



PERRY

& Associates CPAs

PASSION *Beyond the Numbers*

**GREENE TOWNSHIP
TRUMBULL COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2021 - 2020**

OHIO AUDITOR OF STATE KEITH FABER



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(800) 282-0370

Board of Trustees
Greene Township
8964 State Route 46
North Bloomfield, Ohio 44450

We have reviewed the *Independent Auditor's Report* of Greene Township, Trumbull County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2020 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Payroll Withholding Penalty and Interest Findings for Recovery's

Governmental entities may not make expenditures of public monies unless they are for a valid public purpose.

Ohio Attorney General Opinion 82-006 addresses the expenditure of funds for public purposes. This opinion, citing the Ohio Supreme Court Case of State ex. rel. McClure v. Hagerman, 155 Ohio St. 320 (1951) provides guidance as to what may be construed as a public purpose. There are two criteria that demonstrate whether an expenditure is for a public purpose. First, the expenditure is required for the general good of all inhabitants. As stated in McClure, "generally, a public purpose has for its objective the promotion of the public health, safety, morals, general welfare, security, prosperity, and contentment of all the inhabitants" Id. at 325. Second the primary objective of the expenditure is to further a public purpose, even if an incidental private end is advanced.

During each fiscal officer's term noted below, the Township failed to remit withholdings timely, therefore, the Township paid penalties and interest in the amounts enumerated below to the various agencies listed below. Additionally, the Township was assessed a stale dated check charge of \$10 deposited in their account.

Agency	Sandra Detchon	Yevonne Postlethwait	Total FFR
BWC	\$0	\$154	\$154
IRS	15,137	22,881	38,018
ODJFS	0	269	269
OPERS	0	593	593
Ohio Income Tax	74	7,219	7,293
Misc-stale dated check charge	0	10	10
Total	\$15,211	\$31,126	\$46,337

Board of Trustees
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The Township Fiscal Officers, named above were responsible for making timely payments to avoid incurring penalties. Paying late fees and penalties that could have been avoided by remitting withholdings on time does not qualify as expenditure of funds for a public purpose.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against the fiscal officers named above and their bonding company Travelers Casualty and Surety Company of America, jointly and severally, in favor of Greene Township's General Fund in the amounts listed above totaling \$46,337.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Greene Township is responsible for compliance with these laws and regulations.



Keith Faber
Auditor of State
Columbus, Ohio

May 07, 2024

GREENE TOWNSHIP
TRUMBULL COUNTY

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INDEPENDENT AUDITOR'S REPORT

Greene Township
Trumbull County
8964 State Route 46
North Bloomfield, Ohio 44450

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of Greene Township, Trumbull County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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* section of our report, the accompanying financial statements 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, 2021 and 2020, or the changes in financial position thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Township on the basis of 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. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2024 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

February 8, 2024

**GREENE TOWNSHIP
TRUMBULL COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General	Special Revenue	Capital Projects	Permanent	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 43,300	\$ 87,097	\$ -	\$ -	\$ 130,397
Charges for Services	350	2,753	-	-	3,103
Licenses, Permits and Fees	125	-	-	-	125
Intergovernmental	28,393	204,478	-	-	232,871
Special Assessments	-	-	-	-	-
Earnings on Investments	89	-	-	-	89
Miscellaneous	1,489	4,545	-	-	6,034
<i>Total Cash Receipts</i>	<u>73,746</u>	<u>298,873</u>	<u>-</u>	<u>-</u>	<u>372,619</u>
Cash Disbursements					
Current:					
General Government	54,436	1,217	-	-	55,653
Public Safety	-	74,068	-	-	74,068
Public Works	-	66,281	-	-	66,281
Health	-	2,428	-	-	2,428
Other	12,057	-	-	-	12,057
<i>Total Cash Disbursements</i>	<u>66,493</u>	<u>143,994</u>	<u>-</u>	<u>-</u>	<u>210,487</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>7,253</u>	<u>154,879</u>	<u>-</u>	<u>-</u>	<u>162,132</u>
Other Financing Receipts (Disbursements)					
Transfers In	-	-	117,352	-	117,352
Transfers Out	-	(117,352)	-	-	(117,352)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>(117,352)</u>	<u>117,352</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	7,253	37,527	117,352	-	162,132
<i>Fund Cash Balances, January 1</i>	<u>31,034</u>	<u>303,725</u>	<u>-</u>	<u>4,286</u>	<u>339,045</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 38,287</u>	<u>\$ 341,252</u>	<u>\$ 117,352</u>	<u>\$ 4,286</u>	<u>\$ 501,177</u>

See accompanying notes to the basic financial statements

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

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Greene Township, Trumbull County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Greene Volunteer Fire and Rescue Department to provide fire services to Johnston and Bristol Townships, to provide emergency medical services.

