



OHIO AUDITOR OF STATE
KEITH FABER



**BUCKS TOWNSHIP
TUSCARAWAS COUNTY
DECEMBER 31, 2019 AND 2018**

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**BUCKS TOWNSHIP
TUSCARAWAS COUNTY
DECEMBER 31, 2019 AND 2018**

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OHIO AUDITOR OF STATE KEITH FABER



53 Johnson Road
The Plains, Ohio 45780-1231
(740) 594-3300 or (800) 441-1389
SoutheastRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

Bucks Township
Tuscarawas County
7026 Fiat Road, SW
Stone Creek, Ohio 43840

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bucks Township, Tuscarawas County, Ohio (the Township), as of and for the years ended December 31, 2019 and 2018, and the 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 preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to 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 audit standards in the Comptroller General of the United States' *Government 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 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 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 to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no such 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.

Opinion

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 Bucks Township, Tuscarawas County, Ohio, as of December 31, 2019 and 2018, and the respective changes in cash financial position and the respective budgetary comparison for the General, Gasoline Tax, Road and Bridge, and Fire Levy Funds thereof for the years then ended in accordance with the accounting basis described in Note 2.

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.

Emphasis of Matter

As discussed in Note 11 and Note 12 to the financial statements for the years ending December 31, 2019 and 2018, respectively, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

Other Matters

Other Information

We applied no procedures to Management's Discussion and Analysis as listed in the Table of Contents. Accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2020, 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.



Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2020

Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

This discussion and analysis of the Bucks Township's financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2019, 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 2019 are as follows:

Net position of governmental activities were \$255,151, an increase of \$13,970 or 5.8% from the prior year.

The Township's general receipts are primarily property taxes. These receipts represent 24 percent of the total cash received for governmental activities during the year.

The Township received \$500 from the OTARMA MORE Grant Program. Ice Chains were updated for each dump truck.

The Township received a gift from the Doris and Floyd Kimble Foundation in the amount of \$10,000. Contribution is to be used as Trustees see fit.

August 20th, the Township received a 10 year Tractor Acquisition Note of 4.25% interest from Baltic State Bank in the amount of \$160,000. Note maturity date is June 1, 2029. The Township purchased a New Holland T6.180 Plus All Purpose Cab Tractor and a 22 foot Machete II Boom Mower.

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.

Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

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 2019, 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 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's property tax base, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the statement of net position and the statement of activities, the governmental activities include all of the Township's programs and services, including general government services and road and bridge maintenance. The Township does not have any business type activities.

Governmental activities. All of the Township's basic services are reported here, including police, fire, streets and parks. State and federal 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 Township'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 are split into one category: governmental. The Township does not have any proprietary and fiduciary funds.

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 Fund, Gasoline Tax Fund, Road and Bridge Fund, Fire Levy Fund, and Capital Projects Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

The Township as a Whole

Table 1 provides a summary of the Township's net position for 2019 compared to 2018 on a cash basis:

(Table 1)
Net Position

	Governmental Activities	
	2019	2018
Assets		
Cash and Cash Equivalent:	\$255,151	\$241,181
Total Assets	\$255,151	\$241,181
Net Position		
Restricted for:		
Capital Projects	\$996	\$0
Other Purposes	142,973	139,949
Unrestricted	111,182	101,232
Total Net Position	\$255,151	\$241,181

As mentioned previously, net position of governmental activities increased \$13,970 or 5.8 percent during 2019. The primary reasons contributing to the increases in cash balances are as follows:

- Increase in Gasoline Tax Revenue received as a result of House Bill 62.
- The Township sold the New Holland 8240 cab tractor with boom mower, and received \$19,000.

Table 2 reflects the changes in net position on a cash basis in 2019 and 2018 for governmental activities.

Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

(Table 2)
Changes in Net Position

	Governmental Activities	
	2019	2018
Receipts:		
Program Receipts:		
Operating Grants and Contributions	\$124,416	\$109,784
Total Program Receipts	<u>124,416</u>	<u>109,784</u>
General Receipts:		
Property and Other Local Taxes	114,301	112,204
Grants and Entitlements Not Restricted to Specific Programs	43,095	42,111
Sale of Notes	160,000	
Sale of Capital Assets	19,000	
Interest	994	546
Miscellaneous	11,110	10,999
Total General Receipts	<u>348,500</u>	<u>165,860</u>
Total Receipts	<u>472,916</u>	<u>275,644</u>
Disbursements:		
General Government	61,300	59,284
Public Safety	45,253	44,182
Public Works	175,529	146,573
Health	3,955	4,210
Capital Outlay	155,504	0
Debt Service:		
Principal Retirement	15,384	13,725
Interest and Fiscal Charges	2,021	496
Total Disbursements	<u>458,946</u>	<u>268,470</u>
Excess (Deficiency) Before Transfers	13,970	7,174
Transfers		
Increase (Decrease) in Net Assets	<u>13,970</u>	<u>7,174</u>
Net Position, January 1, 2019	<u>241,181</u>	<u>234,007</u>
Net Position, December 31, 2019	<u>\$255,151</u>	<u>\$241,181</u>

Program receipts represent only 26 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money.

General receipts represent 74 percent of the Township's total receipts, and of this amount, over 32 percent are local taxes. State and federal grants and entitlements make up 12 percent and the Sale of Capital Assets make up 5% of the Township's general receipts. Sale of Notes make up the balance of 46% of the Township's general receipts. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Government activities. These costs do not represent direct services to residents.

Disbursements for Public Works are the costs of constructing, maintaining, and repairing Township roads and bridges; Public Safety are the costs of fire and ambulance services; Health is the cost of maintaining cemeteries.

