



OHIO AUDITOR OF STATE
KEITH FABER



**SUGARCREEK TOWNSHIP
GREENE COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Sugarcreek Township
Greene County
2090 Ferry Road
Bellbrook, Ohio 45305

To the Township Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Sugarcreek Township, Greene County, Ohio (the Township) as of and for the years ended December 31, 2018 and 2017.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

As described in Note 2 of the financial statements, the Township prepared these financial statements using 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), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2018 and 2017, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Sugarcreek Township, Greene County as of December 31, 2018 and 2017, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

December 13, 2019

Sugarcreek Township
Greene County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$299,122	\$5,086,841			\$5,385,963
Charges for Services		213,611			213,611
Licenses, Permits and Fees	116,299	3,555			119,854
Fines and Forfeitures	15,104	2,519			17,623
Intergovernmental	195,446	726,006	61,282	751,220	1,733,954
Earnings on Investments	9,452	552		213	10,217
Miscellaneous	30,495	167,524			198,019
<i>Total Cash Receipts</i>	<u>665,918</u>	<u>6,200,608</u>	<u>61,282</u>	<u>751,433</u>	<u>7,679,241</u>
Cash Disbursements					
Current:					
General Government	755,857	55,274			811,131
Public Safety		4,523,249			4,523,249
Public Works		800,086		139,113	939,199
Other		1,479			1,479
Capital Outlay		495,059		792,152	1,287,211
Debt Service:					
Principal Retirement			127,043		127,043
Payment to Refunded Bond Escrow Agent					
Interest and Fiscal Charges			15,053		15,053
<i>Total Cash Disbursements</i>	<u>755,857</u>	<u>5,875,147</u>	<u>142,096</u>	<u>931,265</u>	<u>7,704,365</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(89,939)</u>	<u>325,461</u>	<u>(80,814)</u>	<u>(179,832)</u>	<u>(25,124)</u>
Other Financing Receipts (Disbursements)					
Sale of Capital Assets		894,895			894,895
Transfers In			129,805		129,805
Transfers Out		(129,805)			(129,805)
Other Financing Uses		(73,194)			(73,194)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>691,896</u>	<u>129,805</u>	<u>0</u>	<u>821,701</u>
<i>Net Change in Fund Cash Balances</i>	<u>(89,939)</u>	<u>1,017,357</u>	<u>48,991</u>	<u>(179,832)</u>	<u>796,577</u>
<i>Fund Cash Balances, January 1</i>	<u>358,405</u>	<u>2,770,936</u>	<u>49,922</u>	<u>289,336</u>	<u>3,468,599</u>
Fund Cash Balances, December 31					
Restricted		2,924,369	98,913	109,504	3,132,786
Committed		863,924			863,924
Assigned	44,347				44,347
Unassigned (Deficit)	224,119				224,119
<i>Fund Cash Balances, December 31</i>	<u>\$268,466</u>	<u>\$3,788,293</u>	<u>\$98,913</u>	<u>\$109,504</u>	<u>\$4,265,176</u>

See accompanying notes to the basic financial statements

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Sugarcreek Township
Greene 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 Sugarcreek Township, Greene County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, fire protection and emergency medical services.

Public Entity Risk Pools

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio local governments. OTARMA provides property and casualty coverage for its members. Note 6 to the financial statements provides additional information for this entity.

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

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.

Fund Accounting

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

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

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

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

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

Road and Bridge Fund The Road and Bridge fund receives property tax money for constructing, maintaining and repairing Township roads and bridges

Permissive Motor Vehicle License Fund The permissive motor vehicle license fund receives motor vehicle license restricted for the maintenance and repair of roads within the Township

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Police District Fund The police district fund receives property tax money for providing law enforcement services within the Township

Fire District Fund The fire district fund receives property tax money to provide fire and rescue services to the Township

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

Bond Anticipation Note Fund This fund is utilized for payment of short term notes for road projects in the Township.

General Bond Retirement Fund This fund is utilized for long term bond debt for the Township's Public Safety Building.

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:

Clyo Road Capital Projects Fund The Clyo Road capital project fund is used to account for receipts and payments to finance the Clyo Road improvement project.

