing Use</i>	<u>(3,735,422)</u>	<u>(3,735,422)</u>	<u>(3,735,422)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(467,075)	(415,159)	(415,159)	-
<i>Fund Balance Beginning of Year</i>	415,159	415,159	415,159	-
<i>Prior Year Encumbrances Appropriated</i>	<u>467,075</u>	<u>467,075</u>	<u>467,075</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 415,159</u>	<u>\$ 467,075</u>	<u>\$ 467,075</u>	<u>\$ -</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
TIF Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Intergovernmental	\$ 2,495,000	\$ 2,934,622	\$ 2,934,622	\$ -
Payment in Lieu of Taxes	26,550,000	29,075,514	29,075,514	-
Other	100,000	835,000	828,703	(6,297)
<i>Total Receipts</i>	<u>29,145,000</u>	<u>32,845,136</u>	<u>32,838,839</u>	<u>(6,297)</u>
Disbursements				
Current:				
General Government	340,000	336,819	336,819	-
Payment to Schools	18,100,000	19,467,933	19,467,933	-
Capital Outlay	20,275,680	8,093,525	8,060,543	32,982
<i>Total Disbursements</i>	<u>38,715,680</u>	<u>27,898,277</u>	<u>27,865,295</u>	<u>32,982</u>
<i>Excess of Disbursements Over Receipts</i>	<u>(9,570,680)</u>	<u>4,946,859</u>	<u>4,973,544</u>	<u>26,685</u>
Other Financing Source				
Advances in	-	3,735,422	3,735,422	-
<i>Total Other Financing Source</i>	<u>-</u>	<u>3,735,422</u>	<u>3,735,422</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(9,570,680)	8,682,281	8,708,966	26,685
<i>Fund Balance Beginning of Year</i>	9,167,714	9,167,714	9,167,714	-
<i>Prior Year Encumbrances Appropriated</i>	5,875,680	5,875,680	5,875,680	-
<i>Fund Balance End of Year</i>	<u>\$ 5,472,714</u>	<u>\$ 23,725,675</u>	<u>\$ 23,752,360</u>	<u>\$ 26,685</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Fire Levy Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 2,100,000	\$ 1,994,428	\$ 1,994,428	\$ -
Charges for Services	1,300,000	1,460,000	1,499,977	39,977
Licenses, Permits and Fees	7,000	9,600	9,662	62
Intergovernmental	285,000	269,048	269,049	1
Other	344,000	421,660	425,874	4,214
<i>Total Receipts</i>	<u>4,036,000</u>	<u>4,154,736</u>	<u>4,198,990</u>	<u>44,254</u>
Disbursements				
Current:				
Public Safety	<u>4,495,569</u>	<u>4,174,255</u>	<u>4,143,060</u>	<u>31,195</u>
<i>Total Disbursements</i>	<u>4,495,569</u>	<u>4,174,255</u>	<u>4,143,060</u>	<u>31,195</u>
<i>Net Change in Fund Balance</i>	(459,569)	(19,519)	55,930	75,449
<i>Fund Balance Beginning of Year</i>	3,831,147	3,831,147	3,831,147	-
<i>Prior Year Encumbrances Appropriated</i>	304,419	304,419	304,419	-
<i>Fund Balance End of Year</i>	<u>\$ 3,675,997</u>	<u>\$ 4,116,047</u>	<u>\$ 4,191,496</u>	<u>\$ 75,449</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Police Levy Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 530,000	\$ 516,327	\$ 516,327	\$ -
Intergovernmental	75,000	59,700	59,700	-
<i>Total Receipts</i>	<u>605,000</u>	<u>576,027</u>	<u>576,027</u>	<u>-</u>
Disbursements				
Current:				
Public Safety	408,000	414,775	414,775	-
<i>Total Disbursements</i>	<u>408,000</u>	<u>414,775</u>	<u>414,775</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	197,000	161,252	161,252	-
<i>Fund Balance Beginning of Year</i>	507,196	507,196	507,196	-
