



CONCORD TOWNSHIP, FAYETTE COUNTY

Regular Audit

**For the Years Ended
December 31, 2014 and 2013**

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS





Dave Yost • Auditor of State

Board of Trustees
Concord Township
1325 Miami Trace Road SW
Washington Court House, OH 43160

We have reviewed the *Independent Auditor's Report* of Concord Township, Fayette County, prepared by J.L. Uhrig and Associates, Inc., for the period January 1, 2013 through December 31, 2014. 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. Concord Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

November 3, 2015

This Page Left Intentionally Blank

Concord Township, Fayette County
Table of Contents
For the Years Ended December 31, 2014 and 2013

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	3
BASIC FINANCIAL STATEMENTS:	
<u>Government-Wide Financial Statements - 2014:</u>	
Statement of Net Position - Cash Basis	10
Statement of Activities - Cash Basis.....	11
<u>Fund Financial Statements - 2014:</u>	
Statement of Cash Basis Assets and Fund Balances- Governmental Funds.....	12
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances - Governmental Funds	14
Statement of Receipts, Disbursements and Changes in Fund Balances - Budget and Actual (Budget Basis)	
General Fund	16
Motor Vehicle License Tax Fund	17
Gasoline Tax Fund.....	18
Road and Bridge Fund.....	19
Fire District Fund.....	20
<u>Government-Wide Financial Statements - 2013:</u>	
Statement of Net Position - Cash Basis	22
Statement of Activities - Cash Basis.....	23
<u>Fund Financial Statements - 2013:</u>	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds	24
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances - Governmental Funds	26
Statement of Receipts, Disbursements and Changes in Fund Balances - Budget and Actual (Budget Basis)	
General Fund	28
Gasoline Tax Fund.....	29
Road and Bridge Fund.....	30
Fire District Fund.....	31

Concord Township, Fayette County
Table of Contents
For the Years Ended December 31, 2014 and 2013

Notes to the Basic Financial Statements	32
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	42

Independent Auditor's Report

Board of Trustees
Concord Township, Fayette County
1325 Miami Trace Road SW
Washington Court House, OH 43160

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Concord Township (Township), Fayette County as of and for the years ended December 31, 2014 and 2013, and related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparing and fairly presenting these financial statements in accordance with the modified cash accounting basis Note 2 describes. This responsibility includes determining that the modified cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing, and maintaining internal control relevant to the preparing and fairly presenting financial statements that are 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 audits standards in the Comptroller General of the United States' *Governmental 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 the 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 controls relevant to the entity'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 entity'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Concord Township, Fayette County, Ohio as of December 31, 2014 and 2013, and the respective changes in cash financial position and the respective budgetary comparisons for the General Fund, Gasoline Tax Fund, Road and Bridge Fund and Fire District Fund, thereof for the years then ended, and the Motor Vehicle License Tax Fund for the year ended December 31, 2014 in conformity with the accounting basis Note 2 describes.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Matters

Supplemental and Other Information

We applied no procedures to the Management's Discussion and Analysis presented on pages 3-8 of the report, and accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated July 13, 2015 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.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

July 13, 2015

CONCORD TOWNSHIP, FAYETTE COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited

This discussion and analysis of the Concord Township's financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2014 and 2013, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2014 are as follows:

Net position of governmental activities decreased \$45,176, or 8.70 percent.

Program receipts accounted for \$109,854 or 48.35 percent of total receipts. General receipts accounted for \$117,359 or 51.65 percent of total receipts. The Township's general receipts are primarily property taxes and grants and entitlements not restricted to specific programs.

The Township had \$272,389 in disbursements; \$109,854 of these disbursements was offset by program specific operating grants and contributions. General receipts of \$117,359 and net position from the prior year were utilized to provide for these programs.

Among the major funds, the Gasoline Tax Fund is the most significant with \$81,777 in receipts and \$91,814 in disbursements.

Key highlights for 2013 are as follows:

Net position of governmental activities increased \$79,475, or 18.08 percent.

Program receipts accounted for \$113,532 or 40.62 percent of total receipts. General receipts accounted for \$165,979 or 59.38 percent of total receipts. The Township's general receipts are primarily property taxes and grants and entitlements not restricted to specific programs.

The Township had \$200,036 in disbursements; \$113,532 of these disbursements was offset by program specific operating grants and contributions. General receipts of \$165,979 were utilized to provide for the remainder of these programs.

Among the major funds, the General Fund is the most significant with \$92,054 in receipts and \$54,006 in disbursements.