Governmental Activities

If you look at the Statement of Activities on page 10, 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 major program disbursements for governmental activities are public works which account for 38 percent of all governmental disbursements. General government also represents a significant cost, about 13 percent. The next column of the Statement entitles Program Receipts identifies 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 of Services 2019	Net Cost of Services 2019	Total Cost of Services 2018	Net Cost of Services 2018
General Government	\$61,300	(\$61,300)	\$59,284	(\$59,284)
Public Safety	45,253	(45,253)	44,182	(44,182)
Public Works	175,529	(51,113)	146,573	(36,789)
Health	3,955	(3,955)	4,210	(4,210)
Capital Outlay	155,504	(155,504)		
Debt Service:				
Principal Retirement	15,384	(15,384)	13,725	(13,755)
Interest and Fiscal Charges	2,021	(2,021)	496	(466)
Total Expenses	\$458,946	(\$334,530)	\$268,470	(\$158,686)

The dependence upon property tax receipts is apparent as over 25 percent of governmental activities are supported through these general receipts.

The Township's Funds

Total governmental funds had receipts of \$293,916 and disbursements of \$458,946.

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.

During 2019, the Township amended its General Fund budget several times to reflect changing circumstances. Final budgeted receipts were above original budgeted receipts. The difference between final budgeted receipts and actual receipts was not significant.

Final disbursements were budgeted at \$140,449 while actual disbursements were \$78,184. In addition, actual disbursements were more than actual receipts, resulting in a decrease of the fund balance of \$328, before other financing sources (uses).

Capital Assets and Debt Administration

Capital Assets

The Township does not currently keep track of its capital assets and infrastructure.

Debt

At December 31, 2019, Bucks Township's outstanding debt was \$153,500. For further information regarding the Township's debt, refer to Note 9 of the basic financial statements.

Current Issues

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes.

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 Amy Mizer, Fiscal Officer, Bucks Township, 7026 Fiat Road SW, Stone Creek, Ohio 43840.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY

Statement of Net Position - Cash Basis

December 31, 2019

	<u>Governmental</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$255,151
Total Assets	<u>\$255,151</u>
Net Position	
Restricted for:	
Capital Projects	\$996
Other Purposes	142,973
Unrestricted	<u>111,182</u>
Total Net Position	<u>\$255,151</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
Statement of Activities - Cash Basis
For the Year Ended December 31, 2019

	Program Cash Receipts			Net
	Cash	Charges	Operating	(Disbursements)
Governmental Activities	Disbursements	for Services and Sales	Grants and Contributions	Receipts and Changes in Net Assets
			Capital Grants and Contributions	Total
Current:				
General Government	\$61,300	\$0	\$0	\$0
Public Safety	45,253	0	0	(45,253)
Public Works	175,529	0	124,416	(51,113)
Health	3,955	0	0	(3,955)
Capital Outlay	155,504	0	0	(155,504)
Debt Service:				
Principal Retirement	15,384	0	0	(15,384)
Interest and Fiscal Charges	2,021	0	0	(2,021)
<i>Total Governmental Activities</i>	458,946	0	124,416	(334,530)

General Receipts:

Property Taxes	114,301
Grants and Entitlements not Restricted to Specific Programs	43,095
Sale of Notes	160,000
Sale of Capital Assets	19,000
Earnings on Investments	994
Miscellaneous	11,110
<i>Total General Receipts, Contributions to Permanent</i>	348,500
<i>Change in Net Position</i>	13,970
Net Position Beginning of Year	241,181
<i>Net Position End of Year</i>	\$255,151

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
Statement of Assets and Fund Balances - Cash Basis
 December 31, 2019

	GENERAL	GASOLINE TAX	ROAD AND BRIDGE	FIRE LEVY	Capital Projects-2 019	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$78,727	\$52,378	\$32,455	\$80,129	\$996	\$10,466	\$255,151
<i>Total Assets</i>	<u>\$78,727</u>	<u>\$52,378</u>	<u>\$32,455</u>	<u>\$80,129</u>	<u>\$996</u>	<u>\$10,466</u>	<u>\$255,151</u>
Fund Cash Balances, December 31							
Restricted	\$0	\$52,378	\$0	\$80,129	\$996	\$10,466	\$143,969
Committed	0	0	32,455	0	0	0	32,455
Assigned	78,727	0	0	0	0	0	78,727
<i>Fund Cash Balances, December 31</i>	<u>\$78,727</u>	<u>\$52,378</u>	<u>\$32,455</u>	<u>\$80,129</u>	<u>\$996</u>	<u>\$10,466</u>	<u>\$255,151</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis
For the Year Ended December 31, 2019

