



Dave Yost • Auditor of State

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Springfield Township
Lucas County
7617 Angola Road
Holland, Ohio 43528-8602

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Springfield Township, Lucas County, Ohio, (the Township) as of and for the years ended December 31, 2013 and 2012.

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 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 opinion.

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

As described in Note 1 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, to satisfy these requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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, 2013 and 2012, or 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 combined cash balances of Springfield Township, Lucas County, Ohio as of December 31, 2013 and 2012, and its combined cash receipts and disbursements 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 1.

Emphasis of Matter

As described in Note 2 to the financial statements, in 2012, Springfield Township revised its financial presentation from the format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34 to one using accounting practices the Auditor of State prescribes or permits.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2014, 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.



Dave Yost
Auditor of State

Columbus, Ohio

December 9, 2014

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$1,092,919	\$2,786,511		\$3,879,430
Charges for Services		1,074,447		1,074,447
Licenses, Permits and Fees	289,643	13,580		303,223
Intergovernmental	442,465	771,329	\$468,071	1,681,865
Special Assessments		220,298		220,298
Earnings on Investments	19,437	81		19,518
Miscellaneous	83,158	188,810		271,968
<i>Total Cash Receipts</i>	<u>1,927,622</u>	<u>5,055,056</u>	<u>468,071</u>	<u>7,450,749</u>
Cash Disbursements				
Current:				
General Government	783,802			783,802
Public Safety	665,009	4,203,345		4,868,354
Public Works		1,000,197		1,000,197
Health	63,437	34,630		98,067
Conservation-Recreation	201,750			201,750
Capital Outlay	190,108	132,858	854,984	1,177,950
Debt Service:				
Principal Retirement			29,970	29,970
<i>Total Cash Disbursements</i>	<u>1,904,106</u>	<u>5,371,030</u>	<u>884,954</u>	<u>8,160,090</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>23,516</u>	<u>(315,974)</u>	<u>(416,883)</u>	<u>(709,341)</u>
Other Financing Receipts (Disbursements)				
Transfers In	134,185	53,500	590,695	778,380
Transfers Out	(644,195)	(6,465)	(127,720)	(778,380)
Advances In	100,000	100,000		200,000
Advances Out	(100,000)	(100,000)		(200,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(510,010)</u>	<u>47,035</u>	<u>462,975</u>	
<i>Net Change in Fund Cash Balances</i>	<u>(486,494)</u>	<u>(268,939)</u>	<u>46,092</u>	<u>(709,341)</u>
<i>Fund Cash Balances, January 1</i>	<u>1,855,863</u>	<u>1,676,705</u>	<u>285,219</u>	<u>3,817,787</u>
Fund Cash Balances, December 31				
Restricted		1,407,766	331,311	1,739,077
Unassigned	1,369,369			1,369,369
<i>Fund Cash Balances, December 31</i>	<u>\$1,369,369</u>	<u>\$1,407,766</u>	<u>\$331,311</u>	<u>\$3,108,446</u>

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

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$1,182,029	\$3,043,405		\$4,225,434
Charges for Services		1,179,918		1,179,918
Licenses, Permits and Fees	364,389	12,150		376,539
Intergovernmental	454,503	742,718	\$334,129	1,531,350
Special Assessments		209,806		209,806
Earnings on Investments	28,283	1,412		29,695
Miscellaneous	66,105	92,803		158,908
<i>Total Cash Receipts</i>	<u>2,095,309</u>	<u>5,282,212</u>	<u>334,129</u>	<u>7,711,650</u>
Cash Disbursements				
Current:				
General Government	938,267			938,267
Public Safety	507,955	4,163,913		4,671,868
Public Works		1,232,461		1,232,461
Health	69,757	30,509		100,266
Conservation-Recreation	388,389			388,389
Capital Outlay	133,867	74,541	697,736	906,144
Debt Service:				
Principal Retirement			29,970	29,970
<i>Total Cash Disbursements</i>	<u>2,038,235</u>	<u>5,501,424</u>	<u>727,706</u>	<u>8,267,365</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>57,074</u>	<u>(219,212)</u>	<u>(393,577)</u>	<u>(555,715)</u>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets		30,210		30,210
Transfers In		20,000	382,220	402,220
Transfers Out	(402,220)			(402,220)
Advances In	120,000	120,000		240,000
Advances Out	(120,000)	(120,000)		(240,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(402,220)</u>	<u>50,210</u>	<u>382,220</u>	<u>30,210</u>
<i>Net Change in Fund Cash Balances</i>	<u>(345,146)</u>	<u>(169,002)</u>	<u>(11,357)</u>	<u>(525,505)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,201,009</u>	<u>1,845,707</u>	<u>296,576</u>	<u>4,343,292</u>
Fund Cash Balances, December 31				
Restricted		1,676,705	285,219	1,961,924
Unassigned	1,855,863			1,855,863
<i>Fund Cash Balances, December 31</i>	<u><u>\$1,855,863</u></u>	<u><u>\$1,676,705</u></u>	<u><u>\$285,219</u></u>	<u><u>\$3,817,787</u></u>

