



**GREEN TOWNSHIP
HARRISON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GREEN TOWNSHIP
HARRISON COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Green Township
Harrison County
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To the Board of Trustees:

We have audited the accompanying financial statements of Green Township, Harrison County, Ohio (the Township) as of and for the years ended December 31, 2000 and December 31, 1999. 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 of Green Township as of December 31, 2000 and December 31, 1999, 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 April 6, 2001 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the audit committee, management and the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

April 6, 2001

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GREEN TOWNSHIP
HARRISON COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Non-expendable Trust	
Cash Receipts:						
Local Taxes Receipts	\$3,323	\$50,990				\$54,313
Intergovernmental Receipts	17,964	70,837				88,801
Licenses, Permits, and Fees		5,325				5,325
Interest	1,388				\$26	1,414
Other Revenue	6,753	3,515				10,268
Total Cash Receipts	29,428	130,667			26	160,121
Cash Disbursements:						
Current:						
General Government	26,539					26,539
Public Safety		24,993				24,993
Public Works		82,421				82,421
Health	799	13,239				14,038
Capital Outlay	22,000	2,339		\$25,835		50,174
Total Cash Disbursements	49,338	122,992		25,835		198,165
Total Receipts Over/(Under) Disbursements	(19,910)	7,675		(25,835)	26	(38,044)
Other Financing Sources/(Uses):						
Proceeds from Sale of Public Debt:						
Sale of Notes	15,000					15,000
Transfers-In			4,000			4,000
Transfers-Out	(4,000)					(4,000)
Total Other Financing Sources/(Uses)	11,000		4,000			15,000
Excess of Cash Receipts and Other Financing Sources Over/(Under) Cash Disbursements and Other Financing Uses	(8,910)	7,675	4,000	(25,835)	26	(23,044)
Fund Cash Balances, January 1	39,493	48,258		25,835	550	114,136
Fund Cash Balances, December 31	\$30,583	\$55,933	\$4,000		\$576	\$91,092

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

**GREEN TOWNSHIP
HARRISON COUNTY**

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

	Governmental Fund Types			Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Non-expendable Trust	
Cash Receipts:					
Local Taxes Receipts	\$3,605	\$59,604			\$63,209
Licenses, Permits and Fees		6,100			6,100
Intergovernmental Receipts	35,289	70,743			106,032
Interest	1,419			\$23	1,442
Other Revenue	2,693	4,505			7,198
Total Cash Receipts	43,006	140,952		23	183,981
Cash Disbursements:					
Current:					
General Government	32,070				32,070
Public Safety		31,888			31,888
Public Works		87,084			87,084
Health	799	15,539			16,338
Total Cash Disbursements	32,869	134,511			167,380
Total Receipts Over/(Under) Disbursements	10,137	6,441		23	16,601
Fund Cash Balances, January 1	29,356	41,817	\$25,835	527	97,535
Fund Cash Balances, December 31	\$39,493	\$48,258	\$25,835	\$550	\$114,136

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

**GREEN TOWNSHIP
HARRISON COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Green Township, Harrison County, (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance, and cemetery maintenance. The Township contracts with a volunteer fire department to provide fire protection within the Township.

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. 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:

Gasoline Tax Fund - This fund receives intergovernmental receipts to construct, maintain and repair Township roads.

Fire District Fund - This fund receives tax levy money to pay for fire protection within the Township.

**GREEN TOWNSHIP
HARRISON COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Debt Service

This fund is used to accumulate resources for the payment of note indebtedness. The Township had the following significant debt service fund:

General Debt Service Fund - This fund receives money transferred from the General Fund to make debt payments.

4. 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). The Township had the following significant capital project fund:

Capital Improvement Fund - This fund is used for capital improvements for the Township.

5. Fiduciary Funds (Trust 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.

The Township had the following significant fiduciary fund:

Cemetery Bequest Fund - This fund receives money from interest earned on money received to maintain the cemeteries within the Township.

D. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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 also approve estimated resources.

**GREEN TOWNSHIP
HARRISON COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(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 carried over, and need not be reappropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

E. 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.

2. EQUITY IN POOLED CASH

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

	<u>2000</u>	<u>1999</u>
Demand deposits	<u>\$91,092</u>	<u>\$114,136</u>

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, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$43,678	\$44,428	\$750
Special Revenue	139,157	130,667	(8,490)
Debt Service	4,000	4,000	0
Capital Project	0	0	0
Fiduciary	93	26	(67)
Total	\$186,928	\$179,121	(\$7,807)

**GREEN TOWNSHIP
HARRISON COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$76,400	\$53,338	\$23,062
Special Revenue	182,451	122,992	59,459
Debt Service	0	0	0
Capital Project	25,835	25,835	0
Fiduciary	143	0	143
Total	<u>\$284,829</u>	<u>\$202,165</u>	<u>\$82,664</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$32,194	\$43,006	\$10,812
Special Revenue	136,598	140,952	4,354
Capital Project	0	0	0
Fiduciary	93	23	(70)
Total	<u>\$168,885</u>	<u>\$183,981</u>	<u>\$15,096</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$51,200	\$32,869	\$18,331
Special Revenue	173,088	134,511	38,577
Capital Project	25,000	0	25,000
Fiduciary	27	0	27
Total	<u>\$249,315</u>	<u>\$167,380</u>	<u>\$81,935</u>

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.

**GREEN TOWNSHIP
HARRISON COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
General Obligation Note	\$15,000	6.25%

The proceeds of the note was used to purchase a truck. Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	General Obligation Note
2001	\$4,354
2002	4,354
2003	4,354
2004	<u>4,353</u>
Total	<u>\$17,415</u>

6. RETIREMENT SYSTEM

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 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. For 2000 and 1999, members of PERS contributed 8.5% of their gross salaries. For 2000, the Township contributed an amount equal to 10.84% of participants' gross salaries and for 1999, the Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2000. The Township has paid all contributions required through December 31, 2000.

7. RISK MANAGEMENT

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions
- Public official's liability

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OFFICE OF THE AUDITOR

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

Green Township
Harrison County
Box 194
528 Virginia Street
Hopedale, Ohio 43976-0194

To the Board of Trustees:

We have audited the accompanying financial statements of Green Township, Harrison County (the Township), as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated April 6, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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*. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the Township in a separate letter dated April 6, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township in a separate letter dated April 6, 2001.

Green Township
Harrison County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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.

Jim Petro
Auditor of State

April 6, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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GREEN TOWNSHIP

HARRISON 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
MAY 22, 2001**