<i>Fund Balance End of Year</i>	<u>\$ 704,196</u>	<u>\$ 668,448</u>	<u>\$ 668,448</u>	<u>\$ -</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 900,000	\$ 883,883	\$ 883,883	\$ -
Intergovernmental	100,000	99,888	99,888	-
Other	103,000	111,400	110,965	(435)
<i>Total Receipts</i>	<u>1,103,000</u>	<u>1,095,171</u>	<u>1,094,736</u>	<u>(435)</u>
Disbursements				
Current:				
Public Works	1,228,320	1,131,327	1,103,065	28,262
Capital Outlay	2,000	1,496	1,474	22
<i>Total Disbursements</i>	<u>1,230,320</u>	<u>1,132,823</u>	<u>1,104,539</u>	<u>28,284</u>
<i>Net Change in Fund Balance</i>	(127,320)	(37,652)	(9,803)	27,849
<i>Fund Balance Beginning of Year</i>	1,304,817	1,304,817	1,304,817	-
<i>Prior Year Encumbrances Appropriated</i>	140,207	140,207	140,207	-
<i>Fund Balance End of Year</i>	<u>\$ 1,317,704</u>	<u>\$ 1,407,372</u>	<u>\$ 1,435,221</u>	<u>\$ 27,849</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Safety Services - Police and Fire Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 6,300,000	\$ 6,040,760	\$ 6,040,760	\$ -
Intergovernmental	550,000	534,850	534,850	-
Other	300,000	305,502	304,687	(815)
<i>Total Receipts</i>	<u>7,150,000</u>	<u>6,881,112</u>	<u>6,880,297</u>	<u>(815)</u>
Disbursements				
Current:				
Public Safety	14,130,948	11,763,330	11,728,677	34,653
<i>Total Disbursements</i>	<u>14,130,948</u>	<u>11,763,330</u>	<u>11,728,677</u>	<u>34,653</u>
<i>Net Change in Fund Balance</i>	(6,980,948)	(4,882,218)	(4,848,380)	33,838
<i>Fund Balance Beginning of Year</i>	7,123,440	7,123,440	7,123,440	-
<i>Prior Year Encumbrances Appropriated</i>	32,809	32,809	32,809	-
<i>Fund Balance End of Year</i>	<u>\$ 175,301</u>	<u>\$ 2,274,031</u>	<u>\$ 2,307,869</u>	<u>\$ 33,838</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Safety Services - Fire Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 735,000	\$ 713,726	\$ 713,726	\$ -
Intergovernmental	105,000	100,131	100,131	-
<i>Total Receipts</i>	<u>840,000</u>	<u>813,857</u>	<u>813,857</u>	<u>-</u>
Disbursements				
Current:				
Public Safety	565,897	536,925	536,459	466
<i>Total Disbursements</i>	<u>565,897</u>	<u>536,925</u>	<u>536,459</u>	<u>466</u>
<i>Net Change in Fund Balance</i>	274,103	276,932	277,398	466
<i>Fund Balance Beginning of Year</i>	416,146	416,146	416,146	-
Prior Year Encumbrances Appropriated	2,911	2,911	2,911	\$ -
<i>Fund Balance End of Year</i>	<u>\$ 693,160</u>	<u>\$ 695,989</u>	<u>\$ 696,455</u>	<u>\$ 466</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual - Budget Basis
Safety Services - Police Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 560,000	\$ 538,634	\$ 538,634	\$ -
Intergovernmental	75,000	75,476	75,476	-
<i>Total Receipts</i>	<u>635,000</u>	<u>614,110</u>	<u>614,110</u>	<u>-</u>
Disbursements				
Current:				
Public Safety	416,200	441,115	441,115	-
<i>Total Disbursements</i>	<u>416,200</u>	<u>441,115</u>	<u>441,115</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	218,800	172,995	172,995	-
<i>Fund Balance Beginning of Year</i>	718,465	718,465	718,465	-
<i>Fund Balance End of Year</i>	<u>\$ 937,265</u>	<u>\$ 891,460</u>	<u>\$ 891,460</u>	<u>\$ -</u>