CONCORD TOWNSHIP, FAYETTE COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net position and the statement of activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Township as a Whole

The statement of net position and the statement of activities reflect how the Township did financially during 2014 and 2013, within the limitations of cash basis accounting. The statement of net position presents the cash balances of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well such as the Township property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

CONCORD TOWNSHIP, FAYETTE COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited

In the statement of net position and the statement of activities, the Township consists of one type of activity:

Governmental Activities - All of the Township's basic services are reported here, including fire, roads and general government services. State grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Government's Most Significant Funds

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township consist of one category: governmental.

Governmental Funds - All of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General, Motor Vehicle License Tax, Gasoline Tax, Road and Bridge, and the Fire District Funds. The programs reported in governmental funds are the same as those reported in the governmental activities section of the entity-wide statements.

The Township as a Whole

Table 1 provides a summary of the Township's net position for 2014 and 2013 compared to 2012 on a cash basis:

	Governmental Activities		
	2014	2013	2012
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and Cash Equivalents	\$473,960	\$519,136	\$439,661
Total Assets	<u>473,960</u>	<u>519,136</u>	<u>439,661</u>
Net Position			
<i>Restricted for:</i>			
Other Purposes	310,376	296,460	255,034
Unrestricted	<u>163,584</u>	<u>222,676</u>	<u>184,628</u>
Total Net Position	<u>\$473,960</u>	<u>\$519,136</u>	<u>\$439,662</u>

As mentioned previously, net position decreased \$45,176, or 8.70 percent during 2014. The primary reasons contributing to the decrease in cash balances are as follows:

- The Township had a decrease in grants received in the General Fund during 2014.

CONCORD TOWNSHIP, FAYETTE COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited

Table 2 reflects the changes in net position in 2014, 2013 and 2012.

(Table 2)

Changes in Net Position

	Governmental Activities		
	2014	2013	2012
<u>Receipts:</u>			
<i>Program Receipts:</i>			
Charges for Services and Sales	\$19,265	\$19,265	\$21,468
Operating Grants and Contributions	90,589	94,267	98,741
Total Program Receipts	<u>109,854</u>	<u>113,532</u>	<u>120,209</u>
<i>General Receipts:</i>			
Property Taxes	90,499	88,910	82,693
Grants and Entitlements Not Restricted to Specific Programs	7,500	50,335	36,435
Interest	53	134	275
Miscellaneous	19,307	26,600	16,173
Total General Receipts	<u>117,359</u>	<u>165,979</u>	<u>135,576</u>
Total Receipts	<u>227,213</u>	<u>279,511</u>	<u>255,785</u>
<u>Disbursements:</u>			
General Government	49,399	51,068	46,740
Public Safety	40,393	59,415	64,744
Public Works	84,686	71,431	82,406
Health	2,151	1,955	3,154
Conservation-Recreation	1,692	983	6,170
Capital Outlay	94,068	15,184	14,280
Total Disbursements	<u>272,389</u>	<u>200,036</u>	<u>217,494</u>
Increase (Decrease) in Net Position	(45,176)	79,475	38,291
Net Position, Beginning of Year	<u>519,136</u>	<u>439,661</u>	<u>401,370</u>
Net Position, End of Year	<u>\$473,960</u>	<u>\$519,136</u>	<u>\$439,661</u>

CONCORD TOWNSHIP, FAYETTE COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited

Governmental Activities

Program receipts represent 48.35 percent of total receipts for 2014 and 40.62 percent of total receipts for 2013. Program receipts are primarily comprised of restricted intergovernmental receipts such as gasoline tax receipts and motor vehicle license fees.

General receipts represent 51.65 percent of total receipts for 2014 and 59.38 percent of total receipts for 2013. General receipts are comprised of property taxes, grants and entitlements not restricted to specific programs, interest and miscellaneous receipts. Property taxes represent 39.83 percent of total receipts in 2014 and 31.81 percent in 2013. Grants and entitlements not restricted to specific programs represent 3.30 percent of total receipts in 2014 and 18.01 percent in 2013.

The most significant program disbursements for the Township are Public Works and General Government. These programs account for 49.23 percent of total disbursements in 2014 and 61.24 percent in 2013. Public Works, which accounts for 31.09 percent of the total in 2014 and 35.71 percent in 2013, represents costs associated with maintaining the Township's roads and bridges. General Government, which accounts for 18.14 of the total in 2014 and 25.53 in 2013, represents the overhead costs of running the Township and the support services provided for the other Township activities. These include the board of trustees and the fiscal officer, as well as internal services such as payroll and purchasing. Since these costs do not represent direct services to residents, we try to limit these costs.