	GENERAL	GASOLINE TAX	ROAD AND BRIDGE	FIRE LEVY	Capital Projects-2 019	Other Governmental Funds	Total Governmental Funds
Receipts							
Property and Other Local Taxes	\$32,122	\$0	\$38,298	\$20,295	\$0	\$23,586	\$114,301
Intergovernmental	33,424	109,075	5,340	1,922	0	14,510	164,271
Earnings on Investments	709	237	0	0	0	48	994
Miscellaneous	11,601	0	2,749	0	0	0	14,350
<i>Total Receipts</i>	<u>77,856</u>	<u>109,312</u>	<u>46,387</u>	<u>22,217</u>	<u>0</u>	<u>38,144</u>	<u>293,916</u>
Disbursements							
Current:							
General Government	56,211	0	927	379	3,500	283	61,300
Public Safety	0	0	0	19,148	0	26,105	45,253
Public Works	18,018	88,987	54,182	0	0	14,342	175,529
Health	3,955	0	0	0	0	0	3,955
Capital Outlay	0	0	0	0	155,504	0	155,504
Debt Service:							
Principal Retirement	0	8,884	0	0	0	6,500	15,384
Interest and Fiscal Charges	0	102	0	0	0	1,919	2,021
<i>Total Disbursements</i>	<u>78,184</u>	<u>97,973</u>	<u>55,109</u>	<u>19,527</u>	<u>159,004</u>	<u>49,149</u>	<u>458,946</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(328)</u>	<u>11,339</u>	<u>(8,722)</u>	<u>2,690</u>	<u>(159,004)</u>	<u>(11,005)</u>	<u>(165,030)</u>
Other Financing Sources (Uses)							
Sale of Notes	0	0	0	0	160,000	0	160,000
Sale of Capital Assets	16,910	0	2,090	0	0	0	19,000
<i>Total Other Financing Sources (Uses)</i>	<u>16,910</u>	<u>0</u>	<u>2,090</u>	<u>0</u>	<u>160,000</u>	<u>0</u>	<u>179,000</u>
<i>Net Change in Fund Balances</i>	<u>16,582</u>	<u>11,339</u>	<u>(6,632)</u>	<u>2,690</u>	<u>996</u>	<u>(11,005)</u>	<u>13,970</u>
Fund Balances Beginning of Year	62,145	41,039	39,087	77,439	0	21,471	241,181
<i>Fund Balances End of Year</i>	<u>\$78,727</u>	<u>\$52,378</u>	<u>\$32,455</u>	<u>\$80,129</u>	<u>\$996</u>	<u>\$10,466</u>	<u>\$255,151</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget
and Actual - Budget Basis
1000 General**

For the Year Ended December 31, 2019

	<u>Budget Amounts</u>		<u>Actual</u>	(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$31,105	\$32,121	\$32,122	\$1
Intergovernmental	28,915	33,424	33,424	0
Earnings on Investments	250	709	709	0
Miscellaneous	1,125	11,601	11,601	0
<i>Total Receipts</i>	<u>61,395</u>	<u>77,855</u>	<u>77,856</u>	<u>1</u>
Disbursements				
Current:				
General Government	91,699	91,699	56,211	35,488
Public Works	27,185	44,095	18,018	26,077
Health	4,655	4,655	3,955	700
<i>Total Disbursements</i>	<u>123,539</u>	<u>140,449</u>	<u>78,184</u>	<u>62,265</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(62,144)</u>	<u>(62,594)</u>	<u>(328)</u>	<u>62,266</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	16,910	16,910	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>16,910</u>	<u>16,910</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(62,144)</u>	<u>(45,684)</u>	<u>16,582</u>	<u>62,266</u>
Unencumbered Fund Balance Beginning of Year	62,145	62,145	62,145	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	<u>\$1</u>	<u>\$16,461</u>	<u>\$78,727</u>	<u>\$62,266</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget
and Actual - Budget Basis
2021 Gasoline Tax**

For the Year Ended December 31, 2019

	Budget Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$88,000	\$109,076	\$109,075	(\$1)
Earnings on Investments	145	237	237	0
<i>Total Receipts</i>	88,145	109,313	109,312	(1)
Disbursements				
Current:				
Public Works	120,133	120,133	88,987	31,146
Debt Service:				
Principal Retirement	8,900	8,900	8,884	16
Interest and Fiscal Charges	150	150	102	48
<i>Total Disbursements</i>	129,183	129,183	97,973	31,210
<i>Excess of Receipts Over (Under) Disbursements</i>	(41,038)	(19,870)	11,339	31,209
Unencumbered Fund Balance Beginning of Year	41,039	41,039	41,039	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	\$1	\$21,169	\$52,378	\$31,209

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget
and Actual - Budget Basis
2031 Road and Bridge**

For the Year Ended December 31, 2019

	<u>Budget Amounts</u>		<u>Actual</u>	(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$45,034	\$38,298	\$38,298	\$0
Intergovernmental	5,566	5,340	5,340	0
Miscellaneous	2,552	2,749	2,749	0
<i>Total Receipts</i>	<u>53,152</u>	<u>46,387</u>	<u>46,387</u>	<u>0</u>
Disbursements				
Current:				
General Government	1,048	1,048	927	121
Public Works	91,190	84,861	54,182	30,679
<i>Total Disbursements</i>	<u>92,238</u>	<u>85,909</u>	<u>55,109</u>	<u>30,800</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(39,086)</u>	<u>(39,522)</u>	<u>(8,722)</u>	<u>30,800</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	2,090	2,090	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>2,090</u>	<u>2,090</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(39,086)</u>	<u>(37,432)</u>	<u>(6,632)</u>	<u>30,800</u>
Unencumbered Fund Balance Beginning of Year	39,087	39,087	39,087	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	<u>\$1</u>	<u>\$1,655</u>	<u>\$32,455</u>	<u>\$30,800</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget
and Actual - Budget Basis**
2191 Fire Levy

For the Year Ended December 31, 2019

	<u>Budget Amounts</u>		<u>Actual</u>	(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$19,446	\$20,295	\$20,295	\$0
Intergovernmental	2,404	1,922	1,922	0
<i>Total Receipts</i>	<u>21,850</u>	<u>22,217</u>	<u>22,217</u>	<u>0</u>
Disbursements				
Current:				
General Government	500	500	379	121
Public Safety	23,000	23,000	19,148	3,852
<i>Total Disbursements</i>	<u>23,500</u>	<u>23,500</u>	<u>19,527</u>	<u>3,973</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(1,650)	(1,283)	2,690	3,973
Unencumbered Fund Balance Beginning of Year	77,439	77,439	77,439	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	<u>\$75,789</u>	<u>\$76,156</u>	<u>\$80,129</u>	<u>\$3,973</u>

See accompanying notes to the basic financial statements.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 1 – Reporting Entity

Bucks Township, Tuscarawas County, Ohio, (the Township) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

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

Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The primary government of the Township provides the following services to its citizens: general government services, maintenance of Township roads and bridges, and cemetery maintenance.