See accompanying notes and accountants' compilation report.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

Green Township, Hamilton County, Ohio (the Township), is a body politic and corporate established in 1809 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a three-member Board of Trustees, each of whom is elected for overlapping terms of four years. The Township has an elected Township Fiscal Officer and a Township Administrator who is appointed by the Board of Trustees. All Department Heads report to the Township Administrator.

The reporting entity is comprised solely of the primary government.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. For the Township this includes providing police protection, fire and emergency medical services, road maintenance and repairs, parks and recreation, planning, zoning, and economic development. The Board of Trustees and Township Administrator have direct responsibility for these activities.

B. Component Units

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township. The Township has no component units.

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally Accepted Accounting Principles, (GAAP), include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Green Township has no business type activities.

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

Fund Financial Statements

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

B. Fund Accounting

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are all considered governmental.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other non-exchange transactions as governmental funds. The Township's major funds are the General Fund, American Rescue Plan Act (ARPA) Fund, Tax Increment Financing (TIF) Fund, Fire Levy Fund, Police Levy Fund, Road and Bridge Levy Fund, Safety Services Police and Fire Fund, Safety Services Fire Fund and Safety Services Police Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

The Township has no proprietary or fiduciary types of funds.

C. Basis of Accounting

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

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

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriations Ordinance, all of which are prepared on the budgetary basis of accounting. The Tax Budget demonstrates a need for existing or increased tax rates. The Certificate of Estimated Resources establishes a limit on the amount the Township may appropriate.

The appropriations ordinance, certified by the County Auditor, is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and when applicable, object level.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

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

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

E. Cash and Investments

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

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

During 2022, the Township invested in brokered certificates of deposit, U.S. Agency Securities, U.S. Treasuries, a municipal bond, money market funds, commercial paper, and State Treasury Assets Reserve of Ohio (STAR Ohio). The brokered certificates of deposit, municipal bond, commercial paper, U.S. Treasury note and the U.S. Agency securities are reported at cost. The Township’s money market fund investments are recorded at the amount reported by Fifth Third Bank and Huntington Bank on December 31, 2022.

STAR Ohio is an investment pool, managed by the Ohio State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. Investments in STAR Ohio are valued at STAR Ohio’s net asset value per share provided by STAR Ohio on an amortized cost basis at December 31, 2022, which approximates fair value.

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice for deposits and withdrawals of \$100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2022 were \$400,708 and \$2,521 assigned to other Township funds.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

F. Inventory and Prepaid Items

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

G. Capital Assets

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

H. Inter-fund Receivables/Payables

The Township reports advances-in and advances-out for inter-fund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

I. Accumulated Leave

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

J. Pensions/Other Postemployment Benefits

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

K. Net Position

Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

L. Fund Balance

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

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

Nonspendable: The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Trustees. Those committed amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Trustees.

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

The Township applies restricted resources first when disbursements 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 disbursements are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

M. Inter-fund Transactions

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

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund and major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the modified cash basis are outstanding year end encumbrances, treated as disbursements (budgetary basis) rather than as a portion of fund balance (modified cash basis).

The encumbrances outstanding at year end (budgetary basis) amounted to \$210,970 for the General Fund, \$2,268,614 for the TIF fund, \$332,025 for the Fire Levy Fund, \$188,238 for the Road and Bridge Fund, and \$67,181 for the Safety Services Police & Fire Fund in 2022. In addition, the General Fund includes certain funds in the fund financial statements that are budgeted separately.

Note 4 – Deposits and Investments

Monies held by the Township are classified by State statute into three categories.

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 4 – Deposits and Investments *(continue)*

3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in investments (1) or (2) and repurchase agreements secured by such obligations, provided that investment in securities described in this division are made only through eligible institutions.
7. The State Treasurer's investment pool and cash management program (STAR Ohio).
8. Commercial paper and bankers' acceptances, with appropriate limitations based upon completion of ORC training requirements.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by collateral pledged to the Township by the financial institution, or by a collateral pool, established by the financial institution to secure the repayment of all public monies deposited with the institution.