Public Entity Risk Pools

The Township participates in a public entity risk pool. Note 7 to the financial statements provides additional information for this entity. This organization is:

Public Entity Risk Pool

OTARMA – a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”).

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

Gasoline 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.

Fire and Emergency Medical Services Fund – This fund receives property tax money for emergency services including fire protection and emergency medical services.

Fire Levy Fund – The fire levy fund accounts for and reports that portion of levied real estate tax restricted for fire operational and EMS services and contracts.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant capital project funds.

Miscellaneous Capital Projects Fund The township received a grant from the state for capital improvements. The proceeds are restricted for capital improvement.

Permanent Funds These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

Cemetery Bequest Fund The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). 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 (C) permit.

Budgetary Process

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

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. Appropriations lapse at year-end.

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year-end are canceled, and reappropriated in the subsequent year.

A summary of 2021 budgetary activity appears in Note 4.

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.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Fund Balance

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

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

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

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

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

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 disclosure related to fund balance is included in Note 10.

Note 3 – Compliance

Contrary to Ohio law, the Township failed to pass an annual appropriation resolution in 2021 resulting in budgetary expenditures exceeding appropriation authority in all funds.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 4 – Budgetary Activity

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 54,408	\$ 73,746	\$ 19,338
Special Revenue	203,214	298,873	95,659
Capital Projects	-	117,352	117,352
Total	\$ 257,622	\$ 489,971	\$ 232,349

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ -	\$ 66,493	\$ (66,493)
Special Revenue	-	261,346	(261,346)
Total	\$ -	\$ 327,839	\$ (327,839)

Note 5 - Deposits

To improve cash management, cash received by the Township is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits. A summary of the Township's deposit accounts are as follows:

	2021
Demand Deposits	\$ 501,177
Total Deposits	\$ 501,177

Deposits

Deposits are insured by the Federal Deposit 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.

Note 6 – Property Taxes

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

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

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 7 – Risk Management

Risk Pool Membership

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>2021</u>
Cash and investments	\$34,880,599
Actuarial liabilities	\$10,601,444

Workers’ Compensation

Workers’ Compensation coverage is provided by the State of Ohio. The Township pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2021.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 9 – 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 allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2021.

Note 10 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. 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 accounts were as follows:

Fund Balances	Permanent
Nonspendable:	
Corpus	\$ 4,286
Total	\$ 4,286

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue, debt service, capital projects, and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 11 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During 2021, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

**GREENE TOWNSHIP
TRUMBULL COUNTY**

**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	Capital Projects	Permanent	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 44,140	\$ 82,134	\$ -	\$ -	\$ 126,274
Charges for Services	914	-	-	-	914
Licenses, Permits and Fees	75	-	-	-	75
Intergovernmental	14,186	140,395	-	-	154,581
Special Assessments	802	-	-	-	802
Earnings on Investments	83	-	-	-	83
Miscellaneous	240	1,846	-	-	2,086
<i>Total Cash Receipts</i>	<u>60,440</u>	<u>224,375</u>	<u>-</u>	<u>-</u>	<u>284,815</u>
Cash Disbursements					
Current:					
General Government	48,579	-	-	-	48,579
Public Safety	-	66,575	-	-	66,575
Public Works	-	135,142	10,504	-	145,646
Other	6,737	-	-	-	6,737
Capital Outlay	-	13,949	-	-	13,949
<i>Total Cash Disbursements</i>	<u>55,316</u>	<u>215,666</u>	<u>10,504</u>	<u>-</u>	<u>281,486</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>5,124</u>	<u>8,709</u>	<u>(10,504)</u>	<u>-</u>	<u>3,329</u>
Other Financing Receipts (Disbursements)					
Sale of Capital Assets	6,975	-	-	-	6,975
Transfers In	-	88,711	-	-	88,711
Transfers Out	-	-	(88,711)	-	(88,711)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>6,975</u>	<u>88,711</u>	<u>(88,711)</u>	<u>-</u>	<u>6,975</u>
<i>Net Change in Fund Cash Balances</i>	12,099	97,420	(99,215)	-	10,304
<i>Fund Cash Balances, January 1 (Restated)</i>	18,935	206,305	99,215	4,286	328,741
<i>Fund Cash Balances, December 31</i>	<u>\$ 31,034</u>	<u>\$ 303,725</u>	<u>\$ -</u>	<u>\$ 4,286</u>	<u>\$ 339,045</u>

See accompanying notes to the basic financial statements

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1 – Reporting Entity

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Public Entity Risk Pools

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

Gasoline 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.

