



Dave Yost • Auditor of State



HAMILTON TOWNSHIP  
FRANKLIN COUNTY

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Hamilton Township  
Franklin County  
6400 Lockbourne Road  
Lockbourne, OH 43137

To the Board of Trustees:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Hamilton Township, Franklin County, Ohio (the Township), as of and for the years ended December 31, 2016 and 2015.

### ***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(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably 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(D) permit. Our opinion on this accounting basis is in the *Additional Opinion Qualification* 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, 2016 and 2015, and the respective changes in financial position thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Hamilton Township, Franklin County, Ohio, as of December 31, 2016 and 2015, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2018, 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.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

April 18, 2018

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY, OHIO**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

|   | General             | Special<br>Revenue  | Totals<br>(Memorandum<br>Only) |
|---|---------------------|---------------------|--------------------------------|
| <b>Cash Receipts</b>                    |                     |                     |                                |
| Property and Other Local Taxes          | \$ 205,156          | \$ 3,339,943        | \$ 3,545,099                   |
| Charges for Services                    | -                   | 750,737             | 750,737                        |
| Licenses, Permits and Fees              | 50,612              | 1,833               | 52,445                         |
| Fines and Forfeitures                   | 11,634              | 12,632              | 24,266                         |
| Intergovernmental                       | 185,678             | 702,485             | 888,163                        |
| Earnings on Investments                 | 161                 | 12                  | 173                            |
| Miscellaneous                           | 21,139              | 39,634              | 60,773                         |
| <i>Total Cash Receipts</i>              | <u>474,380</u>      | <u>4,847,276</u>    | <u>5,321,656</u>               |
| <b>Cash Disbursements</b>               |                     |                     |                                |
| Current:                                |                     |                     |                                |
| General Government                      | 776,997             | -                   | 776,997                        |
| Public Safety                           | -                   | 4,805,802           | 4,805,802                      |
| Public Works                            | 31,276              | 68,633              | 99,909                         |
| Conservation-Recreation                 | 23,256              | -                   | 23,256                         |
| Capital Outlay                          | 50,584              | 67,095              | 117,679                        |
| <i>Total Cash Disbursements</i>         | <u>882,113</u>      | <u>4,941,530</u>    | <u>5,823,643</u>               |
| <i>Net Change in Fund Cash Balances</i> | (407,733)           | (94,254)            | (501,987)                      |
| <i>Fund Cash Balances, January 1</i>    | <u>1,625,736</u>    | <u>3,457,237</u>    | <u>5,082,973</u>               |
| <b>Fund Cash Balances, December 31</b>  |                     |                     |                                |
| Restricted                              | -                   | 3,362,983           | 3,362,983                      |
| Assigned                                | 463,380             | -                   | 463,380                        |
| Unassigned                              | 754,623             | -                   | 754,623                        |
| <i>Fund Cash Balances, December 31</i>  | <u>\$ 1,218,003</u> | <u>\$ 3,362,983</u> | <u>\$ 4,580,986</u>            |

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

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016**

**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 Hamilton Township, Franklin County, Ohio (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, fire protection and emergency medical services. The Township contracts with Franklin County to provide police services.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk sharing pool available to Ohio local governments. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims exceeding the member's deductible. Note 7 to the financial statements provides additional information for this entity.

The Township belongs to the Ohio Public Entities Consortium/Jefferson Health Plan. Note 8 to the financial statements provides additional information for this entity.

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

**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.

**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:

**1. General Fund**

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



HAMILTON TOWNSHIP  
FRANKLIN COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016  
(Continued)

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

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

Fire District – This fund accounts for the fire levies passed by Hamilton Township to provide fire services in Hamilton Township.

EMS Billing Fund – The fund accounts for money received for providing EMS service as well as for the expenses related to the EMS service.

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. Appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

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

A summary of 2016 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.

