



OHIO AUDITOR OF STATE
KEITH FABER



**SYMMES TOWNSHIP
HAMILTON COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

Symmes Township
Hamilton County
9323 Union Cemetery Road
Loveland, Ohio 45140

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of Symmes Township, Hamilton County, Ohio (the Township).

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this 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.

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.

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

As described in Note 1 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2020 and 2019, and the respective changes in financial position thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of the Township, in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 1.

Emphasis of Matter

As discussed in Note 12 to the 2020 financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022 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
February 25, 2022

Symmes Township
Hamilton County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2020

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum)
Cash Receipts					
Property and Other Local Taxes	\$624,373	\$6,549,094	\$0	\$0	\$7,173,467
Charges for Services	0	240,380	0	0	240,380
Licenses, Permits and Fees	261,521	90,755	0	0	352,276
Fines and Forfeitures	5,033	1,970	0	0	7,003
Intergovernmental	246,220	1,899,839	0	0	2,146,059
Special Assessments	0	229,048	0	0	229,048
Earnings on Investments	134,039	11,229	0	0	145,268
Miscellaneous	171,220	147,982	0	0	319,202
<i>Total Cash Receipts</i>	<u>1,442,406</u>	<u>9,170,297</u>	<u>0</u>	<u>0</u>	<u>10,612,703</u>
Cash Disbursements					
Current:					
General Government	1,323,123	180,845	0	0	1,503,968
Public Safety	0	4,933,612	0	0	4,933,612
Public Works	30,895	606,161	0	44,861	681,917
Health	42,989	64,097	0	0	107,086
Conservation-Recreation	0	502,562	0	0	502,562
Other	0	91,841	0	0	91,841
Capital Outlay	6,966	1,699,101	0	173,693	1,879,760
Debt Service:					
Principal Retirement	0	245,000	295,000	0	540,000
Interest and Fiscal Charges	0	227,975	14,875	0	242,850
<i>Total Cash Disbursements</i>	<u>1,403,973</u>	<u>8,551,194</u>	<u>309,875</u>	<u>218,554</u>	<u>10,483,596</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>38,433</u>	<u>619,103</u>	<u>(309,875)</u>	<u>(218,554)</u>	<u>129,107</u>
Other Financing Receipts (Disbursements)					
Transfers In	0	0	309,875	0	309,875
Transfers Out	0	(309,875)	0	0	(309,875)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>0</u>	<u>(309,875)</u>	<u>309,875</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	38,433	309,228	0	(218,554)	129,107
<i>Fund Cash Balances, January 1</i>	<u>2,445,895</u>	<u>8,153,883</u>	<u>0</u>	<u>283,696</u>	<u>10,883,474</u>
<i>Fund Cash Balances, December 31</i>	<u>\$2,484,328</u>	<u>\$8,463,111</u>	<u>\$0</u>	<u>\$65,142</u>	<u>\$11,012,581</u>

See accompanying notes to the basic financial statements

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**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Symmes Township, Hamilton County, (the Township) as a body corporate and politic. A publicly elected three-member Board directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with Loveland-Symmes Fire Department to provide fire and ambulance services and the Hamilton County Sheriff's Office to provide police protection.

The Township participates in a public entity risk pool. Note 8 to the financial statements provides additional information for this entity. This organization is:

Public Entity Risk Pool:

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships from January 1, 2020 through March 31, 2020. The Township switched to the Ohio Plan for the remaining balance of fiscal year 2020. Both OTARMA and the Ohio Plan provides property and casualty coverage for its members.

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

B. Accounting Basis

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

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

C. Deposits and Investments

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

The Township values U.S. Agency Securities and commercial paper at cost. Money market mutual funds are recorded at share values the mutual funds report.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

1. General Fund

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

2. Special Revenue Funds

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

Safety Services Fund — This fund receives property tax revenue to fund police, fire, and emergency medical services. This fund has a 1.7 mill continuous, a 1.5 mill renewal and a 2.6 mill new levy that was renewed/additional in 2020 for a total of 5.8 mills.