Public Entity Risk Pools

The Township participates in a public entity risk pools. The organization is the Ohio Township Association Risk Management Authority (OTARMA). Note 6 to the financial statements provide 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

As discussed further in the Basis of Accounting section of this Note, 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. Following are the more significant of the Township's accounting policies.

Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net position 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 position 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 does not report any business-type activities, which are financed in whole or in part by fees charged to external parties for goods or services.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The statement of net position presents the cash balances of the governmental 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. 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 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 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.

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. All of the Township's funds are categorized as governmental.

Governmental Funds Governmental funds are those through which most governmental functions of the Township are financed. The following are the Township's major governmental funds:

General 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.

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Road and Bridge Fund The road and bridge fund accounts for and reports property tax (inside millage) committed for the construction, reconstruction, resurfacing and repair of Township roads and bridges.

Fire Levy Fund The fire levy fund accounts for and report property tax (outside millage) committed for providing fire protection services.

Capital Projects 2019 Tractor/Mower Note Fund The capital projects fund is used to account for and report financial resources that are restricted to expenditure for capital outlay which was the purchase of a NH T6.180 Plus All Purpose Tractor with 22' Machete II Boom Mower.

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

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, 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. Any such modifications made by the Township are described in the appropriate section in this note.

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.

Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations resolution 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, function, 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 certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution 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 resolution 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.

Cash

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 2019, the Township maintained cash in an interest bearing checking account and a savings account.

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 2019 was \$709.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. During 2019, the Township reported no restricted assets.

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.

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.

Interfund Receivables/Payables

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements. During 2019, the Township did not report any interfund loans.

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 7 and 8, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

Long-Term Obligations

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

Net Position

Net position is 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 maintaining and repairing township roads and emergency fire and ambulance services.

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 are available.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted Fund balance is reported as 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 committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Township Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not 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 contained 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.

Internal Activity

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general receipts.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

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 fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are as follows:

1. Outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).
2. Outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an interfund receivable or payable (cash basis).

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 withdrawable 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.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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 obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments

As of December 31, 2019, the Township had no investments.

Note 5 – Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2019 for real property taxes represents collections of 2018 taxes.

2019 real property taxes are levied after October 1, 2019, on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2019 public utility property taxes which became a lien December 31, 2018, are levied after October 1, 2019, and are collected in 2020 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2019, was \$4.65 per \$1,000 of assessed value. The assessed values of real property and public utility personal property upon which 2019 property tax receipts were based are as follows:

Real Property	\$30,916,930
Public Utility Personal Property	<u>4,493,370</u>
Total	<u><u>\$35,410,300</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

Note 6 – Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2019</u>
Cash and investments	\$35,207,320
Actuarial liabilities	\$10,519,942

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 7 – Defined Benefit Pension Plan

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

	State and Local
2018 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee ***	10.0 %
 2018 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits ****	0.0
Total Employer	14.0 %
 Employee	 10.0 %

*** Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

**** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$4,586 for the year 2019.

Social Security

One Township Trustee contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participant.

The Trustee contributed 6.2 percent of his gross salary. The Township contributed an amount equal to 6.2 percent of participant's gross salary. The Township has paid all contributions required through December 31, 2019.

Note 8 – Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2018, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township’s contractually required contribution was \$0 for the year 2019.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 9 – Debt

Debt Issue	Year Issued	Interest Rate	Jan 1 Bal.	Amt. Issued	Amt Retired	Dec. 31 Bal.
E35i T4 ZTS Bobcat Compact Excavator	2016	3.00%	8,884	0	8,884	0
NH T6.180 Plus All Purpose Tractor with 22' Machette II Boom Mower	2019	4.25%	0	160,000	6,500	153,500

Notes Payable

In 2019, the loan received for the purchase of the Bobcat Excavator has been paid in full.

In August 2019, the Township received a 10 year loan through Baltic State Bank in the amount of \$160,000. The Note was issued for the purpose of acquiring a tractor, and equipment and appurtenances related thereto, under authority of, pursuant to, and in full compliance with the general laws of the State of Ohio, particularly Ohio Revised Code Section 505.262, and a resolution duly passed by the Board of Township Trustees (the “Board”) of the Township on May 29, 2019 (the “Resolution”), and a Certificate of Fiscal Officer Relating to Terms of Notes dated August 20, 2019 (together with the Resolution, the “Note Legislation”). The notes are supported by the full faith and credit of the Township, payable from the Debt Service Fund.

The notes are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on the dates and in the respective principal amounts as follows:

Date	Amount
June 1, 2020	\$6,750
December 1, 2020	6,750
June 1, 2021	7,000
December 1, 2021	7,250
June 1, 2022	7,250
December 1, 2022	7,500
June 1, 2023	7,500
December 1, 2023	7,500
June 1, 2024	8,000
December 1, 2024	8,000
June 1, 2025	8,250
December 1, 2025	8,500
June 1, 2026	8,500
December 1, 2026	8,750
June 1, 2027	9,000
December 1, 2027	9,000
June 1, 2028	9,250
December 1, 2028	9,250

The remaining principal amount of the Notes (\$9,500) will be paid at stated maturity on June 1, 2029.

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

A summary of the Township's future annual debt service requirements for the year ended December 31, 2019, follows:

Year	Tractor/Boom Mower Loan		
	Principal	Interest	Total
2020	\$13,500	\$6,380	\$19,880
2021	14,250	5,801	20,051
2022	14,750	5,190	19,940
2023	15,000	4,557	19,557
2024-2028	86,500	12,398	98,898
2029-2033	9,500	201	9,701
TOTAL	\$153,500	\$34,527	\$188,027

\$159,004 of the note proceeds have been spent at December 31, 2019. A balance of \$996 remains in the Capital Projects Fund.