If you look at the 2014 Statement of Activities on page 11 and the 2013 Statement of Activities on page 23 you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The next column of the Statement entitled Program Receipts identify grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)

	Governmental Activities					
	Total Cost	Net Cost	Total Cost	Net Cost	Total Cost	Net Cost
	Of Services	Of Services	Of Services	Of Services	Of Services	Of Services
	2014	2014	2013	2013	2012	2012
General Government	\$49,399	\$42,934	\$51,068	\$44,603	\$46,740	\$40,275
Public Safety	40,393	27,593	59,415	46,615	64,744	49,741
Public Works	84,686	(5,903)	71,431	(22,836)	82,406	(16,335)
Health	2,151	2,151	1,955	1,955	3,154	3,154
Conservation-Recreation	1,692	1,692	983	983	6,170	6,170
Capital Outlay	94,068	94,068	15,184	15,184	14,280	14,280
Total Expenses	<u>\$272,389</u>	<u>\$162,535</u>	<u>\$200,036</u>	<u>\$86,504</u>	<u>\$217,494</u>	<u>\$97,285</u>

It should be noted that 40.33 percent of the costs of services for 2014 and 56.76 percent for 2013, are derived from program receipts including operating grants and contributions.

CONCORD TOWNSHIP, FAYETTE COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited

The Township's Funds

Total governmental funds had receipts of \$211,245 and disbursements of \$272,390 in 2014. There was a decrease in fund balances for 2014.

Total governmental funds had receipts of \$255,536 and disbursements of \$200,035 in 2013. There was an increase in fund balances for 2013.

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

For the General Fund final budgeted receipts for 2014 were \$48,033 representing no change from the original budgeted receipts, while actual receipts were \$50,777.

General Fund final disbursements were budgeted at \$270,708 for 2014 representing no change from the original budgeted disbursements, while actual disbursements were \$109,868. The difference between final budgeted disbursements and actual disbursements was \$160,840 or 59.41 percent.

For the General Fund final budgeted receipts for 2013 were \$94,000 representing an increase of \$52,236 from the original budgeted receipts, while actual receipts were \$92,055

General Fund final disbursements were budgeted at \$226,392 for 2013 representing no change from the original budgeted disbursement, while actual disbursements were \$54,006. The difference between final budgeted disbursements and actual disbursements was \$172,386.

Debt Administration

At December 31, 2014, the Township had no outstanding debt.

At December 31, 2013, the Township had no outstanding debt.

Current Issues

The challenge for all governments is to provide quality services to the public while staying within the restrictions imposed by limited funding. As indicated in the preceding financial information, the Township relies heavily on local taxes and intergovernmental receipts to operate at the current level of services.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Bridget Sollars, Fiscal Officer for Concord Township, Fayette County, Ohio at 1325 Miami Trace Road SW, Washington Court House, OH 45160.

This Page Intentionally Left Blank

CONCORD TOWNSHIP, FAYETTE COUNTY

Statement of Net Position - Cash Basis

December 31, 2014

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$473,960</u>
<i>Total Assets</i>	<u>473,960</u>
<u>Net Position:</u>	
<i>Restricted for:</i>	
Other Purposes	310,376
Unrestricted	<u>163,584</u>
<i>Total Net Position</i>	<u><u>\$473,960</u></u>

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2014*

	<u>Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Program Receipts</u>	<u>Net (Disbursements) Receipts and Changes in Net Position</u>
			<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
<u>Governmental Activities:</u>				
General Government	\$49,399	\$6,465	\$0	(\$42,934)
Public Safety	40,393	12,800	0	(27,593)
Public Works	84,686	0	90,589	5,903
Health	2,151	0	0	(2,151)
Conservation-Recreation	1,692	0	0	(1,692)
Capital Outlay	94,068	0	0	(94,068)
<i>Total Governmental Activities</i>	<u>\$272,389</u>	<u>\$19,265</u>	<u>\$90,589</u>	<u>(162,535)</u>
 <u>General Receipts:</u>				
Property Taxes				90,499
Grants and Entitlements not Restricted to Specific Programs				7,500
Earnings on Investments				53
Miscellaneous				19,307
<i>Total General Receipts</i>				<u>117,359</u>
 Change in Net Position				(45,176)
 <i>Net Position at Beginning of Year</i>				<u>519,136</u>
 <i>Net Position at End of Year</i>				<u>\$473,960</u>

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2014

	General	Motor Vehicle License Tax	Gasoline Tax
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$163,584	\$49,425	\$111,723
<i>Total Assets</i>	\$163,584	\$49,425	\$111,723
 <u>Fund Balances:</u>			
Restricted	\$0	\$49,425	\$111,723
Assigned	163,584	0	0
<i>Total Fund Balances</i>	\$163,584	\$49,425	\$111,723

See accompanying notes to the basic financial statements.

