

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types**

For the Year Ended December 31, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts						
Property and Other Local Taxes	\$1,319,260	\$7,600,679	\$1,282,389	\$0	\$0	\$10,202,328
Charges for Services	0	377,325	0	0	0	377,325
Licenses, Permits and Fees	399,007	37,590	0	0	0	436,597
Fines and Forfeitures	0	0	0	0	0	0
Intergovernmental	237,401	1,546,630	109,972	457,529	0	2,351,532
Special Assessments	0	0	0	0	0	0
Earnings on Investments	193,885	6,120	0	0	0	200,005
Miscellaneous	31,831	108,449	0	83,145	0	223,425
<i>Total Cash Receipts</i>	<u>2,181,384</u>	<u>9,676,793</u>	<u>1,392,361</u>	<u>540,674</u>	<u>0</u>	<u>13,791,212</u>
Cash Disbursements						
Current:						
General Government	972,357	0	0	0	0	972,357
Public Safety	0	6,736,231	0	0	0	6,736,231
Public Works	0	928,183	0	0	0	928,183
Health	0	0	0	0	0	0
Human Services	0	0	0	0	0	0
Conservation-Recreation	591,378	0	19,778	0	0	611,156
Other	0	0	0	0	0	0
Capital Outlay	14,615	1,504,442	0	561,699	0	2,080,756
Debt Service:						
Principal Retirement	0	0	1,342,917	0	0	1,342,917
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	88,189	0	0	88,189
<i>Total Cash Disbursements</i>	<u>1,578,350</u>	<u>9,168,856</u>	<u>1,450,884</u>	<u>561,699</u>	<u>0</u>	<u>12,759,789</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>603,034</u>	<u>507,937</u>	<u>(58,523)</u>	<u>(21,025)</u>	<u>0</u>	<u>1,031,423</u>
Other Financing Receipts (Disbursements)						
Sale of Bonds	0	0	0	0	0	0
Sale of Refunding Bonds	0	0	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Loans Issued	0	0	0	0	0	0
Other Debt Proceeds	0	0	0	0	0	0
Premium and Accrued Interest on Debt	0	0	0	0	0	0
Discount on Debt	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Sale of Capital Assets	0	0	0	0	0	0

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types**

For the Year Ended December 31, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
Transfers In	0	506,493	76,216	0	0	582,709
Transfers Out	(506,493)	(76,216)	0	0	0	(582,709)
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
Other Financing Sources	0	0	0	0	0	0
Other Financing Uses	0	0	0	0	0	0
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(506,493)</u>	<u>430,277</u>	<u>76,216</u>	<u>0</u>	<u>0</u>	<u>0</u>
Special Item	0	0	0	0	0	0
Extraordinary Item	0	0	0	0	0	0
<i>Net Change in Fund Cash Balances</i>	96,541	938,214	17,693	(21,025)	0	1,031,423
<i>Fund Cash Balances, January 1</i>	<u>3,008,621</u>	<u>4,690,655</u>	<u>189,608</u>	<u>457,944</u>	<u>0</u>	<u>8,346,828</u>
Fund Cash Balances, December 31						
Nonspendable	0	0	0	0	0	0
Restricted	0	5,628,869	207,301	267,636	0	6,103,806
Committed	0	0	0	169,283	0	169,283
Assigned	0	0	0	0	0	0
Unassigned (Deficit)	3,105,162	0	0	0	0	3,105,162
<i>Fund Cash Balances, December 31</i>	<u>\$3,105,162</u>	<u>\$5,628,869</u>	<u>\$207,301</u>	<u>\$436,919</u>	<u>\$0</u>	<u>\$9,378,251</u>

**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types**

For the Year Ended December 31, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
GASB 54 Worksheet/Note Disclosure						
<i>Net Change in Fund Cash Balances</i>	\$96,541	\$938,214	\$17,693	(\$21,025)	\$0	\$1,031,423
<i>Fund Cash Balances, January 1</i>	3,008,621	4,690,655	189,608	457,944	0	8,346,828
<i>Fund Cash Balances, December 31</i>	<u>\$3,105,162</u>	<u>\$5,628,869</u>	<u>\$207,301</u>	<u>\$436,919</u>	<u>\$0</u>	<u>\$9,378,251</u>
Fund Balances						
Amounts identified as:						
Nonspendable						
<i>Total Nonspendable</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Restricted for:						
Debt Service	\$0	\$0	\$207,301	\$0	\$0	\$207,301
determined by township	0	0	0	267,636	0	267,636
Fire and EMS Operations	0	5,047,237	0	0	0	5,047,237
Propose the grant was given for	0	0	0	0	0	0
Road and Bridge Maintenance and Improvements	0	581,552	0	0	0	581,552
Unknown	0	80	0	0	0	80
<i>Total Restricted</i>	<u>0</u>	<u>5,628,869</u>	<u>207,301</u>	<u>267,636</u>	<u>0</u>	<u>6,103,806</u>
Committed to:						
determined by township	0	0	0	91	0	91
Recreation Programs	0	0	0	169,192	0	169,192
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>169,283</u>	<u>0</u>	<u>169,283</u>
Assigned to:						
Purchase orders	0	0	0	0	0	0
<i>Total Assigned</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unassigned</i>	3,105,162	0	0	0	0	3,105,162
<i>Total Fund Cash Balances, December 31</i>	<u>\$3,105,162</u>	<u>\$5,628,869</u>	<u>\$207,301</u>	<u>\$436,919</u>	<u>\$0</u>	<u>\$9,378,251</u>