Fire Levy Fund – This fund receives property tax revenue for fire and emergency medical services and has a continuous 3.5 mill levy that was passed in 1983 (1.5 mills) and again in 1985 (2 mills).

EMS Levy Fund – This fund receives property tax revenue for emergency medical services and has a continuous 1.5 mill levy that was passed in 1986.

Police Levy Fund – This fund receives property tax revenue for police services and has a continuous 2.7 mils levy that was passed in 1984 (2 mills) and again in 1994 (.70 mills).

Road Levy Fund – This fund receives property tax revenues for capital roads, sidewalks and bridge repairs and is a 7-year .9 mills levy that passed in 2020 as a renewal.

Streets Levy Fund – This fund receives property tax revenues for the road department personnel and is a 7-year .4 mill levy that passed in 2018.

Parks and Recreation Levy Fund – This fund receives property tax revenues for the parks department improvements and personnel and is a continuous 1 mill levy that was passed in 2012.

Park Levy Rozzi Fund – This fund receives property tax revenues for the Rozzi Park improvements and is used to pay back the debt services for when the property was purchased. There is a .9 mill levy that was passed in 2007 for 30 years.

CARES Act Fund – This fund received the Township’s allocated share of funds through the Federal CARES Act program. The Township’s allocation was used for purposes as defined under the enabling legislation in the Act.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Debt Service Funds

These funds account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

TIF Miscellaneous Fund. The TIF Miscellaneous Fund accounts for and reports resources restricted for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

4. Capital Projects Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Fund:

Park Acquisition Fund — This fund captures all activity related to the purchase of park land and construction costs for improvements.

E. Budgetary Process

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

1. Appropriations

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

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2020 budgetary activity appears in Note 3.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fund Balance

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

1. Nonspendable

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

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

The Board can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance is the general fund is limited to encumbrances outstanding at year end.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. For regulatory purposes, limited disclosures to fund balance is included in Note 10.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Capital Assets

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

G. Accumulated Leave

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

2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS

The Township maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31, 2020 was as follows:

Demand Deposits	\$2,944,119
Certificates of Deposit	5,713,492
Money Market Mutual Funds	96,901
Total Deposits	<u>8,754,512</u>
US Agency Securities	1,709,190
Commercial Paper	548,879
Total Investments	<u>2,258,069</u>
Total Deposits and Investments	<u>\$11,012,581</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments: The Township invests in U.S. Agency Securities, commercial paper, and a money market fund. The Federal Reserve holds the Township's U.S. Agency Securities in book-entry form in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,272,255	\$1,442,406	\$170,151
Special Revenue	9,119,928	9,170,297	50,369
Debt Service	309,875	309,875	0
Capital Projects	0	0	0
Total	\$10,702,058	\$10,922,578	\$220,520

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,791,893	\$1,490,374	\$301,519
Special Revenue	10,067,463	8,861,069	1,206,394
Debt Service	309,875	309,875	0
Capital Projects	218,554	218,554	0
Total	\$12,387,785	\$10,879,872	\$1,507,913

4. PROPERTY TAX

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

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

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

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

5. DEBT

Debt outstanding at December 31, 2020 was as follows:

Description	1/1/2020 Balance	Additions	Deletions	12/31/2020 Balance
2010 Park Lan Acquisition Bonds	\$225,000	\$0	\$225,000	\$0
2012 Various Purpose Refunding Limited Tax GO Bonds	595,000	0	295,000	300,000
2016 Park Land Acquisitions Refunding GO Bonds	5,960,000	0	20,000	5,940,000
Total	\$6,780,000	\$0	\$540,000	\$6,240,000

The Township issued the 2010 \$7,820,000 Park Land Acquisition and Improvement General Obligation Bonds for the purpose of permanently financing the cost of acquiring park land and constructing improvements to such park land. The Township's taxing authority collateralized the bonds.

The Township issued the 2012 \$2,280,000 Various Purpose Refunding Limited Tax General Obligation Bonds for the purpose of refunding a portion of the 2003 Various Purpose Limited Tax General Obligation Bonds and a portion of the 2004 Various Purpose Limited Tax General Obligation Bonds. The Township's taxing authority collateralized the bonds. The bonds mature on December 1, 2021.