HAMILTON TOWNSHIP  
FRANKLIN COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016  
(Continued)

1. Summary of Significant Accounting Policies (Continued)

F. Fund Balance (Continued)

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

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.

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 Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016  
(Continued)**

**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, 2016 is as follows:

|                 |             |
|-----------------|-------------|
|                 | 2016        |
| Demand deposits | \$4,580,986 |
| Total deposits  | 4,580,986   |

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2016 and 2015 is as follows:

| 2016 Budgeted vs. Actual Receipts |                      |                    |           |
|-----------------------------------|----------------------|--------------------|-----------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance  |
| General                           | \$479,016            | \$474,380          | (\$4,636) |
| Special Revenue                   | 4,763,741            | 4,847,276          | 83,535    |
| Total                             | \$5,242,757          | \$5,321,656        | \$78,899  |

| 2016 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |             |
|---|----------------------------|---------------------------|-------------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance    |
| General   | \$1,467,500                | \$882,113                 | \$585,387   |
| Special Revenue                                       | 6,260,000                  | 4,941,530                 | 1,318,470   |
| Total   | \$7,727,500                | \$5,823,643               | \$1,903,857 |

**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.

**5. Retirement Systems**

The Township's certified Fire Fighters belong to the Ohio Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016  
(Continued)**

**5. Retirement Systems (Continued)**

The Ohio Revised Code also prescribes contribution rates. For 2016, OP&F members contributed 12.25% of their salaries for 2016. For 2016, the Township contributed to OP&F an amount equaling 24% of full-time fire fighters' members' gross salaries. The Township paid all contributions through December 31, 2016.

For 2016 and 2015, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2016.

The Township's part time Fire Fighters contribute to U.S. social security and Medicare as prescribed by the Internal Revenue Service. For 2016, the contribution rates for social security was 6.2% and for Medicare was 1.45%. The Township has contributed an amount equaling 7.65% of participants' gross salaries. The Township paid all contributions through December 31, 2016.

**6. Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

**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 belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

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

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

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016  
(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, 2016:

|              | <u>2016</u>         |
|--------------|---------------------|
| Assets       | \$38,473,283        |
| Liabilities  | <u>(8,244,140)</u>  |
| Net Position | <u>\$30,229,143</u> |

At December 31, 2016, respectively, the liability above includes approximately \$7.4 million of estimated incurred claims payable. The assets above also include approximately \$6.9 million of unpaid claims to be billed to approximately 1,010 member governments in the future, as of December 31, 2016, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the Township's share of these unpaid claims collectible in future years is approximately \$20,000.

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

| <u>Contributions to OTARMA</u> |
|--------------------------------|
| <u>2016</u>                    |
| \$44,780                       |

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. Ohio Public Entities Consortium/Jefferson Health Plan (the "Health Plan")**

The Township participates in the Health Plan, a claims servicing self-insurance pool organized under Ohio Revised Code Chapter 167, for the purpose of establishing and carrying out a cooperative program to administer medical, prescription, vision and dental benefits for employees of the participating entities and their eligible dependents. The Health Plan contracts with third-party administrators to process and pay health, dental and vision claims incurred by its members.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016  
(Continued)**

**8. Ohio Public Entities Consortium/Jefferson Health Plan (the “Health Plan”) (Continued)**

The Health Plan also purchases stop loss coverage for claims in excess of a set amount for individual claims and in the pool's aggregate.

Each member of the Health Plan is obligated to pay a fee based on an estimate of the member's share of the Health Plan costs for the fiscal year. Included in this estimate are claims by eligible employees which are payable by each member, the member's share of the medical, prescription, vision and dental insurance premiums, and their proportionate share of the administrative costs of the Health Plan. The actual balance of each member's account is determined on a monthly basis. Each member is required to meet or exceed the claims that have been incurred but not reported (IBNR) and to maintain adequate reserves or current funding to meet or exceed their claims fluctuation reserve requirements. If a member is in a deficit position, the participating member has two fiscal years to make up a negative reserve amount or an insufficient IBNR and three fiscal years to make up insufficient claims fluctuation reserves.