Road and Bridge	Fire District	Other Governmental Funds	Total Governmental Funds
\$82,966	\$40,463	\$25,799	\$473,960
<u>\$82,966</u>	<u>\$40,463</u>	<u>\$25,799</u>	<u>\$473,960</u>
\$82,966	\$40,463	\$25,799	\$310,376
0	0	0	163,584
<u>\$82,966</u>	<u>\$40,463</u>	<u>\$25,799</u>	<u>\$473,960</u>

CONCORD TOWNSHIP, FAYETTE COUNTY
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

	General	Motor Vehicle License Tax	Gasoline Tax
<u>Receipts:</u>			
Property Taxes	\$33,440	\$0	\$0
Intergovernmental	7,500	7,032	81,765
Earnings on Investments	33	5	12
Miscellaneous	9,804	0	0
<i>Total Receipts</i>	<u>50,777</u>	<u>7,037</u>	<u>81,777</u>
<u>Disbursements:</u>			
<i>Current:</i>			
General Government	49,399	0	0
Public Safety	0	6,893	0
Public Works	0	0	54,372
Health	2,152	0	0
Conservation-Recreation	1,692	0	0
Capital Outlay	56,626	0	37,442
<i>Total Disbursements</i>	<u>109,869</u>	<u>6,893</u>	<u>91,814</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(59,092)</u>	<u>144</u>	<u>(10,037)</u>
<u>Other Financing Receipts (Disbursements):</u>			
Other Financing Receipts	0	0	0
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(59,092)	144	(10,037)
<i>Fund Balances at Beginning of Year</i>	<u>222,676</u>	<u>49,281</u>	<u>121,760</u>
<i>Fund Balances at End of Year</i>	<u>\$163,584</u>	<u>\$49,425</u>	<u>\$111,723</u>

See accompanying notes to the basic financial statements.

Road and Bridge	Fire District	Other Governmental Funds	Total Governmental Funds
\$33,440	\$23,619	\$0	\$90,499
0	12,800	1,793	110,890
0	0	2	52
0	0	0	9,804
<u>33,440</u>	<u>36,419</u>	<u>1,795</u>	<u>211,245</u>
0	0	0	49,399
0	40,393	0	47,286
23,421	0	0	77,793
0	0	0	2,152
0	0	0	1,692
0	0	0	94,068
<u>23,421</u>	<u>40,393</u>	<u>0</u>	<u>272,390</u>
<u>10,019</u>	<u>(3,974)</u>	<u>1,795</u>	<u>(61,145)</u>
<u>0</u>	<u>15,968</u>	<u>0</u>	<u>15,968</u>
<u>0</u>	<u>15,968</u>	<u>0</u>	<u>15,968</u>
10,019	11,994	1,795	(45,177)
<u>72,947</u>	<u>28,469</u>	<u>24,004</u>	<u>519,137</u>
<u>\$82,966</u>	<u>\$40,463</u>	<u>\$25,799</u>	<u>\$473,960</u>

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Property Taxes	\$33,133	\$33,133	\$33,440	\$307
Intergovernmental	7,500	7,500	7,500	0
Earnings on Investments	0	0	33	33
Miscellaneous	7,400	7,400	9,804	2,404
<i>Total Receipts</i>	48,033	48,033	50,777	2,744
<u>Disbursements:</u>				
<i>Current:</i>				
General Government	68,100	68,100	49,399	18,701
Public Safety	20,000	20,000	0	20,000
Health	8,000	10,250	2,151	8,099
Conservation-Recreation	7,000	7,000	1,692	5,308
Capital Outlay	167,608	165,358	56,626	108,732
<i>Total Disbursements</i>	270,708	270,708	109,868	160,840
<i>Excess of Receipts Over (Under) Disbursements</i>	(222,675)	(222,675)	(59,091)	163,584
<i>Fund Balance at Beginning of Year</i>	222,675	222,675	222,675	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$163,584	\$163,584

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$7,004	\$7,004	\$7,032	\$28
Earnings on Investments	0	0	5	5
<i>Total Receipts</i>	7,004	7,004	7,037	33
<u>Disbursements:</u>				
<i>Current:</i>				
Public Works	56,285	56,285	6,893	49,392
<i>Total Disbursements</i>	56,285	56,285	6,893	49,392
<i>Excess of Receipts Over (Under) Disbursements</i>	(49,281)	(49,281)	144	49,425
<i>Fund Balance at Beginning of Year</i>	49,281	49,281	49,281	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$49,425	\$49,425