Note 10 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Gasoline Tax	Road & Bridge	Fire Levy	Capital Projects	Other Governmental Funds
Restricted for						
Road and Bridge		\$52,378				\$4,109
Fire Protection				\$80,129		
Ambulance Services						6,357
Capital Project					\$996	
<i>Total Restricted</i>	<u>\$0</u>	<u>52,378</u>	<u>\$0</u>	<u>80,129</u>	<u>996</u>	<u>10,466</u>
Committed to						
Road & Bridge			32,455			
Assigned to						
Subsequent Year's Appropriations	78,727					
<i>Total Fund Balances</i>	<u><u>\$78,727</u></u>	<u><u>\$52,378</u></u>	<u><u>\$32,455</u></u>	<u><u>\$80,129</u></u>	<u><u>\$996</u></u>	<u><u>\$10,466</u></u>

Bucks Township
Tuscarawas County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 11 – Subsequent Events

The Swiss Valley Joint Ambulance District, a jointly governed organization, dissolved on January 1, 2019. The Village of Baltic took over contracted ambulance services for the Township.

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

This discussion and analysis of the Bucks Township's financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2018, 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 2018 are as follows:

Net position of governmental activities were \$241,181, an increase of \$7,174 from the prior year.

The Township's general receipts are primarily property taxes. These receipts represent 41 percent of the total cash received for governmental activities during the year.

The Township received \$491 from the OTARMA MORE Grant Program. Road signs, road sign base, sign brackets, and security light bulb were purchased with money.

The Emergency Ambulance Service Levy passed at the General Election on November 6, 2018. This was a renewal of a tax of 0.75 mill and an increase of 0.85 mill to constitute a tax of 1.6 mills for 5 years, commencing in 2019, first due in calendar year 2020.

The Township received a gift from the Doris and Floyd Kimble Foundation in the amount of \$10,000. Contribution is to be used as Trustees see fit.

November 9, 2018, Bucks Township ordered a withdrawal from Swiss Valley Joint Ambulance District. The Village of Baltic will provide emergency medical services through its Fire Department.

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 2018, 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 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's property tax base, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the statement of net position and the statement of activities, the governmental activities include all of the Township's programs and services, including general government services and road and bridge maintenance. The Township does not have any business type activities.

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

Bucks Township, Tuscarawas County
 Management's Discussion and Analysis
 For the Year Ended December 31, 2018
 Unaudited

Reporting the Township'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 are split into one category: governmental. The Township does not have any proprietary and fiduciary funds.

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 Fund, Gasoline Tax Fund, Road and Bridge Fund, and Fire Levy Fund. The programs reported in governmental funds are closely related to 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 2018 compared to 2017 on a cash basis:

(Table 1)
Net Position

	Governmental Activities	
	2018	2017
Assets		
Cash and Cash Equivalents	\$241,181	\$234,007
Total Assets	\$241,181	\$234,007
Net Position		
Restricted for:		
Other Purposes	\$139,949	\$185,301
Unrestricted	101,232	48,706
Total Net Position	\$241,181	\$234,007

As mentioned previously, net position of governmental activities increased \$ 7,174 or 3 percent during 2018. The primary reasons contributing to the increases in cash balances are as follows:

- Township had a large amount of stone left over from 2017 therefore, the amount of stone purchased for 2018 chip and seal was much less.

Table 2 reflects the changes in net position on a cash basis in 2018 and 2017 for governmental activities.

Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

(Table 2)
Changes in Net Position

	Governmental Activities	
	2018	2017
Receipts:		
Program Receipts:		
Operating Grants and Contributions	\$109,784	\$97,690
Total Program Receipts	<u>109,784</u>	<u>97,690</u>
General Receipts:		
Property and Other Local Taxes	112,204	109,949
Grants and Entitlements Not Restricted to Specific Programs	42,111	45,824
Interest	546	327
Miscellaneous	10,999	1,138
Total General Receipts	<u>165,860</u>	<u>157,238</u>
Total Receipts	<u>275,644</u>	<u>254,928</u>
Disbursements:		
General Government	59,284	55,027
Public Safety	44,182	35,325
Public Works	146,573	139,361
Health	4,210	4,270
Capital Outlay	0	2,895
Debt Service:		
Principal Retirement	13,725	
Interest and Fiscal Charges	496	14,222
Total Disbursements	<u>268,470</u>	<u>251,100</u>
Excess (Deficiency) Before Transfers	7,174	3,828
Transfers		
Increase (Decrease) in Net Assets	<u>7,174</u>	<u>3,828</u>
Net Position, January 1, 2018	<u>234,007</u>	<u>230,179</u>
Net Position, December 31, 2018	<u>\$241,181</u>	<u>\$234,007</u>

Program receipts represent only 40 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money.

General receipts represent 60 percent of the Township's total receipts, and of this amount, over 67 percent are local taxes. State and federal grants and entitlements make up the balance of the Township's general receipts (25 percent). Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Government activities. These costs do not represent direct services to residents.

Bucks Township, Tuscarawas County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Disbursements for Public Works are the costs of constructing, maintaining, and repairing Township roads and bridges; Public Safety are the costs of fire and ambulance services; Health is the cost of maintaining cemeteries.

Governmental Activities

If you look at the Statement of Activities on page 40, 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 major program disbursements for governmental activities are public works which account for 55 percent of all governmental disbursements. General government also represents a significant cost, about 22 percent. The next column of the Statement entitles Program Receipts identifies 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 of Services 2018	Net Cost of Services 2018	Total Cost of Services 2017	Net Cost of Services 2017
General Government	\$59,284	(\$59,284)	\$55,027	(\$55,027)
Public Safety	44,182	(44,182)	35,325	(35,325)
Public Works	146,573	(36,789)	139,361	(41,671)
Health	4,210	(4,210)	4,270	(4,270)
Capital Outlay	0	0	2,895	(2,895)
Debt Service:				
Principal Retirement	13,725	(13,755)		
Interest and Fiscal Charges	496	(466)	14,222	(14,222)
Total Expenses	\$268,470	(\$158,686)	\$251,100	(\$153,410)

The dependence upon property tax receipts is apparent as over 42 percent of governmental activities are supported through these general receipts.

