



**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

REGULAR AUDIT

FOR YEARS ENDED DECEMBER 31, 1999 AND 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees
Greenfield Township
Fairfield County
4095 Lithopolis Road
Lancaster, Ohio 43130

We have audited the accompanying financial statements of Greenfield Township, Fairfield 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 Greenfield Township, Fairfield County, Ohio 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 July 7, 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 audit committee, management, the Board 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

July 7, 2000

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

**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>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$34,544	\$483,657	\$0	\$518,201
Intergovernmental Receipts	102,619	121,268	0	223,887
Fines, Licenses, and Permits	28,205	8,390	0	36,595
Earnings on Investments	43,810	4,607	1,786	50,203
Miscellaneous	11,163	32,197	0	43,360
	<u>220,341</u>	<u>650,119</u>	<u>1,786</u>	<u>872,246</u>
Cash Disbursements:				
Current:				
General Government	127,959	0	0	127,959
Public Safety	0	431,743	0	431,743
Public Works	0	354,179	0	354,179
Health	1,780	7,263	0	9,043
Capital Outlay	0	0	0	0
	<u>129,739</u>	<u>793,185</u>	<u>0</u>	<u>922,924</u>
Total Receipts Over/(Under) Disbursements	<u>90,602</u>	<u>(143,066)</u>	<u>1,786</u>	<u>(50,678)</u>
Other Financing Receipts/(Disbursements):				
Transfers-In	0	0	30,000	30,000
Transfers-Out	0	(30,000)	0	(30,000)
Miscellaneous	0	6,000	0	6,000
	<u>0</u>	<u>(24,000)</u>	<u>30,000</u>	<u>6,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	90,602	(167,066)	31,786	(44,678)
Fund Cash Balances January 1, 1999	<u>250,572</u>	<u>873,089</u>	<u>30,000</u>	<u>1,153,661</u>
Fund Cash Balances, December 31, 1999	<u>\$341,174</u>	<u>\$706,023</u>	<u>\$61,786</u>	<u>\$1,108,983</u>
Reserve for Encumbrances, December 31, 1999	<u>\$6,115</u>	<u>\$158,786</u>	<u>\$0</u>	<u>\$164,901</u>

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

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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

	Fiduciary Fund Type
	Nonexpendable Trust
Operating Cash Receipts:	
Interest Income	\$766
Total Operating Cash Receipts	766
Operating Cash Disbursements:	
Health	343
Total Operating Cash Disbursements	343
Net Receipts Over/(Under) Disbursements	423
Fund Cash Balances, January 1, 1999	22,533
Fund Cash Balances, December 31, 1999	\$22,956
Reserve for Encumbrances, December 31, 1999	\$1,700

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

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

**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>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$26,575	\$436,223	\$0	\$462,798
Intergovernmental Receipts	113,077	121,991	0	235,068
Fines, Licenses, and Permits	8,689	10,017	0	18,706
Earnings on Investments	43,809	5,602	0	49,411
Miscellaneous	11,410	22,923	0	34,333
Total Cash Receipts	<u>203,560</u>	<u>596,756</u>	<u>0</u>	<u>800,316</u>
Cash Disbursements:				
Current:				
General Government	113,815	0	0	113,815
Public Safety	0	208,624	0	208,624
Public Works	0	261,311	0	261,311
Health	2,104	8,358	0	10,462
Capital Outlay	45,200	0	0	45,200
Total Disbursements	<u>161,119</u>	<u>478,293</u>	<u>0</u>	<u>639,412</u>
Total Receipts Over/(Under) Disbursements	<u>42,441</u>	<u>118,463</u>	<u>0</u>	<u>160,904</u>
Other Financing Receipts/(Disbursements):				
Transfers-In	0	0	30,000	30,000
Transfers-Out	0	(30,000)	0	(30,000)
Miscellaneous	0	6,500	0	6,500
Total Other Financing Receipts/(Disbursements)	<u>0</u>	<u>(23,500)</u>	<u>30,000</u>	<u>6,500</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>42,441</u>	<u>94,963</u>	<u>30,000</u>	<u>167,404</u>
Fund Cash Balances January 1, 1998	<u>208,131</u>	<u>778,126</u>	<u>0</u>	<u>986,257</u>
Fund Cash Balances, December 31, 1998	<u>\$250,572</u>	<u>\$873,089</u>	<u>\$30,000</u>	<u>\$1,153,661</u>
Reserve for Encumbrances, December 31, 1998	<u>\$0</u>	<u>\$149,388</u>	<u>\$0</u>	<u>\$149,388</u>