Fire District Fund – This fund receives property tax money for emergency services including fire protection and emergency medical services.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Capital Projects Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant capital project fund:

Miscellaneous Capital Projects Fund The Township received a grant from the state for capital improvements. The proceeds are restricted for capital improvement.

Permanent Funds These funds account for and report financial resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizens). The Township had the following significant permanent fund:

Cemetery Bequest Fund The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). 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 (C) permit.

Budgetary Process

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

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. Appropriations lapse at year-end.

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

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year-end are canceled, and reappropriated in the subsequent year.

A summary of 2020 budgetary activity appears in Note 4.

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.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Fund Balance

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

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

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

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

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

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 disclosure related to fund balance is included in Note 10.

Note 3 – Compliance

Contrary to Ohio law, the Township failed to pass an annual appropriation resolution in 2020 resulting in budgetary expenditures exceeding appropriation authority in all funds.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 4 – Budgetary Activity

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

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 54,408	\$ 67,415	\$ 13,007
Special Revenue	203,214	313,086	109,872
Total	\$ 257,622	\$ 380,501	\$ 122,879

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ -	\$ 55,316	\$ (55,316)
Special Revenue	-	215,666	(215,666)
Capital Projects	-	99,215	(99,215)
Total	\$ -	\$ 370,197	\$ (370,197)

Note 5 – Deposits

To improve cash management, cash received by the Township is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits. A summary of the Township's deposit accounts are as follows:

	2020
Demand Deposits	\$ 339,045
Total Deposits	\$ 339,045

Deposits

Deposits are insured by the Federal Deposit 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.

Note 6 – Property Taxes

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

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

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 7 – Risk Management

Risk Pool Membership

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>2020</u>	
Cash and investments	\$36,348,066
Actuarial liabilities	\$10,894,146

Workers’ Compensation

Workers’ Compensation coverage is provided by the State of Ohio. The Township pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2020.

Note 9 – 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 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 employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2020.

**GREENE TOWNSHIP
TRUMBULL COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 10 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. 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 accounts were as follows:

Fund Balances	Permanent
Nonspendable:	
Corpus	\$ 4,286
Total	\$ 4,286

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue, debt service, capital projects, and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 11 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2020, the Township did not receive COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

Note 12 – Restatement of Beginning Fund Balance

The Permanent fund balance was restated as of January 1, 2020 to properly record Cemetery Bequest Funds previously recorded in a Private Purpose Trust. The effect of the restatement is noted below.

	PPT	Permanent	Total
Ending Fund Balance at December 31, 2019	\$ 4,253	\$ 33	\$ 4,286
Restatement	(4,253)	4,253	-
Restated Fund Balance January 1, 2020	\$ -	\$ 4,286	\$ 4,286

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

Greene Township
Trumbull County
8964 State Route 46
North Bloomfield, Ohio 44450

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2021 and 2020 and the related notes to the financial statements of the Greene Township, Trumbull County, (the Township) and have issued our report thereon dated February 8, 2024, wherein we noted the Township followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of audit findings, that we consider material weaknesses. We consider findings 2021-001, 2021-002, 2021-004, 2021-006, and 2021-008 to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of audit findings as items 2021-003 thru 2021-008.

Purpose of This Report

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

February 8, 2024

**GREENE TOWNSHIP
TRUMBULL COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

FINDING NUMBER 2021-001

Material Weakness

Financial Reporting

The Township should have procedures and controls in place to help prevent and detect errors in financial reporting.

Receipts, disbursements, and note disclosures were not always posted or classified correctly. The following errors were noted:

- Numerous instances were noted where receipts and disbursements were not entered into UAN;
- Property tax revenue was not properly distributed across funds per Statement of Semiannual Apportionment of Taxes;
- State Rollback Revenue was recorded as Property Tax and was not properly distributed across funds per Statement of Semiannual Apportionment of Taxes;
- Miscellaneous and Intergovernmental Revenue was recorded as Special Assessment;
- Sale of Capital Asset Revenue was recorded as Intergovernmental; and
- Budgetary and Fund Balance note disclosures were not accurate in 2021 or 2020.

