

SPRINGFIELD TOWNSHIP

SUMMIT COUNTY

Audit Report

For the Years Ended December 31, 2017 and 2016





Dave Yost • Auditor of State

Township Trustees
Springfield Township
2459 Canfield Road
Akron, Ohio 44312

We have reviewed the *Independent Auditor's Report* of Springfield Township, Summit County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2016 through December 31, 2017. 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. Springfield Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 24, 2018

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Springfield Township
Summit County
 For the Years Ended December 31, 2017 and 2016

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INDEPENDENT AUDITOR'S REPORT

Springfield Township
Summit County
2459 Canfield Road
Akron, Ohio 44312

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Springfield Township, Summit County, (the Township) as of and for the years ended December 31, 2017 and 2016.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating of the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determined, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2017 and 2016, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of Springfield Township, Summit County, as of December 31, 2017 and 2016, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2018, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the Township's 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.



Charles E. Harris & Associates, Inc.
June 25, 2018

Springfield Township
Summit County
Combined Statement of Receipts, Disbursements and Changes in
Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2017

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts			
Property and Other Local Taxes	\$ 364,152	\$ 3,383,574	\$ 3,747,726
Charges for Services	-	653,440	653,440
Licenses, Permits and Fees	119,432	5,725	125,157
Fines and Forfeitures	-	19,121	19,121
Intergovernmental	562,623	807,031	1,369,654
Special Assessments	22,642	-	22,642
Earnings on Investments	343	-	343
Miscellaneous	129,138	159,867	289,005
<i>Total Cash Receipts</i>	<u>1,198,330</u>	<u>5,028,758</u>	<u>6,227,088</u>
Cash Disbursements			
Current:			
General Government	646,162	67,881	714,043
Public Safety	33,049	4,272,263	4,305,312
Public Works	36,462	682,597	719,059
Health	93,860	-	93,860
Human Services	58,024	-	58,024
Conservation-Recreation	228,908	33,808	262,716
Debt Service:			
Principal Retirement	14,630	-	14,630
Interest and Fiscal Charges	1,214	-	1,214
<i>Total Cash Disbursements</i>	<u>1,112,309</u>	<u>5,056,549</u>	<u>6,168,858</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	86,021	(27,791)	58,230
Other Financing Receipts (Disbursements)			
Advances In	50,000	80,000	130,000
Advances Out	(80,000)	(50,000)	(130,000)
Other Financing Uses	(2,000)	-	(2,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(32,000)</u>	<u>30,000</u>	<u>(2,000)</u>
<i>Net Change in Fund Cash Balances</i>	54,021	2,209	56,230
<i>Fund Cash Balances, January 1</i>	<u>660,490</u>	<u>1,485,922</u>	<u>2,146,412</u>
Fund Cash Balances, December 31			
Restricted	-	1,488,131	1,488,131
Assigned	79,237	-	79,237
Unassigned	635,274	-	635,274
<i>Fund Cash Balances, December 31</i>	<u>\$ 714,511</u>	<u>\$ 1,488,131</u>	<u>\$ 2,202,642</u>

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

Springfield Township
Summit County
Combined Statement of Receipts, Disbursements and Changes in
Fund Balances (Regulatory Cash Basis)
Fiduciary Fund Type
For the Year Ended December 31, 2017

	Fiduciary Fund Type
	Agency
Operating Cash Receipts	
Miscellaneous	\$ 107,268
<i>Total Operating Cash Receipts</i>	107,268
Operating Cash Disbursements	
Personal Services	31,841
Employee Fringe Benefits	4,475
Other	54,525
<i>Total Operating Cash Disbursements</i>	90,841
<i>Net Change in Fund Cash Balances</i>	16,427
<i>Fund Cash Balances, January 1</i>	37,954
<i>Fund Cash Balances, December 31</i>	\$ 54,381

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

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Parkman Township, Geauga County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection, emergency medical services and police protection.

Joint Venture, Related Organization and Public Entity Risk Pool

The Township participates in the Springfield-Akron Joint Economic Development District, a joint venture with the City of Akron. Note 11 to the financial statements provides additional information for this entity.

The Township is associated with the Springfield Township Local Cable Communications Board, Inc., a related organization. Note 12 to the financial statements provides additional information for this entity.

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for the fiduciary fund type which are organized on a fund type basis.

Fund Accounting

The Township uses funds 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. The funds of the Township are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported 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.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

Police District Fund The police district fund accounts for and reports the receipt of property tax monies restricted for general operations of the police department.