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Gasoline Tax Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$80,554	\$80,554	\$81,765	\$1,211
Earnings on Investments	0	0	12	12
<i>Total Receipts</i>	80,554	80,554	81,777	1,223
<u>Disbursements:</u>				
<i>Current:</i>				
Public Works	88,800	88,800	54,372	34,428
Capital Outlay	113,514	113,514	37,442	76,072
<i>Total Disbursements</i>	202,314	202,314	91,814	110,500
<i>Excess of Receipts Over (Under) Disbursements</i>	(121,760)	(121,760)	(10,037)	111,723
<i>Fund Balance at Beginning of Year</i>	121,760	121,760	121,760	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$111,723	\$111,723

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Road and Bridge Fund
For the Year Ended December 31, 2014*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Property Taxes	\$32,819	\$32,819	\$33,440	\$621
<i>Total Receipts</i>	32,819	32,819	33,440	621
<u>Disbursements:</u>				
<i>Current:</i>				
Public Works	43,380	43,380	23,421	19,959
Capital Outlay	62,386	62,386	0	62,386
<i>Total Disbursements</i>	105,766	105,766	23,421	82,345
<i>Excess of Receipts Over (Under) Disbursements</i>	(72,947)	(72,947)	10,019	82,966
<i>Fund Balance at Beginning of Year</i>	72,947	72,947	72,947	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$82,966</u>	<u>\$82,966</u>

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Fire District Fund
For the Year Ended December 31, 2014*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Receipts:</u>				
Property Taxes	\$22,943	\$22,943	\$23,619	\$676
Charges for Services	12,800	12,800	12,800	0
<i>Total Receipts</i>	<u>35,743</u>	<u>35,743</u>	<u>36,419</u>	<u>676</u>
<u>Disbursements:</u>				
<i>Current:</i>				
Public Safety	76,212	76,212	40,393	35,819
<i>Total Disbursements</i>	<u>76,212</u>	<u>76,212</u>	<u>40,393</u>	<u>35,819</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(40,469)	(40,469)	(3,974)	36,495
<u>Other Financing Receipts (Disbursements):</u>				
Other Financing Receipts	12,000	12,000	15,968	3,968
<i>Total Other Financing Receipts (Disbursements)</i>	<u>12,000</u>	<u>12,000</u>	<u>15,968</u>	<u>3,968</u>
<i>Excess of Receipts and Other Financing Receipts Over (Under) Disbursements and Other Financing Disbursements</i>	(28,469)	(28,469)	11,994	40,463
<i>Fund Balance at Beginning of Year</i>	<u>28,469</u>	<u>28,469</u>	<u>28,469</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$40,463</u>	<u>\$40,463</u>

See accompanying notes to the basic financial statements.

This Page Intentionally Left Blank

CONCORD TOWNSHIP, FAYETTE COUNTY

Statement of Net Position - Cash Basis

December 31, 2013

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$519,136</u>
<i>Total Assets</i>	<u>519,136</u>
<u>Net Position:</u>	
<i>Restricted for:</i>	
Other Purposes	296,460
Unrestricted	<u>222,676</u>
<i>Total Net Position</i>	<u><u>\$519,136</u></u>

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2013*

	<u>Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Program Receipts</u>	<u>Net (Disbursements) Receipts and Changes in Net Position</u>
			<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
<u>Governmental Activities:</u>				
General Government	\$51,068	\$6,465	\$0	(\$44,603)
Public Safety	59,415	12,800	0	(46,615)
Public Works	71,431	0	94,267	22,836
Health	1,955	0	0	(1,955)
Conservation-Recreation	983	0	0	(983)
Capital Outlay	15,184	0	0	(15,184)
<i>Total Governmental Activities</i>	<u>\$200,036</u>	<u>\$19,265</u>	<u>\$94,267</u>	<u>(86,504)</u>
 <u>General Receipts:</u>				
Property Taxes				88,910
Grants and Entitlements not Restricted to Specific Programs				50,335
Earnings on Investments				134
Miscellaneous				26,600
<i>Total General Receipts</i>				<u>165,979</u>
Change in Net Position				79,475
<i>Net Position at Beginning of Year</i>				<u>439,661</u>
<i>Net Position at End of Year</i>				<u><u>\$519,136</u></u>

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2013

	General	Gasoline Tax	Road and Bridge
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$222,676	\$121,760	\$72,947
<i>Total Assets</i>	\$222,676	\$121,760	\$72,947
<u>Fund Balances:</u>			
Restricted	\$0	\$121,760	\$72,947
Assigned	222,676	0	0
<i>Total Fund Balances</i>	\$222,676	\$121,760	\$72,947

See accompanying notes to the basic financial statements.