Not posting receipts and disbursements correctly resulted in the financial statements requiring reclassifications and adjustments. The Township has agreed to all financial statement adjusting journal entries and posted them in its accounting system. The financial statements reflect all reclassifications and adjustments.

To help ensure accuracy and reliability in the financial reporting process, we recommend the management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all receipts and disbursement are properly identified and classified on the financial statements and all footnote disclosures are reported and accurate.

We also recommend the Fiscal Officer refer to the Ohio Township Handbook for guidance to determine proper establishment of receipt and disbursement accounts and posting of receipts and disbursements.

Management's Response – We did not receive a response from management to the finding above.

**GREENE TOWNSHIP
TRUMBULL COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

FINDING NUMBER 2021-002

Material Weakness

Bank Reconciliations

The Fiscal Officer did not prepare accurate monthly reconciliations of bank balances to book balances. The amount on the reconciliation provided for audit did not match the accounting records for either 2021 or 2020. The detailed outstanding check listing total did not agree to the total used for the bank reconciliation. A Proof of Cash was necessary to recreate bank reconciliations during the audit that agreed the system reports to the bank statements. We also noted bank reconciliations were not provided to the Trustees on a monthly basis for review and approval.

We recommend the Fiscal Officer prepare detailed bank reconciliations that include all bank account balances being reconciled to total book balance as well as an accurate outstanding check and deposit in transit listing. The Fiscal Officer should reconcile system reports to the bank balance. Copies of bank reconciliations should be presented to the Board of Trustees for review, approval, and use in managing of the Township by the Board of Trustees.

Management's Response – We did not receive a response from management to the finding above.

FINDING NUMBER 2021-003

Noncompliance

Ohio Revised Code Section 117.38 states, in part, cash-basis entities must file annual reports with the Auditor of State within 60 days of the fiscal year end. The Auditor of State may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office. The report shall contain the amount of: (A) receipts, and amounts due from each source; (B) expenditures for each purpose; (C) income of any public service industry that the entity owns or operates, as well as the costs of ownership or operation; and (D) public debt of each taxing district, the purpose of the debt, and how the debt will be repaid. Also, the public office must publish notice in a local newspaper stating the financial report is available for public inspection at the office of the chief fiscal officer.

The Township did not file the 2021 and 2020 Annual Financial Reports with the Auditor of State's office within the 60 day requirement. The Township also did not publish notice in a local newspaper stating the financial report is available for public inspection.

We recommend the Township file an accurate financial report by the required deadline and publish a notice in the local newspaper.

Management's Response – We did not receive a response from management to the finding above.

**GREENE TOWNSHIP
TRUMBULL COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

FINDING NUMBER 2021-004

Material Weakness/Noncompliance

Budgetary Controls

The budget is an instrument of public policy: A governing board expresses its desires for using a government's limited resources through its appropriations. Ohio Rev. Code Section 5705 deals with a variety of budgetary requirements that all subdivisions must comply with in order to ensure fiscal responsibility.

In performing the audit we noted several violations of budgetary law which, although they do not in and of themselves, result in errors in financial reporting, may lead to the Township making financial decisions based on incorrect or incomplete information. We noted the following:

- Violations of 5705.38 relating to not passing an annual appropriation resolution in 2021 or 2020;
- Violations of 5705.41(B) stating no subdivision is to expend money unless it has been appropriated (expenditures exceeded appropriations); and
- Violations of 5705.41(D) relating to expenditures having prior certification of availability of funds.

In addition, The Township did not have a control procedure in place to ensure that appropriations and estimated receipts, as authorized by the Board of Trustees and approved by the County Budget Commission, were reconciled to the appropriations and estimated receipts posted to the accounting system.

This resulted in incorrect amounts posted to the accounting system and information available to Township officials to monitor year-to-date total comparison of budgeted amounts versus actual amounts was not accurate. We recommend the Township implement procedures to ensure appropriations and estimated receipts are accurately posted to the accounting system and reconciled to the amounts approved by the budget commission after each amendment.

The Board does not monitor for budgetary compliance. Although the Board approves budgets for revenue and expenses and receives monthly reports of budget and actual information, it does not ensure budgetary forms are properly completed, submitted to the County Budget Commission timely.

The Board should review the requirements of ORC section 5705 to be familiar with these laws and to make sure the Township is complying with applicable sections. We recommend the Township establish a procedure that ensures budgetary forms are submitted to the County accurately and timely. This could include a checklist of forms and due dates. Necessary steps should be taken to make sure amounts are encumbered (purchase orders are used and assigned to each purchase prior to ordering), certifications of available funds are done by the Fiscal Officer prior to purchasing and unencumbered balances are tracked for each line item.

