

BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO
BIENNIAL AUDIT
JANUARY 1, 1998 - DECEMBER 31, 1999

S **teen & Co. LLC**
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS AND GOVERNMENT
CONSULTANTS

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

January 1, 1998 to December 31, 1999

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**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**ELECTED OFFICIALS
AS OF DECEMBER 31, 1999**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Richard Little	Trustee	12/31/2003
John Deal	Trustee	12/31/2000
Carol Graff	Trustee	12/31/2001
Judith Zembo	Clerk	03/31/2004

Legal Council:

Alan Anderson
53 W. Main Street
Xenia, Ohio 45385

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

INDEX OF FUNDS

GOVERNMENTAL FUND TYPES:

General Fund :

General Fund

Special Revenue Funds :

Motor Vehicle License Tax

Gasoline Tax

Road and Bridge

Cemetery

Police

Fire

Permissive Motor Vehicle License Tax

Capital Projects Funds:

Capital Equipment

Public Works Commission

FIDUCIARY FUND TYPE:

Nonexpendable Trust

Cemetery Bequest



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1st
Floor
Columbus, Ohio 43215
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Board of Trustees
Beavercreek Township
Beavercreek, Ohio

We have reviewed the Independent Auditor's Report of the Beavercreek Township, Greene County, prepared by Steen & Co. LLC, for the audit period January 1, 1998 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Beavercreek Township is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

August 31, 2000

REPORT OF INDEPENDENT AUDITORS

Board of Trustees
Beavercreek Township
1981 Dayton - Xenia Road
Beavercreek, Ohio 45434-7158

We have audited the accompanying financial statements of Beavercreek Township, Greene County, Ohio (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 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 described Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Ohio 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 of Beavercreek Township, Greene County, as of December 31, 1999 and 1998, and its combined cash receipts, encumbrances, 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 29, 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 officials authorized to receive this report under Section 117.26, of the Ohio Revised Code, and is not intended to be and should not be used by anyone other than those specified parties.

Steen and Co. LLC
June 29, 2000



Steen & Co.

NORTHWOODS CORPORATE CENTER
110 NORTHWOODS BLVD/SUITE 210
COLUMBUS, OHIO 43235
OFFICE: (614) 848-7855
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**BEAVERCREEK TOWNSHIP
GREENE COUNTY**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Cash receipts:				
Taxes	\$ 465,399	\$5,298,313	\$ 125,000	\$ 5,888,712
Permits and fees	17,852	4,945	0	22,797
Fines and forfeitures	3,781	0	0	3,781
Intergovernmental	441,540	580,323	0	1,021,863
Interest	147,179	12,525	33,719	193,423
Other revenue	<u>41,181</u>	<u>59,516</u>	<u>0</u>	<u>100,697</u>
Total cash receipts	<u>1,116,932</u>	<u>5,955,622</u>	<u>158,719</u>	<u>7,231,273</u>
Cash disbursements:				
General government	420,101	0	0	420,101
Public safety	0	4,432,992	0	4,432,992
Public works	178,173	514,228	0	692,401
Public health	114	9,621	0	9,735
Conservation – Recreation	1,695	0	0	1,695
Capital outlay	<u>492,494</u>	<u>909,439</u>	<u>0</u>	<u>1,401,933</u>
Total cash disbursements	<u>1,092,577</u>	<u>5,866,280</u>	<u>0</u>	<u>6,958,857</u>
Total receipts over/(under) disbursements	<u>24,355</u>	<u>89,342</u>	<u>158,719</u>	<u>272,416</u>
Other financing sources/(uses):				
Transfers-in	227,911	0	500,000	727,911
Transfers-out	(500,000)	0	(227,911)	(727,911)
Other sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources/ (uses)	<u>(272,089)</u>	<u>0</u>	<u>272,089</u>	<u>0</u>
Excess of cash receipts and other financing sources over/(under) cash disbursements and other financing uses	<u>(247,734)</u>	<u>89,342</u>	<u>430,808</u>	<u>272,416</u>
Fund cash balances January 1, 1999 (restated)	<u>935,778</u>	<u>2,621,842</u>	<u>625,999</u>	<u>4,183,619</u>
Fund cash balances December 31, 1999	<u>\$ 688,044</u>	<u>\$2,711,184</u>	<u>\$1,056,807</u>	<u>\$ 4,456,035</u>
Reserve for encumbrances December 31, 1999	<u>\$ 198,249</u>	<u>\$ 431,172</u>	<u>\$ 0</u>	<u>\$ 629,421</u>

