



**BLOOMINGGROVE TOWNSHIP  
RICHLAND COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



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## REPORT OF INDEPENDENT ACCOUNTANTS

Bloomington Township  
Richland County  
5384 Rome South Road  
Shiloh, Ohio 44878

To the Board of Trustees:

We have audited the accompanying financial statements of Bloomington Township, Richland County, (the Township) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Township as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2000 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 grants.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

February 22, 2000



**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$14,688	\$76,207	\$0	\$90,895
Intergovernmental	30,863	57,352		88,215
Licenses, Permits, and Fees		7,155		7,155
Earnings on Investments	452	124		576
Miscellaneous	601	1,393		1,994
<b>Total Cash Receipts</b>	<b>46,604</b>	<b>142,231</b>	<b>0</b>	<b>188,835</b>
<b>Cash Disbursements:</b>				
Current:				
General Government	35,007	1,512		36,519
Public Safety		73,492		73,492
Public Works		56,470		56,470
Health		1,861		1,861
Debt Service:				
Redemption of Principal	1,000	7,339	9,910	18,249
Interest and Fiscal Charges		615	502	1,117
Capital Outlay	183	1,900		2,083
<b>Total Cash Disbursements</b>	<b>36,190</b>	<b>143,189</b>	<b>10,412</b>	<b>189,791</b>
Total Cash Receipts Over/(Under) Cash Disbursements	10,414	(958)	(10,412)	(956)
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers-In			10,412	10,412
Transfers-Out	(10,412)			(10,412)
Other Sources	28,848			28,848
Other Uses	(28,848)			(28,848)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>(10,412)</b>	<b>0</b>	<b>10,412</b>	<b>0</b>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	2	(958)	0	(956)
Fund Cash Balances, January 1	13,059	19,027	0	32,086
<b>Fund Cash Balances, December 31</b>	<b>\$13,061</b>	<b>\$18,069</b>	<b>\$0</b>	<b>\$31,130</b>
Reserves for Encumbrances, December 31	\$299	\$1,602	\$0	\$1,901

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

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$15,108	\$72,947	\$0	\$88,055
Intergovernmental	48,446	56,379		104,825
Licenses, Permits, and Fees		3,573		3,573
Earnings on Investments	716	254		970
Miscellaneous	2,046	1,986		4,032
<b>Total Cash Receipts</b>	<b>66,316</b>	<b>135,139</b>	<b>0</b>	<b>201,455</b>
<b>Cash Disbursements:</b>				
Current:				
General Government	43,528	642		44,170
Public Safety		50,382		50,382
Public Works	9,635	57,045		66,680
Health	1,022	4,910		5,932
Debt Service:				
Redemption of Principal		7,753	9,590	17,343
Interest and Fiscal Charges		1,183	999	2,182
Capital Outlay	302	12,477		12,779
<b>Total Cash Disbursements</b>	<b>54,487</b>	<b>134,392</b>	<b>10,589</b>	<b>199,468</b>
Total Cash Receipts Over/(Under) Cash Disbursements	11,829	747	(10,589)	1,987
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers-In			10,589	10,589
Transfers-Out	(10,589)			(10,589)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>(10,589)</b>	<b>0</b>	<b>10,589</b>	<b>0</b>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	1,240	747	0	1,987
Fund Cash Balances, January 1	11,819	18,280	0	30,099
<b>Fund Cash Balances, December 31</b>	<b>\$13,059</b>	<b>\$19,027</b>	<b>\$0</b>	<b>\$32,086</b>
Reserves for Encumbrances, December 31	\$928	\$262	\$0	\$1,190

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



**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
NON-EXPENDABLE TRUST FUNDS  
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998**

	1999	1998
<b>Operating Cash Receipts:</b>		
Interest	\$22	\$16
Fund Cash Balances, January 1	900	884
<b>Fund Cash Balances, December 31</b>	<b>\$922</b>	<b>\$900</b>
Reserves for Encumbrances, December 31	\$0	\$0

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

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Bloomington Township, Richland County, (the Township) is a body corporate and politic established 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 publicly-elected three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance, and cemetery maintenance.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized 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 prescribed or permitted by the Auditor of State.

**C. Cash**

The Township did not have any investments during the audit period.

**D. Fund Accounting**

The Township uses fund accounting to segregate cash that is restricted as to use. The Township classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Permissive Sales Tax Fund - This fund is used to account for sales tax revenues received and used to pay for repair and maintenance of Township roads and equipment.

Gasoline Tax Fund - This fund is used to account for gasoline tax revenues received and used to pay for repair and maintenance of Township roads and equipment.

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
**(Continued)**

**3. Fiduciary Funds (Trust Funds)**

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Township to maintain the corpus of the trust, the fund is classified as a Non-Expendable Trust Fund. The Township had the following significant Non-Expendable Trust Funds:

Kirkwood Trust Fund - This fund is used to record interest income earned on donated monies. Interest only may be used to pay for maintenance and repairs at the Township's cemetery.

Huston Trust Fund - This fund is used to record interest income earned on donated monies. Interest only may be used to pay for maintenance and repairs at the Township's cemetery.

**E. Budgetary Process**

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

**1. 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. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**2. 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 also approve estimated resources.

**3. 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 1999 and 1998 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**G. Unpaid Vacation Leave**

Full-time employees are entitled to cash payments for unused vacation in certain circumstances, such as upon leaving employment. Unpaid vacation is not reflected as a liability under the basis of accounting used by the Township.

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
(Continued)

**2. EQUITY IN POOLED CASH**

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$32,052	\$32,986

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 1999 and 1998 was as follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$65,952	\$75,452	\$9,500
Special Revenue	131,943	142,231	10,288
Debt Service	10,590	10,412	(178)
Fiduciary	0	22	22
Total	\$208,485	\$228,117	\$19,632

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$79,007	\$75,749	\$3,258
Special Revenue	150,971	144,791	6,180
Debt Service	10,590	10,412	178
Fiduciary	900	0	900
Total	\$241,468	\$230,952	\$10,516

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$55,437	\$66,316	\$10,879
Special Revenue	118,695	135,139	16,444
Debt Service	10,589	10,589	0
Fiduciary	30	16	(14)
Total	\$184,751	\$212,060	\$27,309

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$67,254	\$66,004	\$1,250
Special Revenue	136,977	134,654	2,323
Debt Service	10,589	10,589	0
Fiduciary	914	0	914
Total	\$215,734	\$211,247	\$4,487

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, 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.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**5. RETIREMENT SYSTEM**

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer pension plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PERS contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 1999.

**6. RISK MANAGEMENT**

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Public officials' liability
- Errors and omissions

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Bloomington Township  
Richland County  
5384 Rome South Road  
Shiloh, Ohio 44878

To the Board of Trustees:

We have audited the accompanying financial statements of Bloomington Township, Richland County, (the Township) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 22, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted an immaterial instance of noncompliance that we have reported to the management of the Township in a separate letter dated February 22, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated February 22, 2000.

This report is intended for the information and use of management, and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

February 22, 2000





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**BLOOMINGGROVE TOWNSHIP**

**RICHLAND 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  
APRIL 4, 2000**