Fire Fund The fire fund accounts for and reports the receipt of property tax monies and grants restricted to provide fire protection services to Township residents.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 - Summary of Significant Accounting Policies (continued)

Fiduciary Fund Fiduciary funds include agency funds. Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Township disburses these funds as directed by the individual, organization or other government. The Township's agency fund accounts for the activities of the Springfield Township Local Cable Communications Board for which the Township acts as fiscal agent.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary disbursements when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

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

Appropriations Budgetary disbursements (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year-end.

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

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 2017 budgetary activity appears in Note 3.

Deposits and Investments

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

Capital Assets

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

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 2 - Summary of Significant Accounting Policies (continued)

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

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 The 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 the Trustees or a Township official delegated that authority by resolution, or by State Statute. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated resources and appropriations in the subsequent year's appropriated budget in the General Fund.

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.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,243,516	\$ 1,198,330	\$ (45,186)
Special Revenue	5,239,440	5,028,758	(210,682)

2017 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 1,537,184	\$ 1,193,546	\$ 343,638
Special Revenue	5,391,866	5,397,357	(5,491)

Note 4 – Deposits and Investments

The Township maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	2017
Demand deposits	\$ 2,257,023

Deposits

Deposits are insured by the Federal Depository Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS).

Note 5 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township. The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 6 - Risk Management

Risk Pool Membership

The Township is exposed to various risks of property and casualty losses, and injuries to employees. The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to 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. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. 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 and Property Coverage

The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2017, OTARMA retained \$350,000 for casualty claims and \$250,000 for property claims.

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

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2017.

	2017
Assets	\$40,010,732
Liabilities	8,675,465
Net Position	\$31,335,267

At December 31, 2017, the liabilities above include approximately \$8.0 million of estimated incurred claims payable. The assets above also include approximately \$6.9 million of unpaid claims to be billed to approximately 1,016 member governments in the future, as of December 31, 2017. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2017, the Township's share of these unpaid claims collectible in future years is approximately \$48,000.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 6 - Risk Management (continued)

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

<u>2017 Contributions to OTARMA</u>
\$92,409

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Most Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. Full-time police officers contributed 13% of their gross salaries and the Township contributed an amount equaling 18.10% of participants' gross salaries. All other OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2017.

Ohio Police and Fire Retirement System

The Township's certified fire fighters belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Township contributed to OP&F an amount equal to 24% of full-time fire fighters' wages. The Township has paid all contributions required through December 31, 2017.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 1% during calendar year 2017. OP&F contributed 0.5% to fund these benefits.

Note 9 – Debt

Leases

The Township has entered into several leases for equipment and other assets, including a maintenance and salt garage, a truck for the road department, two fire trucks, a bobcat loader and property near the Township Hall. The Township disbursed \$118,605 to pay lease costs for the year ended December 31, 2017.

Amortization

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

Year Ending December 31:	Leases
2018	\$ 90,730
2019	33,049
2020	33,049
2021	33,049
2022	33,049
2023-2027	165,245
2028-2032	33,049
Total	<u>\$ 421,220</u>

Note 10 – Contingent Liabilities

The Township may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Township's financial condition.

Note 11 – Joint Venture

The Township is a member of the Springfield-Akron Joint Economic Development District (the JEDD) with the City of Akron. The City of Akron provides city services to business within the District and subsequently is permitted to collect income tax on those employees of the business district. At the same time, the JEDD prevents the annexation of Township property by the City and maintains the Township's property tax base. The Township has no equity interest in the JEDD. Complete financial statements can be obtained from the City of Akron.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 12 – Related Organization

The Township appoints four of the five Board members of the Springfield Township Local Cable Communications Board, Inc. (the Board). The Board operates, maintains, manages and regulates the cable television programming and charges and receives 2% franchise fees on behalf of its members communities (Lakemore Village and Springfield Township). The Board hires and fires its own staff and does not rely on the Township to finance deficits. The Township is not financially accountable for the Board nor is the Board financially dependent on the Township. The Board serves as its own budgeting, taxing and debt issuance authority. Per agreement between all parties, the Township performs the payroll function for the Board for the Director's salary and the Board reimburses the Township on a quarterly basis. The Township received \$41,843 of reimbursable salary expenditures during 2017. Complete financial statements can be obtained from the Springfield Township Local Cable Communications Board, Inc.