Center Point Capital Projects Fund The Center Point capital project fund is used to account for receipts and payments to finance the Center Point improvement project.

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.

Budgetary Process

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

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

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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

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

A summary of 2018 budgetary activity appears in Note 3.

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:

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.

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 – Budgetary Activity

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$665,825	\$665,918	\$93
Special Revenue	5,886,000	7,095,503	1,209,503
Debt Service	192,804	191,087	(1,717)
Capital Projects	940,460	751,433	(189,027)
Total	\$7,685,089	\$8,703,941	\$1,018,852

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$799,684	\$759,230	\$40,454
Special Revenue	6,681,115	6,113,513	567,602
Debt Service	242,726	142,096	100,630
Capital Projects	1,230,009	931,265	298,744
Total	\$8,953,534	\$7,946,104	\$1,007,430

Note 4 – 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:

	2018
Demand deposits	\$4,265,176

Deposits

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

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 5 – Property Taxes

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

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

Note 6 – Risk Management

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

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

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

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

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2018:

	<u>2018</u>
Cash and investments	\$33,097,416
Actuarial liabilities	\$ 7,874,610

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some 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 and the Township contributed the following:

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2018</i>	<i>10%</i>	<i>14%</i>
<i>OPERS – Law Enforcement</i>	<i>2018</i>	<i>13.00%</i>	<i>18.10%</i>

The Township has paid all contributions required through December 31, 2018.

Ohio Police and Fire Retirement System

The Township’s certified Fire Fighters belong 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.

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

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

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

Note 8 – 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.

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 8 – Postemployment Benefits (Continued)

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 9 – Debt

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

	Principal	Interest Rate
General Obligation Bonds	\$845,000	1-2%
OPWC Clyo Road Phase II	614,851	0.00%
Center Point Drive Lease	275,000	2.41%
Truck/Plow Lease Purchase	44,323	3.35%
Chevy Tahoes Lease Purchase	52,224	3.19%
Fire Engine Lease Purchase	397,224	2.99%
Ambulance and Pumper Lease Purchase	155,588	2.89%
Total	\$2,384,210	

In September 2016, the Township refinanced and retired \$1,030,000 in 2005 General Purpose Refunding and Improvement Bonds by issuing \$1,070,000 in 2016 Building Improvement Limited Tax General Obligation Refunding Bonds. The 2016 Refunding Bonds resulted in savings of \$153,641 and will mature in 2025.

In 2016, the Township borrowed \$722,600 from Ohio Public Works Commission for improvements to Clyo Road. The loan will mature in January 2046 and bears no interest rate.

On October 24, 2017, the Township signed a lease agreement with PS&W Holding company for acquisition of an extension of Center Point Drive. The project includes the construction of three lanes of pavement with curb and gutter, extension of water main with hydrants, walking trail and sidewalks. The lease carries an interest rate of 2.41% and matures on December 1, 2022

On December 15, 2016, the Township signed a master lease purchase agreement with Republic First National Corporation for purchase of 2016 Ford Trucks and Snow Plow. The lease bears an interest rate of 3.35% and matures on November 15, 2021

On December 22, 2016, the Township entered into master equipment lease with Republic First National Corporation for purchase of two Chevrolet 4X4 Tahoes. The lease bears an interest rate of 3.19% and matures on August 15, 2020.

On December 15, 2016, the Township entered into a master equipment lease purchase agreement with Republic First National Corporation for purchase of one new Sutphen customer pumper with equipment. The lease bears an interest rate of 2.99% and matures on December 15, 2026.

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 9 – Debt (Continued)

On December 15, 2016, the Township entered into a master equipment lease purchase agreement with Republic First National Corporation for purchase of one Horton Ford F-550 Type I Ambulance and one Stryker Power Pro Cot. The lease bears an interest rate of 2.89% and matures on December 15, 2021.

Amortization

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

Year Ending December 31:	General Obligation		
	Bonds	OPWC Loan	Leases
2019	\$128,586	\$24,087	\$226,094
2020	127,264	24,087	229,168
2021	120,780	24,087	200,471
2022	129,207	24,087	128,239
2023	132,275	24,087	56,552
2024-2028	267,775	120,433	169,656
2029-2033		120,433	
2034-2038		120,433	
2039-2043		120,433	
2044-2046		12,684	
Total	<u>\$905,887</u>	<u>\$614,851</u>	<u>\$1,010,180</u>

Note 10 – Contingent Liabilities

The Township is defendant in a lawsuit. Although management cannot presently determine the outcome of this suit, management believes that the resolution of this matter will not materially adversely affect the Township's financial condition.