The Township issued the 2016 \$6,000,000 Park Land Acquisition and Improvement Refunding General Obligation Bonds for the purpose of advance refunding the Series 2010 Bonds originally issued for the purpose of paying the costs of acquiring land for a park and constructing improvements to such parkland and for paying the costs of issuance of the bonds. The proceeds were deposited bond escrow account to advance refund the callable portion of the Series 2010 Bonds and make payments on the noncallable portion of the Series 2010 Bonds as they become due. The Series 2010 Bonds is considered defeased and is therefore not included in the outstanding debt amount at year end. The Township's taxing authority collateralized the bonds. The 2016 bond mature on December 1, 2037.

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

Fiscal Year Ending December 31	Principal	Interest	Total
2021	\$555,000	\$227,475	\$782,475
2022	265,000	207,225	472,225
2023	275,000	199,275	474,275
2024	280,000	193,775	473,775
2025	295,000	179,775	474,775
2026-2030	1,665,000	685,325	2,350,325
2031-2035	2,010,000	344,875	2,354,875
2036-2037	895,000	47,250	942,250
Totals	\$6,240,000	\$2,084,975	\$8,324,975

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

6. DEFINED BENEFIT PENSION PLANS

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

The Ohio Revised Code also prescribes contribution rates. For 2020, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2020. The Township's Employer contributions in 2020 were \$134,376.

7. POST EMPLOYMENT BENEFITS

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions is allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2020. The portion of the employer contribution allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2020.

8. RISK MANAGEMENT

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township 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 and equipment breakdown. The Township was a member in January thru March of 2020.

The Township now belongs to the Ohio Plan (as of March 2020), which is a risk sharing pool available to Ohio local governments. The Ohio Plan provides property and casualty coverage for its members. Hylant functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. Member governments pay annual contributions to fund the Ohio Plan. The Ohio Plan pays judgements, settlements and other expenses resulting from covered claims that exceed the members deductibles.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

8. RISK MANAGEMENT (Continued)

Risk Pool Membership Ohio Plan

The Township belongs to the Ohio Plan Risk Management, Inc. (the "Plan"), a non-assessable, non-profit providing a formalized, jointly administered self-insurance risk management program and other administrative services to over 764 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine, and other coverages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

The Plan issues its own policies and reinsures the Plan with A- VII or better rated carriers, except for the 47% casualty and the 30% property portions the Plan retains. The Plan retains the lesser of 47% or \$117,500 of casualty losses and the lesser of 30% or \$300,000 of property losses. The Plan is also participating in a property primary excess of loss treaty. This treaty reimburses the Plan 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31: 2018 and 2019 (the latest information available):

	<u>2018</u>	<u>2019</u>
Assets	\$15,065,412	\$15,920,504
Liabilities	(\$10,734,623)	(\$11,329,011)
Members' Equity	<u>\$4,330,789</u>	<u>\$4,591,492</u>

You can read the complete audited financial statements for The Ohio Plan Risk Management at the Plan's website, www.ohioplan.org.

2020 Contributions to Ohio Plan

\$62,909

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

9. INTERFUND TRANSFERS

During 2020, transfer of \$309,875 was made from the Miscellaneous — Note Proceeds — TIF Fund to the Miscellaneous TIF Fund. The transfers are authorized by Board resolution to pay the Township's Various Purpose Limited Tax General Obligations Bonds each year.

10. FUND BALANCES

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>
Outstanding Encumbrances	\$86,400

The fund balance of special revenue funds is either restricted or committed. The balance in capital projects fund are restricted, committed or assigned. These restricted, committed and assigned amounts in special revenue and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

11. CONTINGENT LIABILITIES

The Township is a defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Township's condition.

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

12. COVID-19

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.