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

**BEAVERCREEK TOWNSHIP
GREENE COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGE IN FUND CASH BALANCE – NON-EXPENDABLE TRUST
FUND FOR THE YEAR ENDED DECEMBER 31, 1999

	Non-Expendable Trust
Operating cash receipts	\$ 260
Operating cash disbursements	<u>260</u>
Operating income	0
Fund cash balances, January 1, 1999	<u>5,024</u>
Fund cash balances, December 31, 1999	<u>\$ 5,024</u>

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

**BEAVERCREEK TOWNSHIP
GREENE COUNTY**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Cash receipts:				
Taxes	\$ 440,334	\$4,447,832	\$ 0	\$ 4,888,166
Permits and fees	7,878	4,977	0	12,855
Fines and forfeitures	2,899	0	0	2,899
Intergovernmental	342,432	489,577	54,626	886,635
Interest	163,732	26,564	8,812	199,108
Other revenue	<u>29,781</u>	<u>207,119</u>	<u>0</u>	<u>236,900</u>
Total cash receipts	<u>987,056</u>	<u>5,176,069</u>	<u>63,438</u>	<u>6,226,563</u>
Cash disbursements:				
General government	364,774	0	0	364,774
Public safety	0	3,832,676	0	3,832,676
Public works	68,694	522,498	0	591,192
Public health	13,805	8,722	0	22,527
Conservation – Recreation	4,559	0	0	4,559
Capital outlay	<u>201,834</u>	<u>1,134,160</u>	<u>47,759</u>	<u>1,383,753</u>
Total cash disbursements	<u>653,666</u>	<u>5,498,056</u>	<u>47,759</u>	<u>6,199,481</u>
Total receipts over/(under) disbursements	<u>333,390</u>	<u>(321,987)</u>	<u>15,679</u>	<u>27,082</u>
Other financing sources/(uses)				
Transfers-in	0	2,899	125,000	127,899
Transfers-out	(2,899)	(125,000)	0	(127,899)
Other sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources/(uses)	<u>(2,899)</u>	<u>(122,101)</u>	<u>125,000</u>	<u>0</u>
Excess of cash receipts and other financing sources over/(under) cash disbursements and other financing uses	330,491	(444,088)	140,679	27,082
Fund cash balances January 1, 1998	<u>605,287</u>	<u>3,109,440</u>	<u>485,320</u>	<u>4,200,046</u>
Fund cash balances December 31, 1998	<u>\$ 935,778</u>	<u>\$2,665,352</u>	<u>\$ 625,999</u>	<u>\$ 4,227,128</u>
Reserve for encumbrances December 31, 1998	<u>\$ 179,831</u>	<u>\$ 556,679</u>	<u>\$ 0</u>	<u>\$ 736,509</u>

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

**BEAVERCREEK TOWNSHIP
GREENE COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGE IN FUND CASH BALANCE – NON-EXPENDABLE TRUST
FUND FOR THE YEAR ENDED DECEMBER 31, 1998

	Non-Expendable Trust
Operating cash receipts	\$ 243
Operating cash disbursements	<u>243</u>
Operating income	0
Fund cash balances, January 1, 1998	<u>5,024</u>
Fund cash balances, December 31, 1998	<u>\$ 5,024</u>

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

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998**

1. Summary of Significant Accounting Policies

A. Description of the Entity

Beavercreek Township Greene 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 maintenance, zoning, and fire 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 were prepared on the basis of accounting prescribed or permitted by the Ohio 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 a payment is made rather than when a liability is incurred.

C. Cash and Investments

Certificates of deposit are valued at cost.

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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

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 :

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

Road and Bridge Fund - This fund receives taxes and state support for maintaining and repairing Township roads and bridges.