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

Sugarcreek Township
Greene County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2017

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$288,371	\$5,068,805			\$5,357,176
Charges for Services		180,055			180,055
Licenses, Permits and Fees	135,530	6,050			141,580
Fines and Forfeitures	11,010	1,834			12,844
Intergovernmental	94,146	847,963	63,315	545,598	1,551,022
Earnings on Investments	9,599	460	17	216	10,292
Miscellaneous	19,443	203,470			222,913
<i>Total Cash Receipts</i>	<u>558,099</u>	<u>6,308,637</u>	<u>63,332</u>	<u>545,814</u>	<u>7,475,882</u>
Cash Disbursements					
Current:					
General Government	509,975	44,809			554,784
Public Safety		4,449,654			4,449,654
Public Works		921,704		92,309	1,014,013
Health	28,858				28,858
Other		3,754			3,754
Capital Outlay		311,631		488,169	799,800
Debt Service:					
Principal Retirement			122,043		122,043
Payment to Refunded Bond Escrow Agent					
Interest and Fiscal Charges			20,670		20,670
<i>Total Cash Disbursements</i>	<u>538,833</u>	<u>5,731,552</u>	<u>142,713</u>	<u>580,478</u>	<u>6,993,576</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>19,266</u>	<u>577,085</u>	<u>(79,381)</u>	<u>(34,664)</u>	<u>482,306</u>
Other Financing Receipts (Disbursements)					
Sale of Capital Assets		23,712			23,712
Transfers In			129,155		129,155
Transfers Out		(129,155)			(129,155)
Advances In	50,000	50,000			100,000
Advances Out	(50,000)	(50,000)			(100,000)
Other Financing Sources			148	324,000	324,148
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>(105,443)</u>	<u>129,303</u>	<u>324,000</u>	<u>347,860</u>
<i>Net Change in Fund Cash Balances</i>	19,266	471,642	49,922	289,336	830,166
<i>Fund Cash Balances, January 1</i>	<u>339,139</u>	<u>2,299,294</u>	<u>0</u>		<u>2,638,433</u>
Fund Cash Balances, December 31					
Restricted		2,670,749	49,922	289,336	3,010,007
Committed		100,187			100,187
Assigned	136,982				136,982
Unassigned (Deficit)	221,423				221,423
<i>Fund Cash Balances, December 31</i>	<u>\$358,405</u>	<u>\$2,770,936</u>	<u>\$49,922</u>	<u>\$289,336</u>	<u>\$3,468,599</u>

See accompanying notes to the basic financial statements

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Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 – Reporting Entity

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

Public Entity Risk Pools

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio local governments. OTARMA provides property and casualty coverage for its members. Note 6 to the financial statements provides additional information for this entity.

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

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.

Fund Accounting

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

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

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

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

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

Road and Bridge Fund The Road and Bridge fund receives property tax money for constructing, maintaining and repairing Township roads and bridges

Permissive Motor Vehicle License Fund The permissive motor vehicle license fund receives motor vehicle license restricted for the maintenance and repair of roads within the Township

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Police District Fund The police district fund receives property tax money for providing law enforcement services within the Township

Fire District Fund The fire district fund receives property tax money to provide fire and rescue services to the Township

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

Bond Anticipation Note Fund This fund is utilized for payment of short term notes for road projects in the Township.

General Bond Retirement Fund This fund is utilized for long term bond debt for the Township's Public Safety Building.

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:

Clyo Road Capital Projects Fund The Clyo Road capital project fund is used to account for receipts and payments to finance the Clyo Road improvement project.

Center Point Capital Projects Fund The Center Point capital project fund is used to account for receipts and payments to finance the Center Point improvement project.

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.

Budgetary Process

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

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

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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

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

A summary of 2017 budgetary activity appears in Note 3.

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:

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.