Note 13 – Advances

Advances were made to and from various funds to advance and repay grant monies. As of December 31, 2017, the Township had \$65,000 in outstanding advances.

Springfield Township
Summit County
Combined Statement of Receipts, Disbursements and Changes in
Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2016

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts			
Property and Other Local Taxes	\$ 369,879	\$ 3,423,051	\$ 3,792,930
Charges for Services	-	964,385	964,385
Licenses, Permits and Fees	121,057	5,910	126,967
Fines and Forfeitures	-	34,658	34,658
Intergovernmental	494,904	781,451	1,276,355
Special Assessments	26,050	-	26,050
Earnings on Investments	1,207	12	1,219
Miscellaneous	129,235	79,043	208,278
<i>Total Cash Receipts</i>	<u>1,142,332</u>	<u>5,288,510</u>	<u>6,430,842</u>
Cash Disbursements			
Current:			
General Government	683,981	72,427	756,408
Public Safety	-	4,596,070	4,596,070
Public Works	181,500	577,601	759,101
Health	94,593	-	94,593
Human Services	54,673	-	54,673
Conservation-Recreation	315,584	142,562	458,146
Capital Outlay	31,544	-	31,544
Debt Service:			
Principal Retirement	64,640	-	64,640
Interest and Fiscal Charges	21,075	-	21,075
<i>Total Cash Disbursements</i>	<u>1,447,590</u>	<u>5,388,660</u>	<u>6,836,250</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(305,258)	(100,150)	(405,408)
Other Financing Receipts (Disbursements)			
Transfers In	-	143,706	143,706
Transfers Out	(143,706)	-	(143,706)
Advances In	161,864	161,864	323,728
Advances Out	(161,864)	(161,864)	(323,728)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(143,706)</u>	<u>143,706</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	(448,964)	43,556	(405,408)
<i>Fund Cash Balances, January 1</i>	<u>1,109,454</u>	<u>1,442,366</u>	<u>2,551,820</u>
Fund Cash Balances, December 31			
Restricted	-	1,485,922	1,485,922
Assigned	336,933	-	336,933
Unassigned	323,557	-	323,557
<i>Fund Cash Balances, December 31</i>	<u>\$ 660,490</u>	<u>\$ 1,485,922</u>	<u>\$ 2,146,412</u>

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

Springfield Township
Summit County
Combined Statement of Receipts, Disbursements and Changes in
Fund Balances (Regulatory Cash Basis)
Fiduciary Fund Type
For the Year Ended December 31, 2016

	Fiduciary Fund Type
	Agency
Operating Cash Receipts	
Miscellaneous	\$ 105,046
<i>Total Operating Cash Receipts</i>	105,046
Operating Cash Disbursements	
Personal Services	31,989
Employee Fringe Benefits	4,942
Other	81,218
<i>Total Operating Cash Disbursements</i>	118,149
<i>Net Change in Fund Cash Balances</i>	(13,103)
<i>Fund Cash Balances, January 1</i>	51,057
<i>Fund Cash Balances, December 31</i>	\$ 37,954

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

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Parkman Township, Geauga County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection, emergency medical services and police protection.

Joint Venture, Related Organization and Public Entity Risk Pool

The Township participates in the Springfield-Akron Joint Economic Development District, a joint venture with the City of Akron. Note 11 to the financial statements provides additional information for this entity.

The Township is associated with the Springfield Township Local Cable Communications Board, Inc., a related organization. Note 12 to the financial statements provides additional information for this entity.

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for the fiduciary fund type which are organized on a fund type basis.

Fund Accounting

The Township uses funds 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. The funds of the Township are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported 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.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

Police District Fund The police district fund accounts for and reports the receipt of property tax monies restricted for general operations of the police department.

Fire Fund The fire fund accounts for and reports the receipt of property tax monies and grants restricted to provide fire protection services to Township residents.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Fiduciary Fund Fiduciary funds include agency funds. Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Township disburses these funds as directed by the individual, organization or other government. The Township's agency fund accounts for the activities of the Springfield Township Local Cable Communications Board for which the Township acts as fiscal agent.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary disbursements when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

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

Appropriations Budgetary disbursements (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year-end.

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

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 2016 budgetary activity appears in Note 3.

Deposits and Investments

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

Capital Assets

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

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

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 The 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 the Trustees or a Township official delegated that authority by resolution, or by State Statute. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated resources and appropriations in the subsequent year's appropriated budget in the General Fund.