The Township's Funds

Total governmental funds had receipts of \$275,644 and disbursements of \$268,470.

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.

During 2018, the Township amended its General Fund budget several times to reflect changing circumstances. Final budgeted receipts for the Township's General Fund were equal to actual receipts.

Final disbursements were budgeted at \$111,465 while actual disbursements were \$62,486. In addition, actual disbursements were less than actual receipts, resulting in an increase of the fund balance of \$13,439.

Capital Assets and Debt Administration

Capital Assets

The Township does not currently keep track of its capital assets and infrastructure.

Debt

At December 31, 2018, The Township's outstanding debt was \$8,884. For further information regarding the Township's debt, refer to Note 9 to the basic financial statements.

Current Issues

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes.

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 Amy Mizer, Fiscal Officer, Bucks Township, 7026 Fiat Road SW, Stone Creek, Ohio 43840.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
Statement of Net Position - Cash Basis
 December 31, 2018

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$241,181
Total Assets	\$241,181
 Net Position	
Restricted for:	
Other Purposes	\$139,949
Unrestricted	101,232
Total Net Position	\$241,181

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
Statement of Activities - Cash Basis
For the Year Ended December 31, 2018

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Total
Governmental Activities				
Current:				
General Government	\$59,284	\$0	\$0	\$0
Public Safety	44,182	0	0	(44,182)
Public Works	146,573	0	109,784	(36,789)
Health	4,210	0	0	(4,210)
Debt Service:				
Principal Retirement	13,725	0	0	(13,725)
Interest and Fiscal Charges	496	0	0	(496)
Total Governmental Activities	268,470	0	109,784	(158,686)
General Receipts:				
				112,204
				42,111
				546
				10,999
				165,860
				7,174
				234,007
				\$241,181

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
Statement of Assets and Fund Balances - Cash Basis
 December 31, 2018

	GENERAL	GASOLINE TAX	ROAD AND BRIDGE	FIRE LEVY	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$62,145	\$41,039	\$39,087	\$77,439	\$21,471	\$241,181
<i>Total Assets</i>	<u>\$62,145</u>	<u>\$41,039</u>	<u>\$39,087</u>	<u>\$77,439</u>	<u>\$21,471</u>	<u>\$241,181</u>
Fund Cash Balances, December 31						
Restricted	\$0	\$41,039	\$0	\$77,439	\$21,471	\$139,949
Committed	0	0	39,087	0	0	39,087
Assigned	45,683	0	0	0	0	45,683
Unassigned	16,462	0	0	0	0	16,462
<i>Fund Cash Balances, December 31</i>	<u>\$62,145</u>	<u>\$41,039</u>	<u>\$39,087</u>	<u>\$77,439</u>	<u>\$21,471</u>	<u>\$241,181</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis
For the Year Ended December 31, 2018

	GENERAL	GASOLINE TAX	ROAD AND BRIDGE	FIRE LEVY	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$31,587	\$0	\$45,799	\$19,926	\$14,892	\$112,204
Intergovernmental	32,517	94,741	5,285	2,181	14,119	148,843
Earnings on Investments	322	195	0	0	29	546
Miscellaneous	11,499	0	2,552	0	0	14,051
<i>Total Receipts</i>	<u>75,925</u>	<u>94,936</u>	<u>53,636</u>	<u>22,107</u>	<u>29,040</u>	<u>275,644</u>
Disbursements						
Current:						
General Government	57,684	0	933	382	285	59,284
Public Safety	0	0	0	18,076	26,106	44,182
Public Works	592	70,988	63,254	0	11,739	146,573
Health	4,210	0	0	0	0	4,210
Debt Service:						
Principal Retirement	0	13,725	0	0	0	13,725
Interest and Fiscal Charges	0	496	0	0	0	496
<i>Total Disbursements</i>	<u>62,486</u>	<u>85,209</u>	<u>64,187</u>	<u>18,458</u>	<u>38,130</u>	<u>268,470</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	13,439	9,727	(10,551)	3,649	(9,090)	7,174
Fund Balances Beginning of Year	48,706	31,312	49,638	73,790	30,561	234,007
<i>Fund Balances End of Year</i>	<u>\$62,145</u>	<u>\$41,039</u>	<u>\$39,087</u>	<u>\$77,439</u>	<u>\$21,471</u>	<u>\$241,181</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and
 Actual - Budget Basis
 1000 General**

For the Year Ended December 31, 2018

	<u>Budget Amounts</u>		<u>Actual</u>	(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$30,600	\$31,586	\$31,587	\$1
Intergovernmental	31,043	32,517	32,517	0
Earnings on Investments	180	322	322	0
Miscellaneous	936	11,499	11,499	0
<i>Total Receipts</i>	<u>62,759</u>	<u>75,924</u>	<u>75,925</u>	<u>1</u>
Disbursements				
Current:				
General Government	96,570	96,570	57,684	38,886
Public Works	10,240	10,240	592	9,648
Health	4,655	4,655	4,210	445
<i>Total Disbursements</i>	<u>111,465</u>	<u>111,465</u>	<u>62,486</u>	<u>48,979</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(48,706)</u>	<u>(35,541)</u>	<u>13,439</u>	<u>48,980</u>
Unencumbered Fund Balance Beginning of Year	48,706	48,706	48,706	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	<u>\$0</u>	<u>\$13,165</u>	<u>\$62,145</u>	<u>\$48,980</u>