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

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 – Budgetary Activity

Budgetary activity for the year ending December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$524,902	\$608,099	\$83,197
Special Revenue	5,920,001	6,382,349	462,348
Debt Service	189,622	192,635	3,013
Capital Projects	1,930,865	869,814	(1,061,051)
Total	\$8,565,390	\$8,052,897	(\$512,493)

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$625,500	\$591,956	\$33,544
Special Revenue	6,569,845	5,942,182	627,663
Debt Service	159,622	142,713	16,909
Capital Projects	1,930,865	580,478	1,350,387
Total	\$9,285,832	\$7,257,329	\$2,028,503

Note 4 – 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:

	2017
Demand deposits	\$3,468,599

Deposits

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

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 5 – Property Taxes

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

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

Note 6 – Risk Management

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

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.

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 6 – Risk Management (Continued)

	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.

<u>2017 Contributions to OTARMA</u>
\$44,655

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.

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some 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 the following percentages towards retirement:

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2018</i>	<i>10%</i>	<i>14%</i>
<i>OPERS – Law Enforcement</i>	<i>2014-2018</i>	<i>13.00%</i>	<i>18.10%</i>

The Township has paid all contributions required through December 31, 2017.

Ohio Police and Fire Retirement System

The Township’s certified Fire Fighters belong 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.

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, 2017.

Social Security

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

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2017.

Note 8 – 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. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 9 – Debt

Debt outstanding at December 31, 2017, was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$960,000	1-2%
OPWC Clio Road Phase II	686,470	0.00%
Center Point Drive Lease	340,000	2.41%
Truck/Plow Lease Purchase	58,140	3.35%
Chevy Tahoes Lease Purchase	77,129	3.19%
Fire Engine Lease Purchase	440,622	2.99%
Ambulance and Pumper Lease Purchase	204,562	2.89%
Total	\$2,766,923	

In September 2016, the Township refinanced and retired \$1,030,000 in 2005 General Purpose Refunding and Improvement Bonds by issuing \$1,070,000 in 2016 Building Improvement Limited Tax General Obligation Refunding Bonds. The 2016 Refunding Bonds resulted in savings of \$153,641 and will mature in 2025.

In 2016, the Township borrowed \$722,600 from Ohio Public Works Commission for improvements to Clio Road. The loan will mature in January 2046 and bears no interest rate.

On October 24, 2017, the Township signed a lease agreement with PS&W Holding company for acquisition of an extension of Center Point Drive. The project includes the construction of three lanes of pavement with curb and gutter , extension of water main with hydrants, walking trail and sidewalks. The lease carries an interest rate of 2.41% and matures on December 1, 2022

On December 15, 2016, the Township signed a master lease purchase agreement with Republic First National Corporation for purchase of 2016 Ford Trucks and Snow Plow. The lease bears an interest rate of 3.35% and matures on November 15, 2021

On December 22, 2016, the Township entered into master equipment lease with Republic First National Corporation for purchase of two Chevrolet 4X4 Tahoes. The lease bears an interest rate of 3.19% and matures on August 15, 2020.

On December 15, 2016, the Township entered into a master equipment lease purchase agreement with Republic First National Corporation for purchase of one new Sutphen customer pumper with equipment. The lease bears an interest rate of 2.99% and matures on December 15, 2026.

On December 15, 2016, the Township entered into a master equipment lease purchase agreement with Republic First National Corporation for purchase of one Horton Ford F-550 Type I Ambulance and one Stryker Power Pro Cot. The lease bears and interest rate of 2.89% and matures on December 15, 2021.

Amortization

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

Sugarcreek Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 9 – Debt (Continued)

Year Ending December 31:	General Obligation Bonds	OPWC Loan	Leases
2018	\$129,805	\$24,087	\$227,661
2019	128,586	24,087	226,094
2020	127,264	24,087	229,168
2021	120,780	24,087	200,471
2022	129,207	24,087	128,239
2023-2027	400,050	120,433	226,208
2028-2032		120,433	
2033-2037		120,433	
2038-2042		120,433	
2043-2046		84,303	
Total	<u>\$1,035,692</u>	<u>\$686,470</u>	<u>\$1,237,841</u>

Note 10 – Contingent Liabilities

The Township is defendant in a lawsuit. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Township's financial condition.