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

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Springfield Township, Lucas County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Lucas County Sheriff to provide law enforcement services.

The Township participates in the Ohio Plan Risk Management, Inc. public entity risk pool. Note 8 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.

B. Accounting Basis

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.

C. Deposits and Investments

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

The Township values U.S. Treasury Notes, Federal Farm Credit Bank Notes, Federal Home Loan Mortgage Bank Notes and Federal National Mortgage Notes at cost. U.S. Treasury Money Market funds are recorded at share values the mutual funds report.

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 accounts for and reports all financial resources not accounted for and reported in another fund.

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

2. 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:

Fire District Fund - This fund receives property tax money to staff and operate the fire department.

EMS Fund - This fund receives revenue through EMS contracts with other local governmental entities to staff and operate the emergency medical services department.

Lighting District Fund - This fund receives special assessment property tax revenue to reimburse the Township for lighting in residential developments.

3. 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:

Fire Department Capital Improvement Fund – This fund receives revenue from miscellaneous sources to replace large firefighting equipment.

Ohio Public Works Commission Fund(s) – These funds receive revenue from the general fund, and grants from the Ohio Public Works Commission and the Lucas County Engineer’s Office to finance large road improvement projects.

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. Appropriations lapse at year end.

2. Estimated Resources

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

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (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 canceled, and reappropriated in the subsequent year.

A summary of 2013 and 2012 budgetary activity appears in Note 3.

F. 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:

1. Nonspendable

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

2. 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.

3. 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.

4. 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.

5. 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.

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. 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.

G. Property, Plant, and Equipment

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

H. 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.

2. Change in Basis of Financial Statement Presentation

In prior years, the Township reported on a financial presentation format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, for 2012 the Township has implemented the regulatory basis of accounting the Auditor of State prescribes or permits as discussed in note 1.B.

This change required no adjustments to the previously reported balances.

3. Equity in Pooled 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:

	2013	2012
Demand deposits	\$2,026,613	\$2,251,397
U.S. Treasury Notes		152,349
Federal Farm Credit Bank Notes	250,025	
Federal Home Loan Mortgage Bank Notes	424,444	657,399
Federal National Mortgage Notes	200,040	435,065
U.S. Treasury Money Market Funds	207,324	321,577
Total investments	1,081,833	1,566,390
Total deposits and investments	\$3,108,446	\$3,817,787

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Investments: The Federal Reserve holds the Township's U.S. Treasury Notes, Federal Farm Credit Bank Notes, Federal Home Loan Mortgage Bank Notes and Federal National Mortgage Notes in book-entry form by, in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities.

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

3. Equity in Pooled Deposits and Investments (Continued)

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

4. Budgetary Activity

Budgetary activity for the years ending December 31, 2013 and 2012 follows:

2013 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,663,049	\$2,061,807	\$398,758
Special Revenue	5,172,135	5,108,556	(63,579)
Capital Projects	1,370,765	1,058,766	(311,999)
Total	<u>\$8,205,949</u>	<u>\$8,229,129</u>	<u>\$23,180</u>

2013 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,440,409	\$2,548,301	\$892,108
Special Revenue	6,537,375	5,377,495	1,159,880
Capital Projects	1,536,552	1,012,674	523,878
Total	<u>\$11,514,336</u>	<u>\$8,938,470</u>	<u>\$2,575,866</u>

2012 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,968,205	\$2,095,309	\$127,104
Special Revenue	5,224,641	5,332,422	107,781
Capital Projects	1,210,210	716,349	(493,861)
Total	<u>\$8,403,056</u>	<u>\$8,144,080</u>	<u>(\$258,976)</u>

2012 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,875,401	\$2,440,455	\$1,434,946
Special Revenue	6,052,959	5,501,424	551,535
Capital Projects	1,415,615	727,706	687,909
Total	<u>\$11,343,975</u>	<u>\$8,669,585</u>	<u>\$2,674,390</u>

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

5. Property Tax

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 homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

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

6. Debt

Debt outstanding at December 31, 2013 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
2006 OPWC Project Loan	\$57,600	0%
2009 OPWC Project Loan	32,115	0%
Total	<u>\$89,715</u>	

The proceeds from the 2006 OPWC Loan were used for a resurfacing project in the Township. The loan is a zero percent loan repayable in semi-annual installments of \$6,400 through July 1, 2018.