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Proprietary and Fiduciary Fund Types
For the Year Ended December 31, 2018

	Enterprise	Internal Service	Agency	Investment Trust	Private Purpose Trust	Totals (Memorandum Only)
Operating Cash Receipts						
Charges for Services	\$0	\$0	\$0	\$0	\$0	\$0
Licenses, Permits and Fees	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0	0
Earnings on Investments (trust funds only)	0	0	0	0	75	75
Miscellaneous	0	0	0	0	0	0
<i>Total Operating Cash Receipts</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>75</u>	<u>75</u>
Operating Cash Disbursements						
Salaries	0	0	0	0	0	0
Employee Fringe Benefits	0	0	0	0	0	0
Purchased Services	0	0	0	0	0	0
Supplies and Materials	0	0	0	0	0	0
Claims	0	0	0	0	0	0
Other	0	0	8,605	0	0	8,605
<i>Total Operating Cash Disbursements</i>	<u>0</u>	<u>0</u>	<u>8,605</u>	<u>0</u>	<u>0</u>	<u>8,605</u>
<i>Operating Income (Loss)</i>	<u>0</u>	<u>0</u>	<u>(8,605)</u>	<u>0</u>	<u>75</u>	<u>(8,530)</u>
Non-Operating Receipts (Disbursements)						
Property and Other Local Taxes	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Special Assessments	0	0	0	0	0	0
Miscellaneous Receipts	0	0	0	0	0	0
Sale of Bonds	0	0	0	0	0	0
Sale of Refunding Bonds	0	0	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Loans Issued	0	0	0	0	0	0
Other Debt Proceeds	0	0	0	0	0	0
Premium and Accrued Interest on Debt	0	0	0	0	0	0
Earnings on Investments (proprietary funds only)	0	0	0	0	0	0
Sale of Capital Assets	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Principal Retirement	0	0	0	0	0	0
Interest and Other Fiscal Charges	0	0	0	0	0	0
Discount on Debt	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Other Financing Sources	0	0	0	0	0	0
Other Financing Uses	0	0	0	0	0	0

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)
All Proprietary and Fiduciary Fund Types
For the Year Ended December 31, 2018

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Agency</u>	<u>Investment Trust</u>	<u>Private Purpose Trust</u>	<u>Totals (Memorandum Only)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	0	0	0	0	0	0
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	0	0	(8,605)	0	75	(8,530)
Capital Contributions	0	0	0	0	0	0
Special Item	0	0	0	0	0	0
Extraordinary Item	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
<i>Net Change in Fund Cash Balance</i>	0	0	(8,605)	0	75	(8,530)
<i>Fund Cash Balances, January 1</i>	0	0	8,605	0	4,262	12,867
<i>Fund Cash Balances, December 31</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,337</u>	<u>\$4,337</u>

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 – Reporting Entity

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Road and Bridge Fund – This fund receives property tax money, not levy, for constructing, maintaining, and repairing Township roads and bridges.

Fire Services Fund – This fund receives property tax money from a special fire levy for covering The cost of fire protection.

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

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

Permissive Tax Fund – tax revenue to be used for planning, constructing, improving, maintaining and repairing public roads, highways, streets, and for the maintaining and repair of bridges and viaducts.

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

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

Special Assessment Bond Retirement Fund The special assessment bond retirement fund accounts for and reports resources restricted for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

Fire Tax Anticipation Note – This fund receives tax money from the special fire levy to retire a note Associated with covering the cost of fire protection in 2013.

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

OPWC Grant Funds - The township received two grants from the state for capital improvements. The proceeds are restricted for capital road improvement.

Fire Grant Fund – The township received a BWC grant, a HSGP Civil Defense Grant, and a Firefighters exposure to environmental elements grant.