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

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WestRegion@ohioauditor.gov

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

Sugarcreek Township
Greene County
2090 Ferry Road
Bellbrook, Ohio 45305

To the Township Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Sugarcreek Township, Greene County, (the Township) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements and have issued our report thereon dated December 13, 2019, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider material weaknesses. We consider findings 2018-001 and 2018-002 to be material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2018-002.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

December 13, 2019

**SUGARCREEK TOWNSHIP
GREENE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2018 AND 2017**

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

FINDING NUMBER 2018-001

MATERIAL WEAKNESS

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors in the Township's annual financial reports for 2018 and 2017 were identified as material and have been adjusted in the financial statements:

1. During the fiscal year 2017 the Township double posted memo expenses and receipts relating to the a project financed by the Ohio Public Works Commission (OPWC) resulting in Capital Projects intergovernmental receipts and capital outlay expenditures to be overstated by \$269,996.
2. During 2018, the Township did not record \$165,420 in on-behalf payments made by the OPWC in the capital projects fund.
3. The Township understated the General Fund assigned fund balance by \$136,982 and overstated the unassigned fund balance by the same amount in Fiscal Year 2017.
4. During Fiscal Year 2018, the Township overstated the General Fund unassigned fund balance by \$44,347 and understated the assigned balance by the same amount.
5. During 2018, the Township overstated restricted fund balance within special revenue funds and understated committed fund balances by \$731,713.

Other immaterial errors ranging from \$1,367 to \$207,282 that did not require audit adjustments were also noted during the audit and have been communicated to those charged with governance in the summary of identified misstatements form.

Policies and procedures should be developed and implemented to verify that all receipts and expenditures are posted in correct accounts, in the proper amounts, and in the correct years. The Township should review postings each month and again at the end of the fiscal year to verify that all amounts are classified and posted correctly. The Township should also implement procedures to review Auditor of State Bulletin 2011-004 prior to completion of the financial statements to verify that all ending fund balances reported comply with its requirements.

FINDING NUMBER 2018-002

NONCOMPLIANCE AND MATERIAL WEAKNESS

Ohio Rev. Code § 5705.10(D) requires that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose.

Auditor of State Bulletin 2013-007 guides Townships to return prorated portion of the Bureau of Workers Compensation (BWC) rebates attributable to local, state or federally restricted funds to those funds.

During Fiscal Year 2017, the Township received a \$37,945 reimbursement from the Ohio Bureau of Workers Compensation (OBWC) for premiums paid in 2015. Contrary to requirements of Ohio Rev. Code § 5705.10(D) and Auditor of State Bulletin 2013-007, the entire reimbursement was posted to the General Fund.

\$34,938 received in the General Fund should have been reported in other special revenue funds. The Township should have reported \$3,008 in the Road and Bridge Fund, \$14,662 in the Police Fund, \$15,168 in the Fire Fund, and \$2,100 in the EMS Fund. The misstatement was determined to be material to the General Fund and accompanying financial statements have been adjusted to correct the error. Additionally, the Township made fund balance adjustments to correct the error in its accounting system.

Policies and procedures should be developed and implemented to verify that all receipts and expenditures are posted in correct accounts, in the proper amounts, and in the correct years. The Township should review postings each month and again at the end of the fiscal year to verify that all amounts are classified and posted correctly. The Township should also implement procedures to review Auditor of State Bulletin 2013-007 to verify that Ohio BWC rebates are posted to the proper funds.

Official's Response: We did not receive a response from Officials to the findings reported above.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2018 AND 2017**

Finding Number	Finding Summary	Status	Additional Information
2016-001	Noncompliance – Failure to properly monitor budgetary activity	Fully Corrected	
2016-002	Material Weakness – Financial Statement errors	Partially corrected	The Township has worked to gain a better understanding of the requirements and processes to assure accuracy in financial reporting and to eliminate these errors going forward. The Township will seek guidance and direction from the State Auditor's Office and document such guidance and direction prior to posting in the future.

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OHIO AUDITOR OF STATE KEITH FABER



SUGARCREEK TOWNSHIP

GREENE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 21, 2020**