Symmes Township
Hamilton County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2019

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum)
Cash Receipts					
Property and Other Local Taxes	\$655,060	\$6,526,886	\$0	\$0	\$7,181,946
Charges for Services	0	256,970	0	0	256,970
Licenses, Permits and Fees	262,795	80,594	0	0	343,389
Fines and Forfeitures	10,117	9,687	0	0	19,804
Intergovernmental	272,010	770,009	0	0	1,042,019
Special Assessments	0	285,767	0	0	285,767
Earnings on Investments	115,803	9,004	0	0	124,807
Miscellaneous	10,902	373,214	0	0	384,116
<i>Total Cash Receipts</i>	<u>1,326,687</u>	<u>8,312,131</u>	<u>0</u>	<u>0</u>	<u>9,638,818</u>
Cash Disbursements					
Current:					
General Government	1,384,796	23,480	0	0	1,408,276
Public Safety	10,000	4,556,017	0	0	4,566,017
Public Works	31,580	617,437	0	0	649,017
Health	41,863	84,921	0	0	126,784
Conservation-Recreation	0	398,594	0	0	398,594
Other	0	91,841	0	0	91,841
Capital Outlay	14,830	1,724,778	0	0	1,739,608
Debt Service:					
Principal Retirement		240,000	285,000	0	525,000
Interest and Fiscal Charges		235,325	20,575	0	255,900
<i>Total Cash Disbursements</i>	<u>1,483,069</u>	<u>7,972,393</u>	<u>305,575</u>	<u>0</u>	<u>9,761,037</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(156,382)</u>	<u>339,738</u>	<u>(305,575)</u>	<u>0</u>	<u>(122,219)</u>
Other Financing Receipts (Disbursements)					
Other Financing Sources	51,848	0	0	0	51,848
Transfers In	0	0	305,575	0	305,575
Transfers Out	0	(305,575)	0	0	(305,575)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>51,848</u>	<u>(305,575)</u>	<u>305,575</u>	<u>0</u>	<u>51,848</u>
<i>Net Change in Fund Cash Balances</i>	<u>(104,534)</u>	<u>34,163</u>	<u>0</u>	<u>0</u>	<u>(70,371)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,550,429</u>	<u>8,119,721</u>	<u>0</u>	<u>283,696</u>	<u>10,953,846</u>
<i>Fund Cash Balances, December 31</i>					
Restricted	0	8,153,884	0	283,696	8,437,580
Assigned	534,932	0	0	0	534,932
Unassigned	1,910,963	0	0	0	1,910,963
<i>Fund Cash Balances, December 31</i>	<u>\$2,445,895</u>	<u>\$8,153,884</u>	<u>\$0</u>	<u>\$283,696</u>	<u>\$10,883,475</u>

See accompanying notes to the basic financial statements

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**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Symmes Township, Hamilton County, (the Township) as a body corporate and politic. A publicly-elected three-member Board directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with Loveland-Symmes Fire Department to provide fire and ambulance services and the Hamilton County Sheriff's Office to provide police protection.

The Township participates in a public entity risk pool. Note 8 to the financial statements provides additional information for this entity. This organization is:

Public Entity Risk Pool:

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members.

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

B. Accounting Basis

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

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

C. Deposits and Investments

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

The Township values U.S. Agency Securities at cost. Money market mutual funds are recorded at share values the mutual funds report.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

1. General Fund

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

2. Special Revenue Funds

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

Special Levy — Safety Services Fund — This fund receives property tax revenue to fund police, fire and emergency medical services.

Park Fund - This fund receives property tax revenue to fund park expenditures.

3. Debt Service Funds

These funds account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

TIF Miscellaneous Fund. The TIF Miscellaneous Fund accounts for and reports resources restricted for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

4. Capital Projects Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Fund:

Park Acquisition Fund — This fund captures all activity related to the purchase of park land and construction costs for improvements.

E. Budgetary Process

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

1. Appropriations

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

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

E. Budgetary Process (Continued)

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2019 budgetary activity appears in Note 3.