Management's Response – We did not receive a response from management to the finding above.

**GREENE TOWNSHIP
TRUMBULL COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

FINDING NUMBER 2021-005

Noncompliance

26 U.S.C. Section 3402 and Ohio Rev. Code Section 5747.06 requires every employer, including the state and its political subdivisions making payments of any compensation to an employee who is a taxpayer, to deduct and withhold from such compensation for each payroll period a tax substantially equivalent to the tax reasonably estimated to be due under this chapter with respect to the amount of such compensation included in his adjusted gross income during the calendar year.

During the audit period the Township failed to remit withholdings timely, therefore, the Township paid penalties and interest in the amounts enumerated below to the various agencies listed below.

Agency	Amount
BWC	\$155
IRS	38,017
ODJFS	269
OPERS	593
Ohio Income Tax	7,293
Total	\$46,327

The Township Fiscal Officer is responsible for making timely payments to avoid incurring penalties. Paying late fees and penalties that could have been avoided by remitting withholdings on time does not qualify as expenditure of funds for a public purpose.

We recommend the Fiscal Officer remit the required amounts and file the required reports when completing the last payroll of each quarter to avoid accrual of interest and penalties.

Management's Response – We did not receive a response from management to the finding above.

GREENE TOWNSHIP
TRUMBULL COUNTY

SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2021-006

Material Weakness/Noncompliance

Ohio Rev. Code § 507.09(A)(5) and 505.24(A)(1) In calendar year 2020, in a Township having a budget of \$500,000 or more, the annual compensation of the township fiscal officer elected before December 27, 2018 shall be \$15,597 and after said date shall be \$16,148. The annual compensation for a Trustee elected before December 27, 2018 shall be \$49.63 per day not to exceed 200 days ($\$49.63 * 200 = \$9,926$).

The Township's 2020 Certificates of Estimated Resources, as approved by the County Budget Commission, indicated certified amounts for all funds of \$586,379. Ohio Attorney General Opinions 92-003 and 99-015 indicate that, under Section 505.24 a Township's Certificate of Estimated Resources is to be used to determine the appropriate compensation level for the Township Trustees and Fiscal Officer.

Fiscal Officer Yvonne Postlethwait 's term renewed in April of 2020. She was eligible to receive \$1299.75 per month for January, February, and March and \$1,345.67 per month for the remainder of the year. As such, the maximum annual salary for the fiscal officer based on the budget should have been \$16,010.25. A review of the payroll records indicate Fiscal Officer Postlethwait was paid an annual total compensation of \$16,101.68 during 2020 and as a result, an overpayment of \$91.43 occurred.

Township Trustees James Wakefield and William Barnett were paid annual total compensation of \$10,247 and as a result, an overpayment of \$321.24 occurred for each. Trustee Karl Evans, eligible for the increase, was paid an annual total compensation of \$10,247, resulting in an underpayment of \$28.76.

In calendar year 2021, in a Township having a budget of \$500,000 or more, the annual compensation of the township fiscal officer shall be \$16,431. The annual compensation for a Trustee elected before December 27, 2018 shall be \$49.63 per day not to exceed 200 days ($\$49.63 * 200 = \$9,926$). The annual compensation for a Trustee, elected after December 27, 2018, shall be \$52.28 per day not to exceed 200 days ($\$52.28 * 200 = \$10,456$).

The Township's Certificates of Estimated Resources as approved by the County Budget Commission indicated certified amounts for all funds of \$586,379.

A review of the payroll records indicate Fiscal Officer Postlethwait was paid an annual total compensation of \$14,788.92 during 2021 and as a result, an underpayment of \$1,642.08 occurred.

Township Trustees James Wakefield and William Barnett were paid annual total compensation of \$9,858.92 and \$9,860.04, respectively, and as a result, an underpayment of \$67.08 and \$65.96 occurred.

Eligible for the 2021 increase, Trustee Karl Evans was allowed to be paid \$10,020.22. (Trustee Evans passed away in December of 2021 and was eligible to receive ½ months salary). A review of the payroll records indicates Trustee Evans was paid \$9,449.19 resulting in an underpayment of \$571.14.

We recommend the Township approve estimated resources with the County to confirm compensation through the State of Ohio and follow the Ohio Compensation chart for correct compensation.

Management's Response – We did not receive a response from management to the finding above.