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.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2016 follows:

2016 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,267,618	\$ 1,142,332	\$ (125,286)
Special Revenue	5,136,598	5,432,216	295,618

2016 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 1,883,394	\$ 1,617,838	\$ 265,556
Special Revenue	5,994,760	5,466,112	528,648

Note 4 – Deposits and Investments

The Township maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	2016
Demand deposits	\$ 2,184,366

Deposits

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

Note 5 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township. The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 6 - Risk Management

Risk Pool Membership

The Township is exposed to various risks of property and casualty losses, and injuries to employees. The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to 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. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. 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 and Property Coverage

The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2016, OTARMA retained \$350,000 for casualty claims and \$250,000 for property claims.

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

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2016.

	2016
Assets	\$38,473,283
Liabilities	8,244,140
Net Position	\$30,229,143

At December 31, 2016, the liabilities above include approximately \$7.4 million of estimated incurred claims payable. The assets above also include approximately \$6.9 million of unpaid claims to be billed to approximately 1,010 member governments in the future, as of December 31, 2016. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the Township's share of these unpaid claims collectible in future years is approximately \$40,000.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 6 - Risk Management (continued)

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

<u>2016 Contributions to OTARMA</u>
\$89,625

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Most Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. Full-time police officers contributed 13% of their gross salaries and the Township contributed an amount equaling 18.10% of participants' gross salaries. All other OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2016.

Ohio Police and Fire Retirement System

The Township's certified fire fighters belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Township contributed to OP&F an amount equal to 24% of full-time fire fighters' wages. The Township has paid all contributions required through December 31, 2016.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 2% during calendar year 2016. OP&F contributed 0.5% to fund these benefits.

Note 9 – Debt

Leases

The Township has entered into several leases for equipment and other assets, including a maintenance and salt garage, a truck for the road department, two fire trucks, a bobcat loader and property near the Township Hall. The Township disbursed \$118,605 to pay lease costs for the year ended December 31, 2016.

Amortization

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

Year Ending December 31:	Leases
2017	\$ 118,605
2018	90,730
2019	33,049
2020	33,049
2021	33,049
2022-2026	165,245
2027-2031	66,098
Total	<u>\$ 539,825</u>

Note 10 – Contingent Liabilities

The Township may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Township's financial condition.

Note 11 – Joint Venture

The Township is a member of the Springfield-Akron Joint Economic Development District (the JEDD) with the City of Akron. The City of Akron provides city services to business within the District and subsequently is permitted to collect income tax on those employees of the business district. At the same time, the JEDD prevents the annexation of Township property by the City and maintains the Township's property tax base. The Township has no equity interest in the JEDD. Complete financial statements can be obtained from the City of Akron.

Springfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2016

Note 12 – Related Organization

The Township appoints four of the five Board members of the Springfield Township Local Cable Communications Board, Inc. (the Board). The Board operates, maintains, manages and regulates the cable television programming and charges and receives 2% franchise fees on behalf of its members communities (Lakemore Village and Springfield Township). The Board hires and fires its own staff and does not rely on the Township to finance deficits. The Township is not financially accountable for the Board nor is the Board financially dependent on the Township. The Board serves as its own budgeting, taxing and debt issuance authority. Per agreement between all parties, the Township performs the payroll function for the Board for the Director's salary and the Board reimburses the Township on a quarterly basis. The Township received \$40,826 of reimbursable salary expenditures during 2016. Complete financial statements can be obtained from the Springfield Township Local Cable Communications Board, Inc.

Note 13 – Transfers/Advances

Transfers were made from the General Fund to various funds to subsidize operations and capital projects. Advances were made to and from various funds to advance and repay grant monies.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

**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**

Springfield Township
Summit County
2459 Canfield Road
Akron, Ohio 44312

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts and disbursements by fund type of Springfield Township, Summit County (the Township) as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements and have issued our report thereon dated June 25, 2018, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township’s internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Township’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the Township’s financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings that we consider a material weakness. We consider finding 2017-001 to be a material weakness.

Springfield Township

Summit County

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*

Page 2

Compliance and Other Matters

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 grant agreements, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2017-002 and 2017-003.


We also noted certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated June 25, 2018.

Entity's Responses to Findings

The Township's responses to the findings identified in our audit are described in the accompanying Corrective Action Plan. We did not audit the Township's responses and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris and Associates, Inc.

