



**GREENE TOWNSHIP
TRUMBULL COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



**JIM PETRO
AUDITOR OF STATE**

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

Greene Township
Trumbull County
2880 Gardner-Barclay Road
North Bloomfield, Ohio 44450

To the Board of Trustees:

We have audited the accompanying financial statements of Greene Township, Trumbull County, Ohio, (the Township) as of and for the years ended December 31, 1999 and December 31, 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 audit.

We conducted our audit 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 audit 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 audit provides 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 December 31, 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 June 5, 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 the 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.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

June 5, 2000

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

	<u>Governmental Fund Types</u>		<u>Fiduciary Funds</u>	<u>Total (Memorandum Only)</u>
	<u>General Fund</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
Cash Receipts:				
Taxes	\$16,382	\$52,009		\$68,391
Licenses, Permits, and Fees	200	2,375		2,575
Intergovernmental	25,889	59,506		85,395
Interest	648	1,037		1,685
All Other Revenue	953	690	\$10	1,653
Total Cash Receipts	<u>44,072</u>	<u>115,617</u>	<u>10</u>	<u>159,699</u>
Cash Disbursements:				
General Government	37,275			37,275
Public Safety	5,360	54,589		59,949
Public Works	208	39,356		39,564
Health	1,539	4,793		6,332
Capital Outlay		26,863		26,863
Total Disbursements	<u>44,382</u>	<u>125,601</u>		<u>169,983</u>
Total Receipts Over /(Under) Disbursements	<u>(310)</u>	<u>(9,984)</u>	<u>10</u>	<u>(10,284)</u>
Other Financing Sources (Uses):				
Other Financing Sources	26	2,300		2,326
Total of Receipts and other Sources Over (Under) Disbursements and Other Uses	<u>(284)</u>	<u>(7,684)</u>	<u>10</u>	<u>(7,958)</u>
Fund Cash Balances, January 1, 1999	<u>23,820</u>	<u>45,723</u>	<u>980</u>	<u>70,523</u>
Fund Cash Balance, December 31, 1999	<u>\$23,536</u>	<u>\$38,039</u>	<u>\$990</u>	<u>\$62,565</u>
Reserve for Encumbrances		<u>\$4,000</u>		<u>\$4,000</u>

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

**GREENE TOWNSHIP
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
 AND CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 1999**

	Fiduciary Fund Types
	Non-Expendable Trust
Operating Cash Receipts:	
Interest	\$95
Total Operating Cash Receipts	95
Operating Income	95
Net Receipts under Disbursements	95
Fund Cash Balances, January 1, 1999	3,753
Fund Cash Balances, December 31, 1999	\$3,848

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

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

	<u>Governmental Fund Types</u>		<u>Fiduciary Funds</u>	<u>Total (Memorandum Only)</u>
	<u>General Fund</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
Cash Receipts:				
Taxes	\$16,057	\$51,010		\$67,067
Licenses, Permits, and Fees	240	2,025		2,265
Intergovernmental Receipts	56,894	60,510		117,404
Interest	801	810		1,611
All Other Revenue	396	662	\$105	1,163
Total Cash Receipts	74,388	115,017	105	189,510
Cash Disbursements:				
General Government	34,101			34,101
Public Safety	5,000	53,153		58,153
Public Works	218	31,552		31,770
Health	2,383	4,977		7,360
Capital Outlay	22,792	8,884		31,676
Miscellaneous			6	6
Total Cash Disbursements	64,494	98,566	6	163,066
Total Receipts Over /(Under) Disbursements	9,894	16,451	99	26,444
Other Financing Sources/(Uses):				
Advances-In	4,000	4,000		8,000
Advances-Out	(4,000)	(4,000)		(8,000)
Other Financing Sources	5,023	1,425		6,448
Total Other Financing Sources/(Uses)	5,023	1,425		6,448
Total of Receipts and other Sources Over (Under) Disbursements and Other Uses	14,917	17,876	99	32,892
Fund Cash Balances, January 1, 1998	8,903	27,847	881	37,631
Fund Cash Balance, December 31, 1998	\$23,820	\$45,723	\$980	\$70,523
Reserve for Encumbrances	\$1,500	\$16,730		\$18,230

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

**GREENE TOWNSHIP
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
 AND CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 1998**

	Fiduciary Fund Types
	Non-Expendable Trust
Operating Cash Receipts:	
Interest	\$92
Total Operating Cash Receipts	92
Net Receipts under Disbursements	92
Fund Cash Balances, January 1, 1998	3,661
Fund Cash Balances, December 31, 1998	\$3,753

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Greene Township, Trumbull 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, cemetery maintenance, and fire protection.

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 and Investments

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

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are 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:

Fire District Fund - This fund receives property tax money for providing operating funds to the Greene Township Volunteer Fire Association to provide fire protection to the Township.

Fire Levy Fund - This fund receives property tax money from a voted, 5 year special levy for the purpose of purchasing fire equipment for the Greene Township Volunteer Fire Association.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

3. Fiduciary Funds (Expendable and Non-Expendable Trust Funds)

These funds are used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in a fiduciary capacity. The Township has 3 Non-Expendable Cemetery Bequest funds and an Expendable Trust fund, Cemetery Chapel, all of which had minimal disbursement activity for the 2 year period from January 1, 1998 through December 31, 1999.

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 disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>1999</u>	<u>1998</u>
Demand deposits	<u>\$66,413</u>	<u>\$74,276</u>

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

3. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$76,243	\$44,098	(\$32,145)
Special Revenue	115,533	117,917	2,384
Fiduciary	<u>190</u>	<u>105</u>	<u>(85)</u>
Total	<u>\$191,966</u>	<u>\$162,120</u>	<u>(\$29,846)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$66,132	\$44,382	\$21,750
Special Revenue	162,708	129,601	33,107
Fiduciary	<u>4,828</u>	<u>0</u>	<u>4,828</u>
Total	<u>\$233,668</u>	<u>\$173,983</u>	<u>\$59,685</u>

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$42,316	\$79,411	\$37,095
Special Revenue	116,984	116,442	(542)
Fiduciary	<u>90</u>	<u>197</u>	<u>107</u>
Total	<u>\$159,390</u>	<u>\$196,050</u>	<u>\$36,660</u>

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

3. BUDGETARY ACTIVITY (Continued)

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$75,241	\$65,994	\$9,247
Special Revenue	143,347	115,296	28,051
Fiduciary	4,732	6	4,726
Total	\$223,320	\$181,296	\$42,024

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 payment, the first half is due December 31. The second half payment is due the following June 20.

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.

6. RETIREMENT SYSTEMS

The Township's elected and appointed officials and 1 full time hourly employee belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement healthcare, and survivorship 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, PERS members 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.

7. RISK MANAGEMENT

The Township has obtained commercial insurance for the following risks:

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



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OFFICE OF THE AUDITOR

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

Greene Township
Trumbull County
2880 Gardner-Barclay Road
North Bloomfield, Ohio 44450

To the Board of Trustees:

We have audited the accompanying financial statements of Greene Township, Trumbull County, Ohio (the Township), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated June 5, 2000. We conducted our audit 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, 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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township in a separate letter dated June 5, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

June 5, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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GREENE TOWNSHIP

TRUMBULL 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
JULY 18, 2000**