GREENE TOWNSHIP
TRUMBULL COUNTY

SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2021-007

Non-Compliance

Ohio Revised Code Section 149.43 states, in part, all public records shall be promptly prepared and made available to any member of the general public at all reasonable times during regular business hours. Ohio Rev. Code § 149.43(E)(2) states, in part, that the public office shall create a poster that describes its public records policy and shall post the poster in a conspicuous place in the public office and in all locations where the public office has branch offices. The public office may post its public records policy on the internet web site of the public office if the public office maintains an internet web site. A public office that has established a manual or handbook of its general policies and procedures for all employees of the public office shall include the public records policy of the public office in the manual or handbook.

Ohio Rev. Code § 149.43(B)(2) states, in part, to facilitate broader access to public records, a public office or the person responsible for public records shall organize and maintain public records in a manner that they can be made available for inspection or copying in accordance with division (B) of this section. A public office also shall have available a copy of its current records retention schedule at a location readily available to the public.

Ohio Rev. Code § 149.43(E)(1) states, in part, to ensure that all employees of public offices are appropriately educated about a public office's obligations under division (B) of this section, all elected officials or their appropriate designees shall attend training approved by the attorney general as provided in section 109.43 of the Revised Code.

The Township did not have an approved public records policy and did not display the policy to the public as required. In addition, the Township did not have an approved records retention schedule on file as required. Also, not all of the elected officials attended public records training and they did not approve anyone as a designee for the required public records training.

The failure to attend public records training and to adopt a records retention policy may result in requests for records that are not required and/or no longer maintained by the Township and could lead to records being disposed of in error or in noncompliance with Ohio Revised Code.

The public records policy should be posted in accordance with the above requirements, and the Township should also have a current records retention schedule readily available to the public. Additionally, the Township should implement procedures that all elected officials or an approved designee attend the required public records training during each term in office, within a reasonable period of time. Every public office must have a policy in place for compliance with Public Records Laws. There are three specific items that public offices cannot have in their public records policies. They policy cannot: (1) limit the number of public records it will make available to a single person; (2) limit the number of public records it will make available during a fixed period of time; or (3) establish a fixed period of time before it will respond to a request for inspection/copying of public records unless that period is less than eight hours. All public offices are required to distribute their Public Records Policy to the employee who is the records custodian/manager of otherwise has custody of the records of that office.

Management's Response – We did not receive a response from management to the finding above.

GREENE TOWNSHIP
TRUMBULL COUNTY

SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2021-008

Material Weakness/Noncompliance

Ohio Rev. Code § 5705.14 states that no transfer shall be made from one fund of a subdivision to any other fund except for those exceptions provided for in Ohio Rev. Code § 5705.14(A) through (H). Except in the case of transfer pursuant to division (E) of Ohio Rev. Code § 5705.14, transfers authorized by Ohio Rev. Code § 5705.14 shall only be made by resolution of the taxing authority passed with the affirmative vote of two-thirds of the members.

We noted the Township made transfers in and out in 2020 and 2021 between the Capital Projects Fund and Special Revenue fund, however, we noted no evidence of these transfers being formally approved by the Trustees.

Failure to obtain the approval of the Township Trustees for the transfer of monies could result in transfers being made inconsistent with the intentions of Township Trustees.

Interfund transfers should be approved by the Township Trustees as required prior to the transfer being posted to the Township's accounting system.

Management's Response – We did not receive a response from management to the finding above.

**GREENE TOWNSHIP
TRUMBULL COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

Finding Number	Finding Summary	Status	Additional Information
2019-001	Financial Reporting	Not Corrected	Repeated as Finding 2021-001
2019-002	Bank Reconciliations	Not Corrected	Repeated as Finding 2021-002
2019-003	Ohio Revised Code 117.38 Filing annual reports	Not Corrected	Repeated as Finding 2021-003
2019-004	Budgetary Controls	Not Corrected	Repeated as Finding 2021-004
2019-005	Ohio Revised Code 149.351(A)	Corrected	N/A
2019-006	26 U.S.C. Section 3402 and Ohio Revised Code 5747.06	Not Corrected	Repeated as Finding 2021-005
2019-007	Ohio Revised Code Section 121.22(C)	Corrected	N/A
2019-008	Ohio Revised Code 507.09 (A) (5) and 505.24 (A) (1)	Not Corrected	Repeated as Finding 2021-006
2019-009	Internal Control and Segregation of Duties	Corrected	N/A

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OHIO AUDITOR OF STATE KEITH FABER



GREENE TOWNSHIP

TRUMBULL 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 5/21/2024

65 East State 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