Fire District	Other Governmental Funds	Total Governmental Funds
\$28,469	\$73,285	\$519,137
<u>\$28,469</u>	<u>\$73,285</u>	<u>\$519,137</u>
\$28,469	\$73,285	\$296,461
0	0	222,676
<u>\$28,469</u>	<u>\$73,285</u>	<u>\$519,137</u>

CONCORD TOWNSHIP, FAYETTE COUNTY
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

	General	Gasoline Tax	Road and Bridge
<u>Receipts:</u>			
Property Taxes	\$32,904	\$0	\$32,904
Charges for Services	0	0	0
Intergovernmental	50,335	85,434	0
Earnings on Investments	88	28	0
Miscellaneous	8,727	0	364
<i>Total Receipts</i>	<u>92,054</u>	<u>85,462</u>	<u>33,268</u>
<u>Disbursements:</u>			
<i>Current:</i>			
General Government	51,068	0	0
Public Safety	0	0	0
Public Works	0	56,604	13,587
Health	1,955	0	0
Conservation-Recreation	983	0	0
Capital Outlay	0	13,690	1,494
<i>Total Disbursements</i>	<u>54,006</u>	<u>70,294</u>	<u>15,081</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>38,048</u>	<u>15,168</u>	<u>18,187</u>
<u>Other Financing Receipts (Disbursements):</u>			
Other Financing Receipts	0	545	0
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>545</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	38,048	15,713	18,187
<i>Fund Balances at Beginning of Year</i>	<u>184,628</u>	<u>106,047</u>	<u>54,760</u>
<i>Fund Balances at End of Year</i>	<u><u>\$222,676</u></u>	<u><u>\$121,760</u></u>	<u><u>\$72,947</u></u>

See accompanying notes to the basic financial statements.

Fire District	Other Governmental Funds	Total Governmental Funds
\$23,102	\$0	\$88,910
12,800	0	12,800
0	8,833	144,602
0	17	133
0	0	9,091
<u>35,902</u>	<u>8,850</u>	<u>255,536</u>
0	0	51,068
59,415	0	59,415
0	1,239	71,430
0	0	1,955
0	0	983
0	0	15,184
<u>59,415</u>	<u>1,239</u>	<u>200,035</u>
<u>(23,513)</u>	<u>7,611</u>	<u>55,501</u>
<u>23,429</u>	<u>0</u>	<u>23,974</u>
<u>23,429</u>	<u>0</u>	<u>23,974</u>
(84)	7,611	79,475
<u>28,553</u>	<u>65,674</u>	<u>439,662</u>
<u>\$28,469</u>	<u>\$73,285</u>	<u>\$519,137</u>

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Receipts:</u>				
Property Taxes	\$26,843	\$32,500	\$32,904	\$404
Intergovernmental	8,000	51,578	50,335	(1,243)
Earnings on Investments	100	100	88	(12)
Miscellaneous	6,821	9,822	8,728	(1,094)
<i>Total Receipts</i>	<u>41,764</u>	<u>94,000</u>	<u>92,055</u>	<u>(1,945)</u>
<u>Disbursements:</u>				
<i>Current:</i>				
General Government	71,200	71,200	51,068	20,132
Public Safety	20,000	20,000	0	20,000
Health	8,000	8,000	1,955	6,045
Conservation-Recreation	7,000	7,000	983	6,017
Capital Outlay	120,192	120,192	0	120,192
<i>Total Disbursements</i>	<u>226,392</u>	<u>226,392</u>	<u>54,006</u>	<u>172,386</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(184,628)</u>	<u>(132,392)</u>	<u>38,049</u>	<u>170,441</u>
<i>Fund Balance at Beginning of Year</i>	<u>184,628</u>	<u>184,628</u>	<u>184,628</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$52,236</u>	<u>\$222,677</u>	<u>\$170,441</u>

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Gasoline Tax Fund
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$80,247	\$80,247	\$85,434	\$5,187
Earnings on Investments	0	0	28	28
<i>Total Receipts</i>	80,247	80,247	85,462	5,215
<u>Disbursements:</u>				
<i>Current:</i>				
Public Works	98,800	98,800	56,604	42,196
Capital Outlay	87,494	87,494	13,690	73,804
<i>Total Disbursements</i>	186,294	186,294	70,294	116,000
<i>Excess of Receipts Over (Under) Disbursements</i>	(106,047)	(106,047)	15,168	121,215
<u>Other Financing Sources:</u>				
Other Financing Sources	0	0	545	545
<i>Total Other Financing Sources</i>	0	0	545	545
<i>Excess of Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing Uses</i>	(106,047)	(106,047)	15,713	121,760
<i>Fund Balance at Beginning of Year</i>	106,047	106,047	106,047	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$121,760	\$121,760