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

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

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 4 – Deposits and Investments *(continue)*

Investments

As of December 31, 2022, the Township had the following investments:

Investment Type	Carrying Value	Maturity (in Years)		
		Less than 1	1-2	More than 3
U.S. Agency Securities	\$ 38,744,050	\$ 4,149,993	\$ 22,769,742	\$ 11,824,315
U.S. Treasury Note	488,320	488,320	-	-
Municipal Bonds	1,648,940	-	-	1,648,940
Commercial Paper	2,380,291	2,380,291	-	-
Nonnegotiable Certificates of Deposit	6,940,947	4,395,174	1,874,270	671,503
Money Market	34,454	34,454	-	-
STAR Ohio	5,798,059	5,798,059	-	-
	<u>\$ 56,035,061</u>	<u>17,246,291</u>	<u>24,644,012</u>	<u>14,144,758</u>

At December 31, 2022, 64% of the Township's investments are in government sponsored enterprise notes (i.e., federal agencies) that are subject to concentration of credit risk. These include Federal National Mortgage Association, Federal Home Loan Bank, and Federal Farm Credit Bank securities, which have all been rated Aaa by Moody's and AA+ by Standards and Poor's (S&P). The investment in municipal bonds have been rated Aaa by Moody's and AAA by S&P. The Township's commercial paper holdings have been rated P-1 by Moody's. Investments in STAR Ohio and money market funds were rated AAAM by Standard and Poor's. The brokered certificates of deposit are not rated.

Custodial credit risk is the risk that in the event of bank failure; the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2022, \$4,110,160 of the Township's bank balance of \$4,610,160 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by: eligible securities pledged to the Township and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities to be 102 percent of the deposit being secured or a rate set by the Treasurer of State.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 4 – Deposits and Investments *(continue)*

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Township's investment policy addresses interest rate risk by requiring that the Township's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Township's investment in the U.S. Treasury note was valued using quoted prices in active markets for identical assets (Level 1 inputs). The Township's investments in U.S. agency securities, municipal bonds, commercial paper and brokered certificates of deposit were valued using significant other observable inputs based on pricing data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors (Level 2 inputs). Investments in the money market funds and STAR Ohio are excluded from fair value measurement requirements under generally accepted accounting principles and instead, are reported at amortized cost which approximates fair value.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property and public utility property located within the Township. Property taxes receipts received during 2022 for real and public utility property taxes represent collections of 2021 taxes. 2021 real property taxes are levied after October 1, 2021 on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of the appraised market value. 2021 real property taxes are collected in and intended to finance 2022. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2022 was \$14.66 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2022 property tax receipts were based are as follows:

Real Property - Residential, Agricultural, Commercial, Industrial, and Other	\$ 1,178,791,580
Public Utility Property	<u>60,963,720</u>
Total Valuation	<u>\$ 1,239,755,300</u>

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 6 – Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

The Township insures against injuries to employees through the Ohio Bureau of Workers' Compensation. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is based on accident history and administrative costs.

During 2022 the Township contracted with Ohio Plan Risk Management, Inc. for property and casualty, liability, and law enforcement coverage. Property coverage is \$22,661,329. The coverage limits for general liability, public officials and law enforcement is \$6,000,000 per occurrence and \$8,000,000 in the aggregate. The coverage limit for automobile liability is \$6,000,000, with \$1,000,000 uninsured/underinsured motorist coverage. The cyber policy coverage limit is \$1,000,000.

There were no significant reductions in coverage from prior years and claims have not exceeded insurance coverage in any of the past three years.

Self-Insurance

The Township is self-insured for employee health insurance. The bank operating accounts pays to cover claims to service providers and expenses these costs for the charges to the departments associated funds. The amount charged to the associated funds is calculated by the percent of previous year's actual claims, plus any increase in the total expected claims from one year to the next. The self-insurance is funded by the General, Road and Bridge, Fire Levy, and Safety Services – Police & Fire funds.