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and
 Actual - Budget Basis
 2021 Gasoline Tax**

For the Year Ended December 31, 2018

	Budget Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$88,000	\$94,741	\$94,741	\$0
Earnings on Investments	95	195	195	0
<i>Total Receipts</i>	88,095	94,936	94,936	0
Disbursements				
Current:				
Public Works	105,183	104,862	70,988	33,874
Debt Service:				
Principal Retirement	0	13,785	13,725	60
Interest and Fiscal Charges	14,224	760	496	264
<i>Total Disbursements</i>	119,407	119,407	85,209	34,198
<i>Excess of Receipts Over (Under) Disbursements</i>	(31,312)	(24,471)	9,727	34,198
Unencumbered Fund Balance Beginning of Year	31,312	31,312	31,312	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	\$0	\$6,841	\$41,039	\$34,198

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and
 Actual - Budget Basis
 2031 Road and Bridge**

For the Year Ended December 31, 2018

	Budget Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$44,100	\$45,798	\$45,799	\$1
Intergovernmental	4,900	5,285	5,285	0
Miscellaneous	1,663	2,552	2,552	0
<i>Total Receipts</i>	50,663	53,635	53,636	1
Disbursements				
Current:				
General Government	1,048	1,048	933	115
Public Works	99,253	100,141	63,254	36,887
<i>Total Disbursements</i>	100,301	101,189	64,187	37,002
<i>Excess of Receipts Over (Under) Disbursements</i>	(49,638)	(47,554)	(10,551)	37,003
Unencumbered Fund Balance Beginning of Year	49,638	49,638	49,638	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	\$0	\$2,084	\$39,087	\$37,003

See accompanying notes to the basic financial statements.

BUCKS TOWNSHIP, TUSCARAWAS COUNTY
**Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and
 Actual - Budget Basis
 2191 Fire Levy**

For the Year Ended December 31, 2018

	Budget Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$18,900	\$19,925	\$19,926	\$1
Intergovernmental	2,100	2,181	2,181	0
<i>Total Receipts</i>	21,000	22,106	22,107	1
Disbursements				
Current:				
General Government	500	500	382	118
Public Safety	22,000	22,000	18,076	3,924
<i>Total Disbursements</i>	22,500	22,500	18,458	4,042
<i>Excess of Receipts Over (Under) Disbursements</i>	(1,500)	(394)	3,649	4,043
Unencumbered Fund Balance Beginning of Year	73,790	73,790	73,790	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Balance End of Year</i>	\$72,290	\$73,396	\$77,439	\$4,043

See accompanying notes to the basic financial statements.

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 – Reporting Entity

Bucks Township, Tuscarawas County, Ohio (the Township), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township 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.

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, and cemetery maintenance. The Township contracts with the Village of Baltic for fire protection and the Swiss Valley Joint Ambulance District for ambulance services. Police protection is provided by the Tuscarawas County Sheriff's Department.

Bucks Township has no component units.

Jointly Governed Organizations and Public Entity Risk Pools

The Township participates in a jointly governed organization and a public entity risk pool. Notes 11 and 6 to the financial statements provides additional information for these entities.

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. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net position 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 position 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 does not report any business-type activities, which generally are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net position presents the cash balances of the governmental 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

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (continued)

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. 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 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 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. All of the Township's funds are categorized as governmental.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are the General Fund, Gasoline Tax Fund, Road and Bridge Fund, and Fire Levy Fund.

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.

Gasoline Tax Fund - The gasoline tax fund accounts for and reports that portion of the State gasoline tax restricted for construction, maintenance and repair of roads within the Township.

Road and Bridge Fund - The road and bridge fund accounts for and reports property tax (inside millage) committed for the construction, reconstruction, resurfacing and repair of Township roads and bridges.

Fire Levy Fund - The fire levy fund accounts for and reports property tax (outside millage) committed for providing 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. Except for modifications having substantial support, 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. Any such modifications made by the Township are described in the appropriate section in this note.

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (continued)

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 are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations resolution 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, function, 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 certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution 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 resolution 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

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 2018, the Township maintained cash in an interest bearing checking account and a savings account.

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 2018 was \$322.

F. Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. During 2018, the Township reported no restricted assets.

G. 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.

Note 2 – Summary of Significant Accounting Policies (continued)

H. 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.

I. Interfund Receivables/Payables

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements. During 2018, the Township did not report any interfund loans.

J. 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 7 and 8, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

K. Net Position

Net position is 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 maintaining and repairing township roads and emergency fire and ambulance services. 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 are available.

L. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted – Fund balance is reported as 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 committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Township Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (continued)

Assigned – Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not 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 contained 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.

M. Internal Activity

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

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 fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a restricted, committed, or assigned fund balance (cash basis) (and outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an interfund receivable or payable (cash basis)). The Township had no outstanding encumbrances at year-end.

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 withdrawable 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

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 4 - Deposits and Investments (continued)

one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment.

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 obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments

As of December 31, 2018, the Township had no investments.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property, and public utility property located in the Township. Property tax receipts received during 2018 for real property taxes represents collections of 2017 taxes.

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 5 – Property Taxes (continued)

2018 real property taxes are levied after October 1, 2018 on the assessed values as of January 1, 2018, the lien date. Assessed values are established by State statute at 35 percent of appraised market value. 2018 real property taxes are collected in and intended to finance 2019.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2018 public utility property taxes which became a lien on December 31, 2017, are levied after October 1, 2018, and are collected in 2019 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2018, was \$4.65 per \$1,000 of assessed value. The assessed values of real and personal property upon which 2018 property tax receipts were based are as follows:

Real Property	\$30,320,970
Public Utility Personal Property	4,506,910
Total Assessed Values	\$34,827,880

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

Note 6 – Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2018</u>
Cash and investments	\$33,097,416
Actuarial liabilities	\$ 7,874,610

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 7 – Defined Benefit Pension Plan

Plan Description – The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS' CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 7 – Defined Benefit Pension Plan (continued)

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member’s contributions plus or minus the investment gains or losses resulting from the member’s investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2018 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee ***	10.0 %
 2018 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits ****	0.0
Total Employer	14.0 %
Employee	10.0 %

*** Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

**** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township’s contractually required contribution was \$5,897 for year 2018.