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Road and Bridge Fund
For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Receipts:</u>				
Property Taxes	\$29,118	\$29,118	\$32,904	\$3,786
Miscellaneous	0	0	364	364
<i>Total Receipts</i>	29,118	29,118	33,268	4,150
<u>Disbursements:</u>				
<i>Current:</i>				
Public Works	52,380	52,380	13,587	38,793
Capital Outlay	31,498	31,498	1,494	30,004
<i>Total Disbursements</i>	83,878	83,878	15,081	68,797
<i>Excess of Receipts Over (Under) Disbursements</i>	(54,760)	(54,760)	18,187	72,947
<i>Fund Balance at Beginning of Year</i>	54,760	54,760	54,760	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$72,947	\$72,947

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
*Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Fire District Fund
For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Receipts:</u>				
Property Taxes	\$22,129	\$22,129	\$23,102	\$973
Charges for Services	12,800	12,800	12,800	0
<i>Total Receipts</i>	<u>34,929</u>	<u>34,929</u>	<u>35,902</u>	<u>973</u>
<u>Disbursements:</u>				
<i>Current:</i>				
Public Safety	73,482	73,482	59,415	14,067
<i>Total Disbursements</i>	<u>73,482</u>	<u>73,482</u>	<u>59,415</u>	<u>14,067</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(38,553)	(38,553)	(23,513)	15,040
<u>Other Financing Receipts (Disbursements):</u>				
Other Financing Receipts	10,000	19,200	23,430	4,230
<i>Total Other Financing Receipts (Disbursements)</i>	<u>10,000</u>	<u>19,200</u>	<u>23,430</u>	<u>4,230</u>
<i>Excess of Receipts and Other Financing Receipts Over (Under) Disbursements and Other Financing Disbursements</i>	(28,553)	(19,353)	(83)	19,270
<i>Fund Balance at Beginning of Year</i>	<u>28,553</u>	<u>28,553</u>	<u>28,553</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$9,200</u>	<u>\$28,470</u>	<u>\$19,270</u>

See accompanying notes to the basic financial statements.

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 1 – Reporting Entity

Concord Township, Fayette County, Ohio (the Township), is a body politic and corporate established in 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 also has an elected Township Fiscal Officer.

The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure that the financial statements are not misleading.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, fire protection, and cemetery maintenance. The Township shares a joint fire department with Green Township, Fayette County. The expenditures are included on Concord Township's operations: Green Township reimburses Concord Township proportionately to assessed valuation periodically throughout the fiscal year.

B. Component Units

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township.

The Township has no component units.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The Township does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the Township's accounting policies.

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Township that are governmental and those that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. The Township has no business-type activities.

The statement of net assets presents the cash and investment balances of the governmental and business-type activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function or business-type activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are classified as governmental.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. Monies are assigned to the various governmental funds according to the purposes for which they may or must be used. The following are the Township's major governmental funds:

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

General Fund - The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

Motor Vehicle License Tax Fund – (2014) This fund receives motor vehicle license tax money to pay for constructing, maintaining and repairing Township roads.

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

Road and Bridge Fund – This fund receives property tax money to pay for constructing, maintaining and repairing Township roads.

Fire District Fund – This fund receives property tax money for fire protection services.

The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations ordinance is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the Township.

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

E. Cash and Investments

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

During 2014 and 2013, the Township had a checking account and a money market account with a local commercial bank.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2014 amounted to \$52 and \$133 during 2013.

F. Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

G. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

H. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

I. Net Position

Net position are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for state grants reported in special revenue funds.

The Township’s policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position is available.

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

J. 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:

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

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.

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.

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.

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.

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.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and any major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. There are no differences between the budgetary basis and the cash basis.

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 4 – Deposits and Investments

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawal on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 4 - Deposits and Investments (continued)

Investments in stripped principal or interest obligations reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township's deposits may not be returned. All deposits are collateralized with eligible securities in amount equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institutions collateral pools at the Federal Reserve Bank, or at member banks of the federal reserve system, in the name of the respective depository bank and pledges as pool of collateral against all of the public deposits in holds or as specific collateral held at the Federal Reserve Bank in the name of the Township.

At December 31, 2014, the carrying amount of all Township deposits was \$473,960. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2014, \$235,846 of the Township's bank balance of \$485,846, was exposed to custodial credit risk as discussed above, while \$250,000 was covered by the Federal Deposit Insurance limit effective October 2008.

At December 31, 2013, the carrying amount of all Township deposits was \$519,136. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2014, \$272,323 of the Township bank balance of \$522,323 was exposed to custodial credit risk as discussed above, \$250,000 was covered by Federal Deposit Insurance.