A comparison of cash and investments to the actuarially measured liability as of December 31, 2022 and 2021 is as follows:

	2022	2021
Cash and investments	\$ 60,388,058	\$ 51,684,258
Actuarial liability	183,000	164,000

Note 7 – Defined Benefit Pension Plans

Net Pension Liability

Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, became effective in 2015. The net pension liability is not reported in the accompanying financial statements. The net pension liability has been disclosed below.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

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

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

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

GASB Statement No. 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

Ohio Public Employees Retirement System (OPERS)

Plan Description—Township employees, other than full-time firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-share, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit plan with defined contribution features. While members (e.g., Township employees) may elect the member-directed plan and the combined plan, the majority of employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

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

	State and Local	Public Safety	Law Enforcement
2022 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2022 Actual Contribution Rates			
Employer:			
Pension	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

The Township's contractually required contributions to OPERS for December 31, 2022, 2021, and 2020 were \$1,453,315, \$1,185,191, and \$1,060,255, respectively.

Ohio Police and Fire Pension Fund (OP&F)

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

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

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

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5% for each of the first 20 years of service credit, 2.0% for each of the next five years of service credit, and 1.5% for each year of service credit in excess of 25 years. The maximum pension of 72% of the allowable average annual salary is paid after 33 years of service credit.

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30th of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

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

	<u>Firefighters</u>
2022 Statutory Maximum Contribution Rates	
Employer	24.00 %
Employee	12.25 %
 2022 Actual Contribution Rates	
Employer:	
Pension	23.50 %
Post-employment Health Care Benefits	0.50
Total Employer	24.00 %
 Employee	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The Township’s contractually required contributions to OP&F for December 31, 2022, 2021, and 2020 were \$1,493,217, \$1,245,215, and \$1,143,332, respectively.

Net Pension Liability

The net pension liability for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The Township’s proportion of the net pension liability was based on the Township’s share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

	OPERS	OP&F	Total
Proportionate Share of the Net Pension Liability	\$ 5,189,617	\$ 14,631,811	\$ 19,821,428
Proportion of the Net Pension Liability	0.0596%	0.2342%	
Change in Proportion	0.0066%	0.0176%	

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation:	
Current measurement period	2.75%
Prior measurement period	3.25%
Future salary increases, Including inflation:	
Current measurement period	2.75% to 10.75%
Prior measurement period	3.25% to 10.75%
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees: 3% simple; Post 1/7/2013 retirees: 0.5% simple through 2022, then 2.05% simple
Investment rate of return:	
Current measurement period	6.90%
Prior measurement period	7.20%
Actuarial cost method	Individual entry age

Green Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

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

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

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3% for 2021.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	24.00%	1.03%
Domestic Equities	21.00%	3.78%
Real Estate	11.00%	3.66%
Private Equity	12.00%	7.43%
International Equities	23.00%	4.88%
Risk Parity	5.00%	2.92%
Other Investments	<u>4.00%</u>	2.85%
Total	<u>100.00%</u>	4.21%

Green Township
 Hamilton County, Ohio
 Notes to the Basic Financial Statements
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Note 7 – Defined Benefit Pension Plans (continue)

Discount Rate: The discount rate used to measure the total pension liability was 6.9% for the Traditional Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following chart represents the Township’s proportionate share of the net pension liability at the 6.9% discount rate, as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate:

	1% Decrease (5.9%)	Current Discount Rate of 6.9%	1% Increase (7.9%)
Township's proportionate share of the net pension liability/(asset)	\$ 13,682,655	\$ 5,189,617	\$ (187,772)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021, and rolled forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2021, are presented below:

Valuation date	January 1, 2021 with actuarial liabilities rolled forward to December 31, 2021
Actuarial cost method	Entry age normal
Investment rate of return:	
Current measurement period	7.50%
Prior measurement period	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	2.75% plus productivity increase rate of 0.5%
Inflation assumptions	2.75%
Cost of living adjustments	2.2% simple per year.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
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Note 7 – Defined Benefit Pension Plans *(continue)*

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

Age	Police	Fire
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

The most recent experience study was completed for the five-year period ended December 31, 2016.