Fiduciary Funds Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Township’s own programs.

The Township’s private purpose trust funds are for the benefit maintaining and planting trees in the Memorial trees grove at Liberty Park.

Agency Funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Township disburses these funds as directed by the individual, organization or other government. The Township’s agency fund account is for consulting fees for local developer.

Basis of Accounting

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

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

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Budgetary Process

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

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

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Most encumbrances outstanding at year-end are canceled and then appropriated in the subsequent year. The Township did not encumber one commitment required by Ohio law because we did not receive the back up to encumber the funds until 2019.

A summary of 2018 budgetary activity appears in Note 4

Deposits and Investments

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

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

Capital Assets

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

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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

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

Note 3 – Compliance

No Budgetary Violations

Note 4 – Budgetary Activity

Budgetary activity for the year ending 2018 follows:

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,809,346	\$2,181,382	\$372,036
Special Revenue	9,152,324	10,089,262	936,938
Debt Service	1,610,010	1,468,576	(141,434)
Capital Projects	55,838	83,144	27,306
Internal Service			0
Permanent			0
Trust	0	74	74
Total	<u>\$12,627,518</u>	<u>\$13,822,438</u>	<u>\$1,194,920</u>

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,534,757	\$2,084,841	\$449,916
Special Revenue	10,806,602	9,202,070	1,604,532
Debt Service	1,461,088	1,450,883	10,205
Capital Projects	53,198	76,712	(23,514)
Internal Service			0
Permanent			0
Trust	4,239	0	4,239
Total	<u>\$14,859,884</u>	<u>\$12,814,506</u>	<u>\$2,045,378</u>

Note 5 – Deposits and Investments

The Township maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	<u>2018</u>
Demand deposits	\$185,276
Certificates of deposit	
Other time deposits (savings and NOW accounts)	
Total deposits	\$185,276
U.S. Treasury Notes	
STAR Ohio	3,212,809
Repurchase agreement	
MEEDER Investments at US Bank	6,082,160
Total investments	<u>9,294,969</u>
Total deposits and investments	<u>\$9,480,245</u>

At December 31, 2018, the Township held \$0 in equity securities. Equity securities are not eligible

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

investments for the Township under Ohio law

Deposits

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

At December 31, 2018, \$0 of deposits were not insured or collateralized, contrary to Ohio law

Investments

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

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

Note 6 – Property Taxes

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

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

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

Note 7 – Interfund Balances

Outstanding advances at December 31, 2018, consisted of 0 advanced.

Note 8 – Risk Management

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

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2017, OTARMA retained \$350,000 for casualty claims and \$250,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2017.

	2017
Assets	\$40,010,732
Liabilities	8,675,465
Net Position	\$31,335,267

At December 31, 2017 the liabilities above include approximately \$8.0 million of estimated incurred claims payable. The assets above also include approximately \$6.9 million of unpaid claims to be billed to approximately 1,016 member governments in the future, as of December 31, 2017. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2017, the Township's share of these unpaid claims collectible in future years is approximately \$20,000.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

Liberty Township

<i>Delaware County</i>		
<i>Notes to the Financial Statements</i>		
<i>For the Year Ended December 31, 2018</i>		

2017 Contributions to OTARMA
\$45,058

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year’s contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

*The figures that have been used for Liberty are from 2018.

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The Township is uninsured for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

During 2018, the Township paid \$0 for losses that exceeded insurance coverage.

Note 9 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2017.

Ohio Police and Fire Retirement System

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

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Township contributed to OP&F an amount equal to 24 percent of full-time fire fighters' wages. The Township has paid all contributions required through December 31, 2018.

Social Security

14 of the Township's employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2018.

Note 10 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2018. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

Note 11 – Debt

Debt outstanding at December 31, 2018, was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$3,086,250	2%
General Obligation Notes	0	
Total	\$3,086,250	

2015 REFUNDED RECREATION CENTER BOND

The Township issued general obligation refunding bond on Nov. 30, 2015 in the amount of \$4,115,000 for

Liberty Township
Delaware County
Notes to the Financial Statements
For the Year Ended December 31, 2018

A term of 12 years to call the outstanding bonds of the series 2006 Refunded Recreation Bonds. The Township's taxing authority collateralized this bond.

Amortization

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

Year Ending December 31:	Leases	General Obligation Bonds	General Obligation Notes
2019		404,641	
2020		397,783	
2021		390,925	
2022		384,066	
2023-2026		1,817,458	
Total	\$0	\$3,394,873	\$0

Note 13 – Contingent Liabilities

The Township is defendant in NO lawsuits.