F. Fund Balance

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

1. Nonspendable

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

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

The Board can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Board or a Township official delegated that authority by resolution, or by State Statute.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

F. Fund Balance (Continued)

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. Property, Plant and Equipment

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

H. Accumulated Leave

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

2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS

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

	2019
Demand Deposits	<u>\$985,075</u>
Certificates of Deposit	4,259,299
Money Market Account	<u>2,221,355</u>
Total Deposits	<u>7,465,729</u>
US Governmental Bonds	<u>3,417,745</u>
Total Deposits and Investments	<u>\$10,883,474</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments: The Township invests in U.S. Agency Securities and a money market fund. The Federal Reserve holds the Township's U.S. Agency Securities in book-entry form in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 (Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts				
Fund Type		Budgeted Receipts	Actual Receipts	Variance
General	\$	1,364,603	1,318,536	(46,067)
Special Revenue		8,306,460	8,312,130	5,670
Debt Service		305,575	305,575	0
Capital Projects Fund				0
Total		\$ 9,976,638	\$ 9,996,241	\$ (40,397)

2019 Budgeted vs. Actual Budgetary Basis Expenditures				
Fund Type		Appropriation Authority	Budgetary Expenditures	Variance
General	\$	1,851,272	\$ 1,483,069	368,203
Special Revenue		9,902,028	8,277,968	1,624,060
Debt Service		305,575	305,575	0
Capital Project Funds		44,861	0	44,861
Total		\$ 12,103,736	\$ 10,066,612	\$ \$2,037,124

4. PROPERTY TAX

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

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

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

5 DEBT

Debt outstanding at December 31, 2019 was as follows:

Description	Principal	Interest
2010 Park Land Acquisition Bonds	\$225,000	\$7,200
2012 Various Purpose Refunding Limited Tax GO Bonds	595,000	22,375
2016 Park Land Acquisitions Refunding GO Bonds	5,960,000	2,298,250
Total	\$6,780,000	\$2,327,825

The Township issued the 2010 \$7,820,000 Park Land Acquisition and Improvement General Obligation Bonds for the purpose of permanently financing the cost of acquiring park land and constructing improvements to such park land. The Township's taxing authority collateralized the bonds.

The Township issued the 2012 \$2,280,000 Various Purpose Refunding Limited Tax General Obligation Bonds for the purpose of refunding a portion of the 2003 Various Purpose Limited Tax General Obligation Bonds and a portion of the 2004 Various Purpose Limited Tax General Obligation Bonds. The Township's taxing authority collateralized the bonds.

The Township issued the 2016 \$6,000,000 Park Land Acquisition and Improvement Refunding General Obligation Bonds for the purpose of advance refunding the Series 2010 Bonds originally issued for the purpose of paying the costs of acquiring land for a park and constructing improvements to such parkland and for paying the costs of issuance of the bonds. The \$6,000,000 balance is held for the Township in a bond escrow account to repay the callable portion of the Series 2010 Bonds and make payments on the noncallable portion of the Series 2010 Bonds as they become due. The outstanding balance of \$6,655,000 of the Series 2010 Bonds is considered defeased and is therefore not included in the outstanding debt amount at year end. The Township's taxing authority collateralized the bonds.

Amortization

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

Year Ending	2010 Bonds	2012 Bonds	2016 Bonds
December 31:			
2020	\$232,200	\$309,875	\$240,775
2021		307,500	474,975
2022			472,225
2023			474,275
2024			473,775
2025-2029			2,355,325
2030-2034			2,355,575
2035-2037			1,411,325
Total	\$232,200	\$617,375	\$8,258,000

6. RETIREMENT SYSTEMS

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

The Ohio Revised Code also prescribes contribution rates. For 2019, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2019. The Township's Employer contributions in 2019 were \$146,068

Postemployment Benefits - OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions is allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan.

The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2019. The portion employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2019.

7. RISK MANAGEMENT

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township 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 and equipment breakdown.

The Pool reporting the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2019: Cash and investments \$35,207,320 and Actuarial Liabilities \$10,519,942.

During 2019, the Township made \$0 payments for casualty claims that exceeded the limits of the casualty policy. During 2019, the Township made \$0 payments for property claims that exceeded the limits of the property policy. During 2019, there were no significant changes to the coverage from the prior year.

**SYMMES TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

7. RISK MANAGEMENT (Continued)

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2019 were not available.

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

Contributions to OTARMA	
	2019
	\$80,891

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

8. INTERFUND TRANSFERS

During 2019, transfer of \$305,575 was made from the Miscellaneous — Note Proceeds — TIF Fund to the Miscellaneous TIF Fund. The transfers are authorized by Board resolution to pay the Township's Various Purpose Limited Tax General Obligations Bonds each year.