Members may withdraw from the Health Plan with as much notice as is possible for the termination, allowing the Health Plan time to determine any withdrawal balance owed to or by the departing employer. Any outstanding reserve balances are held by the Health Plan for a maximum period of six months to satisfy the payment of claims incurred before termination. The terminating member has the option to pay all of the claims incurred prior to the termination for membership so that any reserves could be released sooner. Employers found to be in a deficit position wishing to leave the Health Plan will be required to repay the deficit in full within ninety days of the effective withdraw date. Additionally, such terminating member will be required to pay any claims incurred prior to termination notification.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY, OHIO**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

|   | General             | Special<br>Revenue  | Totals<br>(Memorandum<br>Only) |
|---|---------------------|---------------------|--------------------------------|
| <b>Cash Receipts</b>                    |                     |                     |                                |
| Property and Other Local Taxes          | \$ 190,225          | \$ 2,840,269        | \$ 3,030,494                   |
| Charges for Services                    | -                   | 848,144             | 848,144                        |
| Licenses, Permits and Fees              | 47,688              | -                   | 47,688                         |
| Fines and Forfeitures                   | 21,237              | -                   | 21,237                         |
| Intergovernmental                       | 210,939             | 738,677             | 949,616                        |
| Earnings on Investments                 | 580                 | -                   | 580                            |
| Miscellaneous                           | 10,118              | 46,933              | 57,051                         |
| <i>Total Cash Receipts</i>              | <u>480,787</u>      | <u>4,474,023</u>    | <u>4,954,810</u>               |
| <b>Cash Disbursements</b>               |                     |                     |                                |
| Current:                                |                     |                     |                                |
| General Government                      | 450,622             | -                   | 450,622                        |
| Public Safety                           | 56,746              | 4,841,668           | 4,898,414                      |
| Public Works                            | 37,568              | 113,668             | 151,236                        |
| Health                                  | 20,968              | -                   | 20,968                         |
| Human Services                          | 500                 | -                   | 500                            |
| Conservation-Recreation                 | 30,150              | -                   | 30,150                         |
| Capital Outlay                          | 87,622              | 71,896              | 159,518                        |
| <i>Total Cash Disbursements</i>         | <u>684,176</u>      | <u>5,027,232</u>    | <u>5,711,408</u>               |
| <i>Net Change in Fund Cash Balances</i> | (203,389)           | (553,209)           | (756,598)                      |
| <i>Fund Cash Balances, January 1</i>    | <u>1,829,125</u>    | <u>4,010,446</u>    | <u>5,839,571</u>               |
| <b>Fund Cash Balances, December 31</b>  |                     |                     |                                |
| Restricted                              | -                   | 3,457,237           | 3,457,237                      |
| Assigned                                | 988,484             | -                   | 988,484                        |
| Unassigned                              | 637,252             | -                   | 637,252                        |
| <i>Fund Cash Balances, December 31</i>  | <u>\$ 1,625,736</u> | <u>\$ 3,457,237</u> | <u>\$ 5,082,973</u>            |

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

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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 Hamilton Township, Franklin County, Ohio (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, fire protection and emergency medical services. The Township contracts with Franklin County to provide police services.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk sharing pool available to Ohio local governments. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims exceeding the member's deductible. Note 7 to the financial statements provides additional information for this entity.

The Township belongs to the Ohio Public Entities Consortium/Jefferson Health Plan. Note 8 to the financial statements provides additional information for this entity.

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

**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.



**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**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:

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

Fire District – This fund accounts for the fire levies passed by Hamilton Township to provide fire services in Hamilton Township.

EMS Billing Fund – The fund accounts for money received for providing EMS service as well as for the expenses related to the EMS service.