Note 8 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2018, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$0 for the year 2018.

Bucks Township
Tuscarawas County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 9 – Debt

Debt Issue	Rate	Issue Amount in 2016	Date of Maturity
Loan for an E35i T4 ZTS Bobcat Compact Excavator	3.00%	\$40,897	July 5, 2021

The following is a summary of the Township's future annual debt service requirements:

<u>Excavator Loan</u>		
<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2019	\$8,884	\$95

The outstanding balance on December 31, 2018 was \$8,884. In 2018, the Township paid \$8,325 on principal and \$496 on interest per loan requirements. An additional \$5,400 was paid on principal making the total principal payment for 2018 at \$13,725. The remaining balance of the loan at December 31, 2018 is \$8,884.

Note 10 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Gasoline Tax	Road & Bridge	Fire Levy	Other Governmental Funds	Total
Restricted for						
Road and Bridge		\$41,039			\$5,811	\$46,850
Fire Protection				\$77,439		77,439
Ambulance Services					15,660	15,660
<i>Total Restricted</i>	<u>\$0</u>	<u>41,039</u>	<u>\$0</u>	<u>77,439</u>	<u>21,471</u>	<u>139,949</u>
Committed to						
Road & Bridge			39,087			39,087
Assigned to						
Subsequent Year's Appropriations	45,683					45,683
Unassigned (Deficit)	16,462					16,462
<i>Total Fund Balances</i>	<u>\$62,145</u>	<u>\$41,039</u>	<u>\$39,087</u>	<u>\$77,439</u>	<u>\$21,471</u>	<u>\$241,181</u>

Note 11 – Jointly Governed Organization

Swiss Valley Joint Ambulance District (the District)

The District is a body corporate and politic formed by the Township and several other political subdivisions under Ohio Revised Code § 505.375 to provide emergency medical services. The District is directed by an appointed three member board of Trustees. One Board Member is appointed by each political subdivision within the District. Those subdivisions are the Village of Baltic, Clark Township, and Bucks Township. The District provides emergency medical services to citizens within those areas. During 2018, the Township paid \$26,105 in total to the District.

Note 12 – Subsequent Events

The Swiss Valley Joint Ambulance District, a jointly governed organization, dissolved on January 1, 2019. The Village of Baltic took over contracted ambulance services for the Township.

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

OHIO AUDITOR OF STATE KEITH FABER



53 Johnson Road
The Plains, Ohio 45780-1231
(740) 594-3300 or (800) 441-1389
SoutheastRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Bucks Township
Tuscarawas County
7026 Fiat Road, SW
Stone Creek, Ohio 43840

To the Board of Trustees:

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 cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bucks Township, Tuscarawas County, Ohio (the Township), as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 26, 2020, wherein we noted the Township uses a special purpose framework other than generally accepted accounting principles. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township.

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 opinion 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings that we consider a significant deficiency. We consider Finding 2019-001 to be a significant deficiency.

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 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 report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2020

**BUCKS TOWNSHIP
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2019-001

Significant Deficiency

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

As a result of audit procedures performed, errors were noted in the Township's financial statements that required audit reclassifications as follows:

Governmental Accounting Standards Board (GASB) Statement No. 54 defined how fund balances were to be classified and was codified as follows: GASB Cod. 1800.168-169 requires reporting funds whose revenue has external legal constraints as Restricted. GASB Cod. 1800.170-172 requires reporting funds whose revenue had constraints imposed by the Board, which could not be changed without Board approval, as Committed. GASB Cod. 1800.173-176 requires funds without external or internal constraints to report Assigned fund balances for amounts encumbered or set aside to cover the excess of subsequent year appropriations exceeding estimated revenue. The following inaccurate reporting of fund balances was noted:

- The Road and Bridge Fund's foundation revenue is property taxes - inside 10 mill limitation and had balances at the end of 2019 and 2018 in the amounts of \$32,455 and \$39,087, respectively. However, these amounts were reported as Restricted instead of Committed. Additionally, these misclassifications on the fund statements resulted in misclassifications of the same amounts on the Statement of Net Position between Restricted for Other Purposes (overstated) and Unrestricted (understated).
- The General Fund included amounts Assigned for Subsequent Year's Appropriations at December 31, 2019 and 2018 of \$78,727 and \$45,683, respectively, which were improperly classified as Unassigned.

In addition, other misstatements related to the misclassification of revenues totaling \$9,180 and \$9,094 were identified during 2019 and 2018, respectively.

Sound financial reporting is the responsibility of the Township and is essential to ensure the information provider to the readers of the financial statements is complete and accurate. The reclassifications were agreed to by management, and the financial statements have been adjusted accordingly.

The Township should review the requirements of GASB 54 relating to the Township Fund Balance classification, which can be found summarized in the *Ohio Township Handbook* available on the Auditor of State's web site. Additionally, to help ensure the Township's financial statements and notes to the financial statements are complete and accurate, the Township should adopt policies and procedures, including a final review of the statements and notes by the Fiscal Officer and Board of Trustees to help identify and correct errors and omissions.

Officials' Response: We did not receive a response from Officials to the finding reported above.

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OHIO AUDITOR OF STATE KEITH FABER



BUCKS TOWNSHIP

TUSCARAWAS 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
JULY 14, 2020**