Note 5 – Property Taxes

Real property taxes become a lien on January 1 proceeding 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 semi-annual payments, the first half is due December 31, and 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.

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 6 – Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Township contracted with the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP.) Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

OTARMA retains casualty risk up to \$350,000 per occurrence, including loss adjustment expenses. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$13,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust OTARMA's retained earnings, APEEP provides excess of funds available coverage up to \$5,000,000 per year, subject to the annual aggregate limit of \$10,000,000.

Property Coverage

The Travelers Indemnity Company reinsures specific losses exceeding \$500,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$150,000 up to \$500,000 per occurrence, subject to an annual aggregate loss payment. Travelers provide property aggregate stop loss coverage to APEEP based upon the combined Members' Total Insurable Value (TIV). If the stop loss is reached by payment of OTARMA's retained losses, Travelers will then reinsure property specific losses in excess of the retention up to their \$600,000,000 per occurrence limit. Additionally, APEEP provides an additional aggregate for the \$50,000 excess \$100,000 layer, with the aggregate limit tied to TIV, for the insurance coverage's to OTARMA.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective township.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2014 and 2013:

<u>Combined Coverage</u>	<u>2014</u>	<u>2013</u>
Assets	\$35,970,263	\$34,954,286
Liabilities	(8,912,432)	(8,486,363)
Retained Earnings	<u>\$27,057,831</u>	<u>\$26,467,923</u>

The Pool's membership increased from 948 members in 2013 to 957 members in 2014.

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 6 – Risk Management (continued)

The Pool uses reinsurance and excess risk-sharing arrangements to reduce its exposure to loss. These agreements permit recovery of a portion of its claims from reinsurers and a risk-sharing pool; however, they do not discharge the Pool’s primary liability for such payments. The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York Risk Pooling Services, Inc. (YORK). APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, the Pool retains insured risks up to an amount specified in the contracts. (At December 31, 2014 the Pool retained \$350,000 for casualty claims and \$250,000 for property claims). The Board of Directors and YORK periodically review the financial strength of the Pool and other market conditions to determine the appropriate level of risk the Pool will retain.

Note 7 – Retirement Systems

The Township’s employees belong to the Public Employees Retirement System (OPERS). OPERS is a cost sharing, multiple-employer plan. The plan provides retirement benefits, including post-retirement 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 2014 and 2013, members contributed 10% of their gross salaries. The Township contributed an amount equal to 14% of participants’ gross salaries. The Township has paid all contributions required through December 31, 2014.

Note 8 – Fund Cash Balances

As of December 31, 2014, fund balances are composed of the following:

	<u>General</u>	<u>Motor Vehicle License Tax</u>	<u>Gasoline Tax</u>	<u>Road and Bridge</u>	<u>Fire District</u>	<u>Total Governmental Funds</u>
<i>Restricted:</i>						
Road and Bridge						
Maintenance	\$0	\$49,425	\$111,723	\$82,966	\$0	\$25,799
Fire Operations	0	0	0	0	40,463	0
<i>Assigned:</i>						
Future Appropriations	<u>163,584</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u><u>\$163,584</u></u>	<u><u>\$49,425</u></u>	<u><u>\$111,723</u></u>	<u><u>\$82,966</u></u>	<u><u>\$40,463</u></u>	<u><u>\$25,799</u></u>

CONCORD TOWNSHIP, FAYETTE COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

Note 8 – Fund Cash Balances (continued)

As of December 31, 2013, fund balances are composed of the following:

	<u>General</u>	<u>Gasoline Tax</u>	<u>Road and Bridge</u>	<u>Fire District</u>	<u>Total Governmental Funds</u>
<i>Restricted:</i>					
Road and Bridge					
Maintenance	\$0	\$121,760	\$72,947	\$0	\$73,285
Fire Operations	0	0	0	28,469	0
<i>Assigned:</i>					
Future Appropriations	<u>222,676</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u><u>\$222,676</u></u>	<u><u>\$121,760</u></u>	<u><u>\$72,947</u></u>	<u><u>\$28,469</u></u>	<u><u>\$73,285</u></u>

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards***

Board of Trustees
Concord Township, Fayette County
1325 Miami Trace Road SW
Washington Court House, OH 43160

To the Township Council:

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 the Concord Township, Fayette County, Ohio (the Township), as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated July 13, 2015, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit.

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 opinions 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 a material weakness. However, unidentified material weaknesses may exist.

Board of Trustees
Concord Township, Fayette County
Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*

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 such 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.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

July 13, 2015

This page intentionally left blank.



Dave Yost • Auditor of State

CONCORD TOWNSHIP

FAYETTE 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
NOVEMBER 17, 2015**