Fire Fund - This fund receives property tax money to provide fire protection and emergency services to Township residents.

Police Fund - This fund receives local property tax money to provide police protection and security to Township residents.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998**

D. Fund Accounting (continued)

Capital Project Fund

This fund is 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).

Fiduciary Fund

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 fiduciary fund:

Cemetery Bequest Fund – A nonexpendable trust fund. Amounts donated are maintained in perpetuity. Investment earnings are used for grave upkeep as specified by the donor.

E. 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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year-end.

Estimated Resources

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

Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when 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.

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 cash basis of accounting used by the Township.

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998**

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>
Depository Balance	\$ 2,456,035	\$ 1,259,078
Certificates of Deposit	<u>2,005,024</u>	<u>2,973,074</u>
Total Cash and Investments	4,461,059	4,232,152

Deposits:

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

3. Budgetary Activity

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

	<u>1999 Budgeted vs. Actual Receipts</u>		
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$981,437	\$1,344,843	\$363,406
Special Revenue	5,348,720	5,955,622	606,902
Capital Projects	145,000	658,719	513,719
Fiduciary	<u>245</u>	<u>260</u>	<u>15</u>
Total	<u>\$6,475,402</u>	<u>\$7,959,444</u>	<u>\$1,484,042</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998
1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$1,874,441	\$1,790,826	\$83,615
Special Revenue	8,469,908	6,297,452	2,172,456
Capital Projects	1,256,999	227,911	1,029,088
Fiduciary	<u>5,284</u>	<u>260</u>	<u>5024</u>
Total	<u>\$11,606,632</u>	<u>\$8,316,449</u>	<u>\$3,290,183</u>

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$1,113,565	\$987,056	\$(126,509)
Special Revenue	4,925,300	5,178,968	253,668
Capital Projects	140,001	188,438	48,437
Fiduciary	<u>234</u>	<u>243</u>	<u>9</u>
Total	<u>\$6,179,100</u>	<u>\$6,354,699</u>	<u>\$175,600</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$1,256,912	\$836,396	\$420,516
Special Revenue	7,911,691	6,179,735	1,731,956
Capital Projects	615,319	47,759	567,560
Fiduciary	<u>5,267</u>	<u>243</u>	<u>5024</u>
Total	<u>\$9,789,189</u>	<u>\$7,064,133</u>	<u>\$2,725,056</u>

**BEAVERCREEK TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998**

3. Budgetary Activity (Continued)

Non compliance: For 1999 Appropriation Authority for the Special Revenue, Capital Projects, and Fiduciary Funds exceeded total estimated revenue, which is not in compliance with Ohio Revised Code Section 5705.36. It should be noted that the Township's expenditures for these funds did not exceed available resources.

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 January 20. If the property owner elects to make semiannual payment, the first half is due January 20. 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 Systems

The Township's employees 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 health care, 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, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.59 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 business policy – Vehicles, Building, Property
- Officials' liability policy
- Errors and omissions

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

7. Restatement

The January 1, 1999 beginning fund balance in the Special Revenue Fund was restated by \$43,510. The restatement was due to an adjustment for \$43,709 related to payroll for temporary and permanent fire department employees paid in 1998. There was also an adjustment for \$199 for outstanding checks issued in 1998 and voided in 1999.

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

Board of Trustees
Beavercreek Township
1981 Dayton-Xenia Road
Beavercreek, Ohio 45434-7158

We have audited the financial statements of Beavercreek Township, Greene County, Ohio (the Township) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated June 29, 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

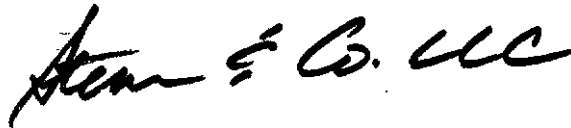
As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of 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 instances of noncompliance that are required to be reported under *Government Auditing Standards*. We also noted other matters involving compliance that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated June 29, 2000.

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.

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

Steen and Co. LLC
June 29, 2000



Steen & Co.

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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800-282-0370
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BEAVERCREEK 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
OCTOBER 5, 2000**