June 25, 2018

Springfield Township
Summit County
 Schedule of Findings
 December 31, 2017 and 2016

Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS

Finding Number: 2017-001 – Material Weakness

Audit Adjustments and Reclassifications

During 2017 and 2016, errors were noted in the Township’s financial statements that required audit adjustments and reclassifications, the most significant of which are as follows:

- Homestead and rollback revenue was posted as Property and Other Local Tax revenue instead of Intergovernmental revenue.
- Property tax revenue was posted at the net received instead of the gross property tax receipts and County Auditor fees posted to disbursements.
- In the General Fund, fund balance was reclassified as Assigned for subsequent year appropriations.
- Intrafund transfers from the General Fund to various funds that are “rolled up” into the General Fund on the financial statements needed to be eliminated.
- Changes were made to the budgetary footnotes and other various footnotes.

Other various immaterial posting errors were noted and communicated to management as well. The accompanying financial statements and the Township’s records have been adjusted to properly reflect these transactions.

Sound financial reporting is the responsibility of the Township and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. We recommend the Township adopt policies and procedures to identify and correct errors and omissions in a timely manner. Management can use Governmental Accounting Standards Board (GASB) Statement No. 54, Auditor of State Bulletin 2011-004, the Ohio Township Handbook, the Uniform Accounting Network Manual, and other Auditor of State guidance to aid in properly identifying account classifications and preparing annual financial statements.

Finding Number: 2017-002 – Noncompliance

Disbursements Exceeding Appropriations

Ohio Revised Code Section 5705.41(B) requires that budgetary disbursements shall not exceed appropriations. In 2017, budgetary disbursements exceeded appropriation authority as follows:

<u>Fund</u>	<u>Appropriations</u>	<u>Disbursements</u>	<u>Variance</u>
Fire	\$1,051,203	\$1,184,401	(\$133,198)

In 2016, budgetary disbursements exceeded appropriation authority as follows:

<u>Fund</u>	<u>Appropriations</u>	<u>Disbursements</u>	<u>Variance</u>
Fire	\$1,048,886	\$1,090,463	(\$41,577)

Springfield Township
Summit County
 Schedule of Findings
 December 31, 2017 and 2016

Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS

Finding Number: 2017-002 – Noncompliance (continued)

We recommend that the Township monitor its budget closely to prevent disbursements from exceeding appropriations.

Finding Number: 2017-003 – Noncompliance

Appropriations Exceeding Total Resources

Ohio Revised Code Section 5705.39 requires that total appropriations from each fund shall not exceed the total estimated resources. In 2017, appropriations exceeded estimated resources as follows:

Fund	Estimated Resources	Appropriations	Variance
Spartan Walking Trail	\$81,985	\$84,300	(\$2,315)

In 2016, appropriations exceeded estimated resources as follows:

Fund	Estimated Resources	Appropriations	Variance
Motor Vehicle License Tax	\$33,694	\$34,000	(\$306)
Miscellaneous Juvenile Grant	\$19,167	\$30,544	(\$11,377)
Miscellaneous Reserve Accumulated Leave	\$26,491	\$32,369	(\$5,878)
Spartan Walking Trail	\$400	\$69,660	(\$69,260)

We recommend that the Township monitor its budget closely to prevent appropriations from exceeding estimated resources.

Management’s Response:

See Corrective Action Plan on page 28.

Springfield Township
Summit County
Schedule of Prior Audit Findings
(Prepared by Management)
December 31, 2017 and 2016

Finding Number	Finding Summary	Status	Additional Information
2015-001	Audit Adjustments and Reclassifications	Not Corrected	Carried forward as Finding 2017-001 - Management corrected the adjustments noted in the prior year audit report for the current year financial statements, however, additional adjustments and reclassifications were noted during the current audit that required adjustments.

Springfield Township
Summit County
 Corrective Action Plan
 (Prepared by Management)
 December 31, 2017 and 2016

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2017-001	Management plans to use more care in completing the financial statements in the future and will review all postings prior to filing in the future. Fiscal Officer taking continuing education specifically related to governmental financials.	July 1, 2018	Sharon Harms, Fiscal Officer
2017-002	Management will monitor budgetary expenditures and pass supplemental appropriations as necessary throughout the year.	July 1, 2018	Sharon Harms, Fiscal Officer
2017-003	Management will monitor appropriations and estimated resources during the year and update estimated receipts and appropriations as necessary.	July 1, 2018	Sharon Harms, Fiscal Officer



Dave Yost • Auditor of State

SPRINGFIELD TOWNSHIP

SUMMIT 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
SEPTEMBER, 6 2018**