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

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

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2021 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalents	0.0%	0.00%
Domestic equity	21.0%	3.60%
Non-U.S. equity	14.0%	4.40%
Private markets	8.0%	6.80%
Core fixed income*	23.0%	1.10%
High yield fixed income	7.0%	3.00%
Private credit	5.0%	4.50%
U.S. inflation linked bonds*	17.0%	0.80%
Midstream energy infrastructure	5.0%	5.00%
Real assets	8.0%	5.90%
Gold	5.0%	2.40%
Private real estate	12.0%	4.80%
	125.0%	

*Note: Assumptions are geometric. * Levered 2x*

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

Discount Rate: The total pension liability was calculated using the discount rate of 7.5%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5%. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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Notes to the Basic Financial Statements
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Note 7 – Defined Benefit Pension Plans *(continue)*

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using a discount rate of 7.5%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%), or one percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate of 7.5%	1% Increase (8.5%)
Township's proportionate share of the net pension liability	\$ 21,698,772	\$ 14,631,811	\$ 8,746,778

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB)

Net OPEB Liability/(Asset)

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

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

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The net OPEB liability/(asset) is disclosed as a commitment and not reported on the face of the financial statements as a liability/(asset) because of the use of the modified cash basis framework.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' financial report referenced below for additional information.

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

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

Funding Policy—The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

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

Green Township
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Notes to the Basic Financial Statements
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Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan was 0% during calendar year 2022. For the Combined Plan, the portion of the employer contributions allocated to health care was 0% from January 1, 2022 to June 30, 2022, and was 2% from July 1, 2022 to December 31, 2022.

As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2023 remains at 0% for the Traditional Pension Plan and 2% for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4.0%.

For the years ended December 31, 2022, 2021, and 2020, OPERS did not allocate any employer contributions to postemployment health care.

Ohio Police and Fire Pension Fund (OP&F)

The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) stipend funded via the Health Care Stabilization Fund. This benefit is available to eligible members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. The stipend model allows eligible members the option of choosing an appropriate health care plan on the exchange. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

Funding Policy—The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% and 24.0% of covered payroll for police and fire employer units. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2022, the portion of the employer contributions allocated to health care was 0.5% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Township's contractually required contributions to OP&F for OPEB for December 31, 2022, 2021 and 2020 were \$31,358, \$26,150 and \$24,010, respectively.

Net OPEB Liability/(Asset)

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The Township's proportion of the net OPEB liability/(asset) was based on the Township's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability/(Asset)	\$ (1,764,091)	\$ 2,567,095	\$ 803,004
Proportion of the Net OPEB Liability/(Asset)	0.0563%	0.2342%	
Change in Proportion	0.0060%	0.0176%	

Actuarial Assumptions – OPERS

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

Green Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OBEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

Wage inflation:	
Current measurement period	2.75%
Prior measurement period	3.25%
Projected salary increases:	
Current measurement period	2.75% to 10.75%, including wage inflation
Prior measurement period	3.25% to 10.75%, including wage inflation
Singe discount rate:	6.00%
Investment rate of return	6.00%
Municipal bond rate:	
Current measurement period	1.84%
Prior measurement period	2.00%
Health care cost trend rate:	
Current measurement period	5.5% initial, 3.50% ultimate in 2034
Prior measurement period	8.5% initial, 3.50% ultimate in 2035
Actuarial cost method	Individual entry age

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

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

Green Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.3% for 2021.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Health Care portfolio’s target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	0.91%
Domestic Equities	25.00%	3.78%
REITs	7.00%	3.71%
International Equities	25.00%	4.88%
Risk Parity	2.00%	2.92%
Other Investments	<u>7.00%</u>	1.93%
Total	<u>100.00%</u>	3.45%

Discount Rate: A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%.