**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. Appropriations lapse at year end.

**2. Estimated Resources**

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

HAMILTON TOWNSHIP  
FRANKLIN COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015  
(Continued)

1. Summary of Significant Accounting Policies (Continued)

E. Budgetary Process (continued)

3. Encumbrances

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

A summary of 2016, 2015 budgetary activity appears in Note 3.

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

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.

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 Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015  
(Continued)**

**1. Summary of Significant Accounting Policies (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, 2016 and 2015 is as follows:

|                                |                           |
|--------------------------------|---------------------------|
|                                | <u>2015</u>               |
| Demand deposits                | <u>(\$151,922)</u>        |
| Total deposits                 | <u>(151,922)</u>          |
| Repurchase Agreement           | <u>5,245,495</u>          |
| Total investments              | <u>5,245,495</u>          |
| Total deposits and investments | <u><u>\$5,093,573</u></u> |

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township;

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015  
(Continued)**

**3. Budgetary Activity**

Budgetary activity for the year ending December 31, 2015 is as follows:

| 2015 Budgeted vs. Actual Receipts |                      |                    |            |
|-----------------------------------|----------------------|--------------------|------------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance   |
| General                           | \$437,560            | \$480,787          | \$43,227   |
| Special Revenue                   | 4,595,443            | 4,474,023          | (121,420)  |
| Total                             | \$5,033,003          | \$4,954,810        | (\$78,193) |

| 2015 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |             |
|---|----------------------------|---------------------------|-------------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance    |
| General   | \$1,467,500                | \$684,176                 | \$783,324   |
| Special Revenue                                       | 6,365,000                  | 5,027,232                 | 1,337,768   |
| Total   | \$7,832,500                | \$5,711,408               | \$2,121,092 |

**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.

**5. Retirement Systems**

The Township's certified Fire Fighters belong to the Ohio Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. 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 2016 and 2015, OP&F members contributed 11.5% of their salaries effective July 1, 2014 – June 30, 2015; and 12.25% of their salaries effective July 1, 2015 – December 31, 2015. For 2016 and 2015, the Township contributed to OP&F an amount equaling 24% of full-time fire fighters' members' gross salaries. The Township has paid all contributions required through December 31, 2015.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015  
(Continued)**

**5. Retirement Systems (Continued)**

For 2016 and 2015, 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, 2015.

The Township's part time Fire Fighters contribute to U.S. social security and Medicare as prescribed by the Internal Revenue Service. For 2016 and 2015, the contribution rates for social security was 6.2% and for Medicare was 1.45%. The Township has contributed an amount equaling 7.65% of participants' gross salaries. The Township has paid all contributions required through December 31, 2015.

**6. Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

**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 belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

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

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

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015  
(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, 2015 and 2014 (the latest information available):

|              | <u><b>2015</b></u>         |
|--------------|----------------------------|
| Assets       | \$37,313,311               |
| Liabilities  | <u>(8,418,518)</u>         |
| Net Position | <u><b>\$28,894,793</b></u> |

At December 31, 2015, respectively, the liability above includes approximately \$7.8 million of estimated incurred claims payable. The assets above also include approximately \$7.7 million of unpaid claims to be billed to approximately 989 member governments in the future, as of December 31, 2015, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2015, the Township's share of these unpaid claims collectible in future years is approximately \$23,000.

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

| <u><b>Contributions to OTARMA</b></u> |
|---------------------------------------|
| <u><b>2015</b></u>                    |
| \$43,894                              |

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.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015  
(Continued)**

**8. Ohio Public Entities Consortium/Jefferson Health Plan (the “the Health Plan”)**

The Township participates in the Health Plan, a claims servicing self-insurance pool organized under Ohio Revised Code Chapter 167, for the purpose of establishing and carrying out a cooperative program to administer medical, prescription, vision and dental benefits for employees of the participating entities and their eligible dependents. The Health Plan contracts with third-party administrators to process and pay health, dental and vision claims incurred by its members.