**SYMMES TOWNSHIP
HAMILTON COUNTY, OHIO**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FEDERAL GRANTOR	Federal	
<i>Pass through Grantor</i>	CDFA	Total Federal
Program/Cluster Title	Number	Expenditures
U.S DEPARTMENT OF TREASURY		
<i>Passed Through the Hamilton County, Ohio</i>		
COVID 19 - Coronavirus Relief Fund	21.019	\$ 1,074,812
Total U.S Department of Treasury		<u>1,074,812</u>
Total Expenditures of Federal Awards		<u><u>\$ 1,074,812</u></u>

The accompanying notes are an intergral part of this schedule.

**SYMMES TOWNSHIP
HAMILTON COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200-510(B)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Symmes Township, Hamilton County, Ohio (the Township) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Township, it is not intended to and does not present the financial position or changes in net position of the Township.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Township has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the Township to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Township has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

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

Symmes Township
Hamilton County
9323 Union Cemetery Road
Loveland, Ohio 45140

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 financial statements of the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and the related notes to the financial statements, and have issued our report thereon dated February 25, 2022, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures, which may 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) as a basis for designing 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses and significant deficiencies.

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 a 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. We consider finding 2020-001 described in the accompanying schedule of findings to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider findings 2020-002 and 2020-003 described in the accompanying schedule of findings to be significant deficiencies.

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 financial statements. 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*.

Township's Responses to Findings

The Township's responses to the findings identified in our audit are described in the accompanying schedule of findings and corrective action plan. We did not subject the Township's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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
February 25, 2022

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Symmes Township
Hamilton County
9323 Union Cemetery Road
Loveland, Ohio 45140

To the Board of Trustees:

Report on Compliance for the Major Federal Program

We have audited Symmes Township's (the Township) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Symmes Township's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Township's major federal program.

Management's Responsibility

The Township's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Township's compliance for the Township's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Township's major program. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on the Major Federal Program

In our opinion, Symmes Township complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The Township's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Township's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the cash balances, receipts and disbursements by governmental fund type of Symmes Township (the Township) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements. We issued our unmodified report thereon dated February 25, 2022, wherein we noted the Township followed the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Our opinion also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. We conducted our audit to opine on the Township's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio
February 25, 2022

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**SYMMES TOWNSHIP
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020 AND 2019**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Adverse under GAAP: Unmodified under the regulatory basis.
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	21.019 Coronavirus Relief Fund
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2020-001

Material Weakness

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

FINDING NUMBER 2020-001
(Continued)

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Board and/or other administrators are responsible for reviewing the reconciliations and related support.

Monthly bank to book reconciliations were not prepared or reviewed each month of 2019 or 2020. A significant amount of activity throughout 2019 and 2020 was not recorded in the accounting system. The Township failed to timely post revenues and expenditures to the accounting records. During 2019, payroll transactions and investment activity were not posted consistently each month. During 2020, revenues were not posted consistently between March and November and expenditures including payroll were not posted consistently each month.

The Township contracted with an independent public accountant to perform reconciliation procedures which included significant adjustments each year.

Failure to reconcile monthly increases the possibility that the Township will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

The Fiscal Officer should record all transactions timely and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Board should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

Officials' Response:

Since there was no public training available in 2020 by the Auditors Office and we have brand new elected officials and employees, we were not aware that we needed to reconcile our bank statements to the OTAS records. We acknowledge that our records were not complete, and we missed a small amount of revenue and expenditure transactions. However, we did hire an accounting firm to help us complete our 2020 annual report and complete reconciliations for 2020 which lead to us uncover that our previous Fiscal Officer did not reconcile her revenue or expenditures for 2019 and part of 2020 (January to March). She left no accurate fund balances, nor did she leave any account information or passwords for vendors that she transferred to email invoices prior to her departure. Payroll in 2019 was not completed by the previous Fiscal Officer until December of 2019 because she disagreed with us moving to Paycor for payroll. Because she prevented access to and was the only one in control of the OTAS system, we could not enter the information or force her to record the payroll expenditures. The errors in 2020 were simply because we were forced to learn a system that no one had any knowledge of and was no longer supported by any software company. We were extremely lucky to find an outside person who had knowledge of the system and helped us to record expenditures and revenues, run reports, create POs, and pay bills. All bank reconciliations have been corrected in 2021 and 2022 and are now being reconciled every month. The Board President reviews the monthly reports and signs off on the report.