Green Township
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Notes to the Basic Financial Statements
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Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the Township’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate: The following table presents the Township’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00%, as well as what the Township’s proportionate share of the net OPEB liability if it were calculated using a discount rate that is 1.0% point lower (5.00%) or 1.0% point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate of 6.00%	1% Increase (7.00%)
Township's proportionate share of the net OPEB (asset)	\$ (1,037,451)	\$ (1,764,091)	\$ (2,367,214)

Sensitivity of the Township’s Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate: Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Township's proportionate share of the net OPEB (asset)	\$ (1,783,155)	\$ (1,764,091)	\$ (1,741,476)

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021 and rolled forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

Key Methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation are presented below:

Actuarial valuation date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial cost method	Entry age normal
Investment rate of return:	
Current measurement period	7.5%
Prior measurement period	8.0%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Single discount rate:	
Current measurement period	2.84%
Prior measurement period	2.96%
Municipal bond rate:	
Current measurement period	2.05%
Prior measurement period	2.12%
Cost of living adjustments	2.2% simple per year

Green Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

Age	Police	Fire
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

The most recent experience study was completed for the five-year period ended December 31, 2016.

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

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Notes to the Basic Financial Statements
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Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2021 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalent	0.0%	0.00%
Domestic equity	21.0%	3.60%
Non-U.S. equity	14.0%	4.40%
Private markets	8.0%	6.80%
Core fixed income*	23.0%	1.10%
High yield fixed income	7.0%	3.00%
Private credit	5.0%	4.50%
U.S. inflation linked bonds*	17.0%	0.80%
Midstream energy infrastructure	5.0%	5.00%
Real assets	8.0%	5.90%
Gold	5.0%	2.40%
Private real estate	<u>12.0%</u>	4.80%
Total	125.00%	

*Note: Assumptions are geometric. * Levered 2x*

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

Discount Rate. Total OPEB liability was calculated using the discount rate of 2.84%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5%. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 2.05% at December 31, 2021 was blended with the long-term rate of 7.5%, which resulted in a blended discount rate of 2.84%.

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Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) (continued)

Sensitivity of the Township’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate. Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 2.84%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.84%) and 1% point higher (3.84%) than the current discount rate.

	1% Decrease (1.84%)	Current Discount Rate of 2.84%	1% Increase (3.84%)
Township's proportionate share of the net OPEB liability	\$ 3,226,895	\$ 2,567,095	\$ 2,024,737

Note 9 – Joint Economic Development Districts

Green Township participates in seven Joint Economic Development Districts (JEDD) with the City of Cheviot. The JEDDs are located entirely within Green Township, Hamilton County. The purpose of a JEDD is to facilitate the development of jobs and employment opportunities along with improving the welfare of people in the State of Ohio and the area of the contracting parties. The JEDD creates a Board of Directors which consists of a Municipal Member, a Township member, a member who represents the owners of the businesses within the JEDD, a member who represents the persons working within the JEDD, and one member who is selected by the above members who serves as chairperson.

The proceeds of the JEDDs are used to pay a portion of the costs associated with the construction and improvement of roads, the provision of public services such as police and fire protection, and to provide for improvements in connector roads that benefit the JEDD. The City of Cheviot administers and collects income tax for the JEDD and reports monthly and quarterly to the contracting parties.

The District agreements in place during 2022 were as follows:

A. JEDD District I

In 2010, the Township and the City entered into an agreement to create the JEDD I within the Western Ridge area. The agreement authorized the levy of a 1% earnings tax for persons employed within the JEDD I boundaries, with an initial cap on earned income of \$100,000 per earner per year. This cap shall be adjusted annually based upon the Consumer Price Index (CPI-U) as published by the U.S. Bureau of Labor Statistics on September 30th of the preceding year. The distribution of the revenue generated from the JEDD I, net of operating expenses, is 80% to the Township and 20% to the City.