The Health Plan also purchases stop loss coverage for claims in excess of a set amount for individual claims and in the pool’s aggregate.

Each member of the Health Plan is obligated to pay a fee based on an estimate of the member’s share of the Health Plan costs for the fiscal year. Included in this estimate are claims by eligible employees which are payable by each member, the member’s share of the medical, prescription, vision and dental insurance premiums, and their proportionate share of the administrative costs of the Health Plan. The actual balance of each member’s account is determined on a monthly basis. Each member is required to meet or exceed the claims that have been incurred but not reported (IBNR) and to maintain adequate reserves or current funding to meet or exceed their claims fluctuation reserve requirements. If a member is in a deficit position, the participating member has two fiscal years to make up a negative reserve amount or an insufficient IBNR and three fiscal years to make up insufficient claims fluctuation reserves.

Members may withdraw from the Health Plan with as much notice as is possible for the termination, allowing the Health Plan time to determine any withdrawal balance owed to or by the departing employer. Any outstanding reserve balances are held by the Health Plan for a maximum period of six months to satisfy the payment of claims incurred before termination. The terminating member has the option to pay all of the claims incurred prior to the termination for membership so that any reserves could be released sooner. Employers found to be in a deficit position wishing to leave the Health Plan will be required to repay the deficit in full within ninety days of the effective withdraw date. Additionally, such terminating member will be required to pay any claims incurred prior to termination notification.

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# Dave Yost • Auditor of State

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

Hamilton Township  
Franklin County  
6400 Lockbourne Road  
Lockbourne, Ohio 43137

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 by fund type of Hamilton Township, Franklin County, Ohio (the Township) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, and have issued our report thereon dated April 18, 2018, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider material weaknesses. We consider findings 2016-001 through 2016-003 to be material weaknesses.

***Compliance and Other Matters***

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2016-003.

***Township's Response to Findings***

The Township's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Township's responses 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.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

April 18, 2018

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016 AND 2015**

|  |
|--|
| <b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b> |
|--|

**FINDING NUMBER 2016-001**

**Financial Reporting – Material Weakness**

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.

The following audit adjustments and reclassifications have been accounted for in the accompanying December 31, 2016 financial statements and have been posted to the Township's accounting ledgers, as appropriate:

- Various revenue line item reclassifications in the General Fund totaling \$52,466, and in the Special Revenue funds totaling \$377,509.
- A reclassification of fund balance in the General Fund from Unassigned Fund Balance to Assigned Fund Balance totaling \$463,380.
- Adjustments to correct beginning fund balances and disbursements in the General Fund and Special Revenue funds to remove outstanding checks from 2016 disbursements that were recorded in the 2015 financial statements, totaling \$14,891 and \$138,168, respectively.

The following audit adjustments were immaterial to the financial statements and have not been accounted for in the accompanying December 31, 2016 financial statements or posted to the Township's accounting ledgers, as appropriate:

- Adjustments affecting both the general fund and the special revenue funds totaling \$53,742 to reduce fund balance to correct unexplained adjustments to the statements.

The following audit adjustments and reclassifications have been accounted for in the accompanying December 31, 2015 financial statements and have been posted to the Township's accounting ledgers, as appropriate:

- Various revenue line item reclassifications in the General Fund totaling \$71,571, and in the Special Revenue funds totaling \$785,610.
- Various disbursement line item reclassifications in the General Fund totaling \$70,820, and in the Special Revenue funds totaling \$113,668.
- Various fund balance reclassifications in the General Fund totaling \$989,647, and in the Special Revenue funds totaling \$3,497,542.
- An adjustment to correct overstated property tax revenue in the amount of \$5,915 in the General Fund.
- An adjustment to reduce special item receipts and expenses for \$1,163.

Lack or failure of controls over financial reporting can result in errors and irregularities that may go undetected.

We recommend the Township Board and Fiscal Officer take measures to ensure all receipts and disbursements are posted according to the Ohio Township Handbook.