A 2009 OPWC loan of \$53,524 was received for resurfacing 1.88 miles of roads. The loan is a zero percent loan repayable in semi-annual installments of \$2,676 through 2019.

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

Year ending December 31:	<u>2006 OPWC Project Loan</u>	<u>2009 OPWC Project Loan</u>
2014	\$12,800	\$5,352
2015	12,800	5,353
2016	12,800	5,352
2017	12,800	5,353
2018	6,400	5,352
2019		5,353
Total	<u>\$57,600</u>	<u>\$32,115</u>

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

7. Retirement Systems

The Township's certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2013 and 2012, OP&F participants contributed 10% of their wages until July 1, 2013 then they contributed 10.75% of their wages and the Township contributed to OP&F an amount equal to 24% of participants' wages. For 2013 and 2012, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2013.

8. Risk Management

The Township belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 767 and 774 members as of December 31, 2012 and 2013 respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

8. Risk Management (Continued)

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2012 and 2013

	2012	2013
Assets	\$13,100,381	\$13,774,304
Liabilities	(6,687,193)	(7,968,395)
Members' Equity	\$6,413,188	\$5,805,909

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

9. Interfund Transfers

Transfer activity for the years ending December 31, 2013 and 2012 follows:

2013 Interfund Transfers		
Fund	Transfers In	Transfers Out
General	\$134,185	
Underground Storage Tank Fund		\$6,465
2012 Road / OPWC Project Fund		8,288
2011 Road / OPWC Project Fund		82,682
2010 Road / OPWC Project Fund		36,750
2005 OPWC Project (Loan) Fund	9,613	
2006 OPWC Project (Loan) Fund	12,800	
2009 OPWC Project (Loan) Fund	5,352	
General Fund		27,765
2013 Road / OPWC Project Fund	562,930	
General Fund		562,930
Cemetery Fund	53,500	
General Fund		53,500

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

9. Interfund Transfers (Continued)

2012 Interfund Transfers		
Fund	Transfers In	Transfers Out
2005 OPWC Project (Loan) Fund	\$11,818	
2006 OPWC Project (Loan) Fund	12,800	
2009 OPWC Project (Loan) Fund	5,352	
General Fund		\$29,970
2012 Road / OPWC Project Fund	352,250	
General Fund		352,250
Cemetery Fund	20,000	
General Fund		20,000

Transfers from the General fund for both years represent the allocation of unrestricted receipts collected in the General Fund to finance the Township's portion for 2013 and 2012 OPWC Road projects and various OPWC loan payments and provide for cemetery maintenance.

Transfer In 2013 to the General Fund from Special Revenue - Underground Storage Tank Fund was for the closeout of that fund as the Township no longer has the tanks.

Transfers In 2013 to the General Fund from the Capital Projects - 2010 Roads OPWC Fund and Capital Projects - 2011 Roads OPWC Fund were for the closeout of those funds for money previously transferred into those funds for the Township's portion of those projects.

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Dave Yost • Auditor of State

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

Springfield Township
Lucas County
7617 Angola Road
Holland, Ohio 43528-8602

To the Board of 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 Springfield Township, Lucas County, Ohio, (the Township) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements and have issued our report thereon dated December 9, 2014 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 and wherein we noted the Township changed its method of accounting to a basis prescribed by the Auditor of State in 2012.

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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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 communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

Columbus, Ohio

December 9, 2014

**SPRINGFIELD TOWNSHIP
LUCAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2013 AND 2012**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2011-001	Material weakness related to entering financial data into the accounting system.	No	Partially corrected and reported in the Management Letter.
2011-002	Material weakness related to preparation of the Financial Report.	Yes	

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Dave Yost • Auditor of State

SPRINGFIELD TOWNSHIP

LUCAS 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
DECEMBER 30, 2014**