Green Township
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 9 – Joint Economic Development Districts *(continued)*

B. JEDD District II

In 2012, the Township and the City entered into an agreement to create the JEDD II within the Christ Hospital Medical Center and Children’s Hospital Medical Center area. The agreement authorized the levy of a 1% earnings tax for persons employed within the JEDD II boundaries, with an initial cap on earned income of \$100,000 per earner per year. This cap shall be adjusted annually based upon the Consumer Price Index (CPI-U) as published by the U.S. Bureau of Labor Statistics on September 30th of the preceding year. The distribution of the revenue generated from the JEDD II, net of operating expenses, is 80% to the Township and 20% to the City.

C. JEDD District III

In 2013, the Township and the City entered into an agreement to create the JEDD III within the Mercy Hospitals West area. The agreement authorized the initial levy of a 2% earnings tax for persons employed within the JEDD III boundaries, with an initial cap on earned income of \$100,000 per earner per year, for the first ten years of the agreement. Beginning with the eleventh year, the earnings tax rate is reduced to 1% and the earned income cap is adjusted annually based upon the Consumer Price Index (CPI-U) as published by the U.S. Bureau of Labor Statistics on September 30th of the preceding year. The distribution of the revenue generated from the JEDD III, net of operating expenses, for the first twenty years is 90% to the Township and 10% to the City. Beginning with the twenty-first year, the distribution allocations will be adjusted to 85% to the Township and 15% to the City.

D. JEDD District IV

In 2014, the Township and the City entered into an agreement to create the JEDD IV within the Harrison Greene area. The agreement authorized the levy of a 1% tax on the net profits of all businesses operating within the JEDD IV and a 1% earnings tax for persons employed within the JEDD IV boundaries, with an initial cap on earned income of \$100,000 per earner per year and. This cap shall be adjusted annually based upon the Consumer Price Index (CPI-U) as published by the U.S. Bureau of Labor Statistics on September 30th of the preceding year. The distribution of the revenue generated from the JEDD IV, net of operating expenses, is 90% to the Township and 10% to the City.

E. JEDD District V

In 2016, the Township and the City entered into an agreement to create the JEDD V located at United Dairy Farmers on North Bend Road and Westwood Northern Boulevard. The agreement authorized the levy of a 1% tax on the net profits of all businesses operating within the JEDD V and a 1% earnings tax for persons employed within the JEDD V boundaries, with an initial cap on earned income of \$100,000. This cap shall be adjusted annually based upon the Consumer Price Index (CPI-U) as published by the U.S. Bureau of Labor Statistics on September 30th of the preceding year. The distribution of the revenue generated from the JEDD V, net of operating expenses, is 90% to the Township and 10% to the City.

Green Township
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Notes to the Basic Financial Statements
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Note 9 – Joint Economic Development Districts *(continued)*

F. JEDD District VI

In 2018, the Township and the City entered into an agreement to create the JEDD VI located along Harrison Avenue. The agreement authorized the levy of a 1% tax on the net profits of all businesses operating within the JEDD VI and a 1% earnings tax for persons employed within the JEDD VI boundaries, with an initial cap on earned income of \$100,000. This cap shall be adjusted annually based upon the Consumer Price Index (CPI-U) as published by the U.S. Bureau of Labor Statistics on September 30th of the preceding year. The distribution of the revenue generated from the JEDD VI, net of operating expenses, is 90% to the Township and 10% to the City.

G. JEDD District VII

On December 14, 2020, the Township Trustees approved an agreement with the City to create the JEDD VII for Hampton Inn. The agreement authorized a 2% wage tax for persons employed within the JEDD VII boundaries. The distribution of the revenue generated from the JEDD VII, net of operating expenses, is 80% to the Township and 20% to the City.

Note 10 – Interfund Balances

During 2022, the ARPA Fund repaid the advance from 2021 of \$3,735,422 back to the TIF Fund that was originally advanced to provide working capital for public safety costs.

Note 11 – Contingent Liabilities

The Township is periodically the subject of litigation by a variety of plaintiffs. However, the Township was not party to any legal proceedings.