**Officials' Response:**

Fiscal Office will partner with the Board to monitor postings to ensure accuracy.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**  
**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016 AND 2015  
(Continued)**

|   |
|---|
| <b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)</b> |
|---|

**FINDING NUMBER 2016-002**

**Bank Reconciliations – Material Weakness**

Monthly bank reconciliations should be performed by the Township to determine if all receipts and disbursements have been properly posted and should include all Township bank accounts and investments. Reconciling items should be investigated at the time of the reconciliation and resolved in a timely manner. An outstanding check list should be maintained to account for any checks that have not cleared the bank at the end of the month. Reconciliations are monitoring controls that ensure accountability for all expenditures and payments.

The following issues were noted during 2016 and 2015:

At December 31, 2015, the Township had an unknown variance of \$10,600

During 2016, the Township performed timely monthly bank to book reconciliations for most of the audit period. However, the January through April 2016 bank reconciliations were not completed until June 2016. In addition, the bank reconciliations for January through April 2016 included (\$53,742) of unsupported adjustments posted to the Township's records. As a result, the December 31, 2016 bank reconciliation includes this (\$53,742) in its book balance, resulting in an unsupported variance of (\$53,742) at December 31, 2016.

Unreconciled bank to book balances not identified in a timely fashion with unsupported reconciling items that are not identified through the reconciliation process or subsequent reviews lead to misstated bank and book balances and could lead to possible theft or errors without the timely detection by management.

We recommend the Township take steps to ensure all accounts are reconciled on a monthly basis and any future unreconciled variances are identified, investigated, and corrected in a timely manner with proper support maintained. The Township should additionally take steps to alleviate or adjust outstanding reconciling items.

**Officials' Response:**

Since June 2016, UAN has been in use in the fiscal office and the bank balances are reconciled every month. Hamilton Township is committed to identifying the transaction(s) making up the \$53,742 in unsupported adjustments from 2016.

**HAMILTON TOWNSHIP  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016 AND 2015  
(Continued)**

|   |
|---|
| <b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)</b> |
|---|

**FINDING NUMBER 2016-003**

**Noncompliance / Material Weakness**

**Ohio Rev. Code § 5705.10 (A)** states, "all revenue derived from the general levy for current expense within the ten-mill limitation, from any general levy for current expense authorized by vote in excess of the ten-mill limitation, and from sources other than the general property tax, unless its use for a particular purpose is prescribed by law, shall be paid into the general fund."

The Township posted \$40,260 of General Fund intergovernmental receipts to the EMS Fund as charges for services in 2015. The adjustment has been accounted for in the accompanying December 31, 2015 financial statements and has been posted to the Township's accounting ledgers.

Failure to post revenue to the proper fund results in non-compliance and could also result in restricted funds spent for an unallowable purpose.

We recommend the Fiscal Officer take measures to ensure all revenues are posted to the correct funds.

**Officials' Response:**

Fiscal Officer will closely monitor receipt posting to ensure all revenue is posted.



# HAMILTON TOWNSHIP

## FRANKLIN COUNTY

6400 LOCKBOURNE ROAD | LOCKBOURNE, OHIO 43137  
TEL. (614) 491-3963 | FAX (614) 491-1320

### TRUSTEES

HOWARD HAHN  
CHARLES C. HANN  
MICHAEL CRAIGLOW

### FISCAL OFFICER

LISA SHIRKEY

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2016

| Finding Number                               | Finding Summary   | Status        | Additional Information  |
|--|---|---------------|---|
| 2014-001<br>2012-001<br>2010-001<br>2008-001 | Financial Reporting - Material Weakness: Various material reclassifications and fund balance adjustments to correct the financial statements. | Not Corrected | We will attempt to classify these more accurately and correctly on the 2018 report. |



# Dave Yost • Auditor of State

HAMILTON TOWNSHIP

FRANKLIN COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
MAY 17, 2018