Auditor of State Conclusion:

The Auditor of State's office provided training for new fiscal officers and elected officials virtually during 2020 due to the pandemic. The Ohio Township Handbook is available on the Auditor of State's website as a reference for fiscal officers.

FINDING NUMBER 2020-002

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.

We identified the following conditions related to the above criteria:

- Encumbrances in the General Fund in 2019 were reported as Committed fund balance instead of Assigned fund balance totaling \$15,294.
- Assigned fund balance was understated by \$519,638 in 2019 for the excess of 2020 appropriations over estimated revenues.
- General Fund earnings on investments of \$22,404 for 2019 were not recorded in the accounting system.
- General Fund Permissive Sales Tax for lodging in the amount of \$74,063 in 2019 was incorrectly posted to Licenses, Permits & Fees instead of Property and Other Local Tax.
- General Fund Permissive Sales Tax for lodging in the amount of \$42,381 in 2020 was incorrectly posted to Licenses, Permits & Fees instead of Property and Other Local Tax.
- Special Revenue Permissive Motor Vehicle Licenses Tax in the amount of \$77,529 in 2019 was incorrectly posted to Licenses, Permits & Fees instead of Property and Other Local Tax.
- Special Revenue Permissive Motor Vehicle Licenses Tax in the amount of \$77,469 in 2020 was incorrectly posted to Licenses, Permits & Fees instead of Property and Other Local Tax.
- Special Revenue Permissive Motor Vehicle Licenses Intergovernmental receipts in the amount of \$18,379 in 2020 was incorrectly posted to Licenses, Permits & Fees instead of Intergovernmental.
- The budgetary footnote did not reflect the amounts in the Certificate of Estimated Revenues for 2019 in the General fund and Special Revenue funds. The budgetary footnote was understated by \$14,000 and \$60,855, respectively.
- The budgetary footnote did not reflect approved appropriations for 2020 and 2019. In 2020, Special Revenues funds were overstated by \$44,861 and Capital Projects were understated by \$44,861. In 2019, the General fund, Special Revenue funds, and Debt Service funds were overstated by \$12,024, \$342,180, and \$10,248, respectively.

The financial statements and footnotes have been adjusted for these errors, where applicable.

The Township did not have procedures in place for effective monitoring of the Township's financial activity, and the accuracy of accounting and financial reporting. The Township Fiscal Officer has sole responsibility over accounting and reporting. It is important that the Board take an active role in monitoring the posting of such activity. Failure to accurately post financial activity and monitor financial activity increases the risk that errors, theft and fraud could occur and not be detected in a timely manner.

We recommend due care be exercised when posting entries to the financial records and in the preparation of the financial statements and footnotes to the financial statements.

FINDING NUMBER 2020-002
(Continued)

Officials' Response:

All of these items listed for 2020 were in part because there was no available public training to newly elected officials or employees. The employees and elected officials were unaware of how to categorize the funds, earnings on investments, taxes, and the difference between committed funds and assigned funds. We simply followed the fund line items/revenue codes from the previous year which had been established by the previous Fiscal Officer. We did hire an accounting firm to help us with the annual report, but they were not familiar with OTAS or how our funds were used during 2019 and 2020. OTAS is no longer supported by any software company, and we had no one to ask how or why these items were supposed to be labeled. All items will be corrected for 2022 and were unable to be corrected for 2021 because we were not made aware of the corrections until February 2022. The Auditor's Office could and should have been more forthcoming earlier in the previous year. We do not have an answer for 2019 because our previous Fiscal Officer was well aware of the rules.