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

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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

	Fiduciary Fund Type
	Nonexpendable Trust
Operating Cash Receipts:	
Miscellaneous - Gift	\$1,000
Total Operating Cash Receipts	1,000
Operating Cash Disbursements:	
Capital Outlay	1,100
Total Operating Cash Disbursements	1,100
Operating Income/(Loss)	(100)
Fund Cash Balances, January 1, 1998	22,633
Fund Cash Balances, December 31, 1998	\$22,533

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

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Greenfield Township, Fairfield County, Ohio (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 maintenance and repair, cemetery maintenance, zoning, fire protection and emergency medical services.

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

Certificates of deposits and the money market savings account are reported at cost.

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:

Road and Bridge Fund - This fund receives real estate tax and personal property tax for the construction and maintenance of Township roads.

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Fire District Fund - This fund receives real estate tax and personal property tax for providing fire protection and emergency services to the Township.

3. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township had the following significant capital project funds:

Capital Reserve Fund - This fund receives transfers from the Special Revenue - Fire Fund annually to accumulate funds designated to purchase a fire truck. This fund collects interest earned on the fund balance.

4. Fiduciary Funds (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 an agency capacity. The Township had the following significant fiduciary funds:

Cemetery Bequest Funds - These funds consists of bequests from families for the upkeep of cemetery plots.

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 and 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.

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

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 re-appropriated.

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.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Township.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments 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	\$30,352	\$233,914
Total deposits	30,352	233,914
Money Market Account	1,083,017	923,710
Certificates of Deposit	18,570	18,570
Total investments	1,101,587	942,280
Total deposits and investments	\$1,131,939	\$1,176,194

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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

3. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$134,950	\$220,341	\$85,391
Special Revenue	562,100	656,119	94,019
Capital Projects	30,000	31,786	1,786
Fiduciary	500	766	266
Total	<u>\$727,550</u>	<u>\$909,012</u>	<u>\$181,462</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$350,049	\$135,855	\$214,194
Special Revenue	1,176,888	981,970	194,918
Fiduciary	4,000	2,043	1,957
Total	<u>\$1,530,937</u>	<u>\$1,119,868</u>	<u>\$411,069</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$130,080	\$203,560	\$73,480
Special Revenue	561,600	603,256	41,656
Capital Projects	0	30,000	30,000
Fiduciary	0	1,000	1,000
Total	<u>\$691,680</u>	<u>\$837,816</u>	<u>\$146,136</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$327,281	\$161,119	\$166,162
Special Revenue	821,801	657,681	164,120
Fiduciary	1,548	1,100	448
Total	<u>\$1,150,630</u>	<u>\$819,900</u>	<u>\$330,730</u>

**GREENFIELD TOWNSHIP
FAIRFIELD COUNTY**

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

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.

5. RETIREMENT SYSTEMS

The Township's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plans. These plans provide 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. PERS members are required to contributed 8.5% of their gross salaries. The Township is required to 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 is a member of the Ohio Township Association Risk Management Authority Joint Self Insurance Pool (the Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

- General liability and casualty
- Public official's liability
- Vehicle

The Township also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

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

Greenfield Township
Fairfield County
4095 Lithopolis Road NW
Lancaster, Ohio 43130

To the Board of Trustees

We have audited the accompanying financial statements of Greenfield Township, Fairfield 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 July 7, 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 Village'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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance that is required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management in a separate letter dated July 7, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered 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.

This report is intended for the information and use of the audit committee, 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", written in a cursive style.

JIM PETRO
Auditor of State

July 7, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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GREENFIELD TOWNSHIP

FAIRFIELD 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
AUGUST 22, 2000