

BUCK TOWNSHIP

HARDIN COUNTY, OHIO

AUDITED FINANCIAL STATEMENTS

JANUARY 1, 1998 - DECEMBER 31, 1999

**BUCK TOWNSHIP
HARDIN, OHIO**

JANUARY 1, 1998 TO DECEMBER 31, 1999

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

Township Trustees
Buck Township
Kenton, Ohio 43326

We have reviewed the Independent Auditor's Report of Buck Township, Hardin County, prepared by Vanessa L. Blevins, CPA, 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. Buck Township is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

July 10, 2000

Vanessa L. Blevins, CPA

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REPORT OF INDEPENDENT ACCOUNTANTS

Buck Township
16037 Township Road 180
Kenton, Ohio 43326

To the Members of the Board of Township Trustees:

We have audited the accompanying financial statements of Buck Township, Hardin 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described 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 of Buck Township, Hardin County, Ohio, as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated May 26, 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, Ohio Revised Code and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public record and is available upon specific request.

Vanessa L. Blevins, CPA

Vanessa L. Blevins, CPA

May 26, 2000

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

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

	General	Special Revenue	Total (Memorandum Only)
Cash receipts:			
Taxes	\$ 13,320	\$ 112,232	\$ 125,552
Intergovernmental	62,473	64,183	126,656
Fines, licenses, and permits	1,400	1,970	3,370
Interest Revenue	2,225	2,831	5,056
Miscellaneous	336	4,050	4,386
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Total cash receipts	79,754	185,266	265,020
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Cash disbursements:			
Current:			
Public safety	-	40,592	40,592
Public health services	14,909	40,181	55,090
Public works	-	101,060	101,060
Conservation- Recreation	-	5,528	5,528
General government	52,832	-	52,832
Capital outlay	-	-	-
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Total cash disbursements	67,741	187,361	255,102
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Total receipts over disbursements	12,013	(2,095)	9,918
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Fund cash balances, January 1, 1999	105,604	218,948	324,552
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Fund cash balances, December 31, 1999	\$ 117,617	\$ 216,853	\$ 334,470
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The notes to the financial statements are an integral part of this statement.

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

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

	Nonexpendable Trust
Operating Cash receipts:	
Interest	\$ 158
Total operating cash receipts	158
Cash disbursements:	
Personal services	-
Total operating cash disbursements	-
Operating income/(loss)	158
Fund cash balances, January 1, 1999	3,458
Fund cash balances, December 31, 1999	\$ 3,616

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

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

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

	General	Special Revenue	Total (Memorandum Only)
Cash receipts:			
Taxes	\$ 14,525	\$ 111,599	\$ 126,124
Intergovernmental	93,438	63,539	156,977
Fines, licenses, and permits	1,000	1,970	2,970
Interest Revenue	2,804	2,781	5,585
Miscellaneous	1,804	2,700	4,504
	<hr/>		
Total cash receipts	113,571	182,589	296,160
Cash disbursements:			
Current:			
Public safety	11,239	31,849	43,088
Public health services	16,194	41,161	57,355
Public Works	-	55,834	55,834
Conservation- Recreation	-	6,143	6,143
General government	71,521	-	71,521
Capital outlay	-	-	-
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Total cash disbursements	98,954	134,987	233,941
	<hr/>		
Total receipts over disbursements	14,617	47,602	62,219
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Fund cash balances, January 1, 1998	90,972	171,346	262,318
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Fund cash balances, December 31, 1998	105,589	218,948	324,537
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The notes to the financial statements are an integral part of this statement.

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

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

	Nonexpendable Trust
Operating Cash receipts:	
Interest	\$ 157
Total operating cash receipts	157
Cash disbursements:	
Personal services	-
Total operating cash disbursements	-
Operating income/(loss)	157
Fund cash balances, January 1, 1998	3,301
Fund cash balances, December 31, 1998	\$ 3,458

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

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Buck Township, Hardin 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. The Township provides general governmental 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 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:

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

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS
(Continued)

Grove Special Levy - This fund receives money from a special levy for the purpose of maintenance of cemeteries.

Fire Special Levy - This fund receives money from a special levy for the purpose of fire protection.

Fiduciary Funds (Trust and Agency Funds) - Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Township to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. Funds for which the Township is acting in an agency capacity are classified as agency funds. The Township had the following significant fiduciary funds:

Cemetery Bequest Funds - these funds account for resources restricted by legally binding agreements.

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 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 canceled, and reappropriated in the subsequent year.

A summary of 1999 and 1998 budgetary activity appears in Note 2.

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.

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS
(Continued)

2. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 77,619	\$ 79,755	\$ 2,136
Special Revenue	179,096	182,266	3,170
Fiduciary	170	157	(13)
Total	<u>\$ 256,885</u>	<u>\$ 262,178</u>	<u>\$ 5,293</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 183,223	\$ 67,741	\$ 115,482
Special Revenue	398,044	187,361	210,683
Fiduciary	3,629	-	3,629
Total	<u>\$ 584,896</u>	<u>\$ 255,102</u>	<u>\$ 329,794</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 103,462	\$ 113,571	\$ 10,109
Special Revenue	174,841	182,589	7,748
Fiduciary	250	157	(93)
Total	<u>\$ 278,553</u>	<u>\$ 296,317</u>	<u>\$ 17,764</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 164,747	\$ 98,954	\$ 65,793
Special Revenue	346,188	134,988	211,200
Fiduciary	3,551	-	3,551
Total	<u>\$ 514,486</u>	<u>\$ 233,942</u>	<u>\$ 280,544</u>

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

3. 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	\$ 319,995	\$ 330,086
Certificates of deposit	8,000	8,000
Total deposits	<u>\$ 327,995</u>	<u>\$ 338,086</u>

Deposits

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

4. PROPERTY TAXES

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

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

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

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

5. RETIREMENT SYSTEMS

The Township's full-time 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 postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

**BUCK TOWNSHIP
HARDIN COUNTY, OHIO**

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, PERS members contributed 8.5 percent of their gross salaries. The Township contributed an amount equal to 13.55 percent 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:

- General liability
- Public Officials Liability
- Automobile Liability, Comprehensive and Collision
- Property Coverage

The Township provides health coverages for an official through a private carrier.

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

Buck Township
16037 Township Rd. 180
Kenton, Ohio 43326

To the Members of the Board of Township Trustees:

We have audited the financial statements of Buck Township, Hardin County, (the Township) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated May 26, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of it's compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of Buck Township in a separate letter dated May 25, 2000.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated May 26, 2000.

This report is intended for the information of the board of trustees and management and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Sincerely,


Vanessa L. Blevins, CPA

May 26, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

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800-282-0370

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BUCK TOWNSHIP

HARDIN 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.

By: Susan Babbitt

Date: AUG 03 2000