Auditor of State Conclusion:

The Auditor of State's office provided training for new fiscal officers and elected officials virtually during 2020 due to the pandemic. The Ohio Township Handbook is available on the Auditor of State's website as a reference for fiscal officers. 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. The financial statements remain the responsibility of Township management.

FINDING NUMBER 2020-003

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.

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Board to make informed decisions regarding budgetary matters.

The appropriation resolution and subsequent amendments establish the legal spending authority of the Township and the appropriation ledger provides the process by which the Township controls spending, it is therefore necessary the amounts appropriated by the Board are precisely stated and accurately posted to the appropriation ledger.

The original certificate and amendments establish the amounts available for expenditures for the Board and the receipts ledger provides the process by which the Board controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

For fiscal year 2019, the accounting system's estimated revenues were understated by \$14,000 and \$78,855 in the General fund and Special Revenue funds respectively. For fiscal year 2020, the accounting system's estimated revenues were understated by \$112,380 and \$1,312,400 in the General fund and Special Revenue funds respectively.

FINDING NUMBER 2020-003
(Continued)

For fiscal year 2019, the accounting system's appropriations were understated in the Special Revenue funds by \$218,075. For fiscal year 2020, the accounting system's appropriations were overstated by \$115,425 and \$704,764 in the General fund and Special Revenue funds respectively.

The Township did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations and amendments thereof approved by the Board were not properly posted to the accounting system. Additionally, the approved Certificate of Estimated Resources and amendments thereof were not posted to the accounting system.

Failure to accurately post the appropriations and estimated resources to the ledgers could result in overspending and negative cash balances. In addition, this could lead to inaccurate reporting of the budgetary information in the footnotes to financial statements. (See Finding Number 2020-002)

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Township should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Board. The Township should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

Officials' Response:

All of the items listed for 2020 were in part because there was no available public training to newly elected officials or employees. The employees and elected officials were unaware that we needed to tell the OTAS system to match the certificate of estimated resources even though the computer already knows the amount of money received in year 2020. All appropriations were accurately recorded in the system as supplemental when they were increased. We were unable to change the system for 2021 due to the late notice of the audit. However, we will fix the revenue budget amounts to match actual budget received in the future. We do not have an answer for 2019 because our previous Fiscal Officer was well aware of the rules.

Auditor of State Conclusion:

The Auditor of State's office provided training for new fiscal officers and elected officials virtually during 2020 due to the pandemic. The Ohio Township Handbook is available on the Auditor of State's website as a reference for fiscal officers. Appropriations and estimated revenues were not accurately reflected in the accounting system during 2019 and 2020.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
DECEMBER 31, 2020 AND 2019**

Finding Number	Finding Summary	Status	Additional Information
2018-001	Finding for Recovery for public monies illegally expended.	Corrective Action Taken and Finding is Fully Corrected	
2018-002	Accounting records and financial statements posting and reporting errors.	Partially Corrected	Repeated as Finding 2020-002

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**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
2020 - 2019**

Finding Number: 2020-001
Planned Corrective Action: Monthly bank to book reconciliations with the help of a CPA. We have reconciled all bank to books for year 2021 and continue to do so with help from Fraunfelter Accounting into 2022.
Anticipated Completion Date: 12/31/2021
Responsible Contact Person: Al Lederle with the help of Fraunfelter Accounting

Finding Number: 2020-002
Planned Corrective Action: Accurate financial and accounting financial reporting. We have switched over to the UAN for our accounting software and continue to make progress on posting revenues in the correct manner. The annual report should be correct moving forward because we will file our report through the UAN.
Anticipated Completion Date: 01/01/2021
Responsible Contact Person: Al Lederle

Finding Number: 2020-003
Planned Corrective Action: Accurate postings for revenue and expenditures. We have obtained help from Fraunfelter Accounting to help us with the daily postings of revenue and expenditures as well as understanding that we have to change the same to match the Certificate of Estimated Resources every time it is changed. We will post receipts and expenditures in a timely fashion.
Anticipated Completion Date: 01/01/2022
Responsible Contact Person: Al Lederle

OHIO AUDITOR OF STATE KEITH FABER



SYMMES TOWNSHIP

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 3/31/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov