

MIAMI TOWNSHIP
GREENE COUNTY, OHIO
BIENNIAL AUDIT
JANUARY 1, 1998 - DECEMBER 31, 1999



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board of Trustees
Miami Township
225 Cory Street
Yellow Springs, Ohio 45387

We have reviewed the independent auditor's report of the Miami Township, Greene County, prepared by Steen & Co. LLC, for the audit period January 1, 1998 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

January 22, 2001

MIAMI TOWNSHIP
GREENE COUNTY, OHIO

January 1, 1998 to December 31, 1999

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**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**ELECTED OFFICIALS
AS OF DECEMBER 31, 1999**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Lamar Spracklen	Trustee	12/31/01
Chris Mucher	Trustee	12/31/99
Lehr Dirch	Trustee	12/31/01
Marsha Hickman	Clerk	3/31/00

Legal Council:

William F. Schenck
Prosecuting Attorney
45 N. Detroit St.
Xenia, Ohio 45385

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

INDEX OF FUNDS

GOVERNMENTAL FUND TYPES:

General Fund:

General Fund

Special Revenue Funds:

Motor Vehicle License Fund

Gasoline Tax Fund

Road and Bridge Fund

Cemetery Fund

Fire Special Levy Fund

Permissive Motor Vehicle License Tax Fund

Capital Project Fund:

Fire Capital Equipment Fund

FIDUCIARY FUND TYPES:

Trust and Agency Funds:

Expendable Trust Funds:

Clifton Paramedic Trust Fund

Grinnell Cemetery Trust Fund

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Miami Township
225 Cory Street
Yellow Springs, Ohio 45387

We have audited the accompanying financial statements of Miami Township, Greene County, (the Township) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

As described Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Ohio Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Miami Township, Greene County, as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2000 on our consideration of the Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Steen and Co., LLC
November 6, 2000

**MIAMI TOWNSHIP
GREENE COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES – ALL GOVERNMENTAL FUNDS –
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	<u>Total Memorandum Only)</u>
Cash receipts:					
Taxes	\$ 48,165	\$336,332	\$ 0	\$ 0	\$ 384,497
Charges for services	700	2,365	0	0	3,065
License, Permits, and fees	962	0	0	0	962
Intergovernmental	66,834	119,216	32,246	0	218,296
Interest	9,166	14,216	7,526	150	31,058
Miscellaneous	971	968	0	0	1,939
Total cash receipts	126,798	473,097	39,772	150	639,817
Cash disbursements:					
General government	81,052	1,159	0	0	82,211
Public safety	1,771	243,429	0	660	245,860
Public works	56,132	102,916	0	0	159,048
Health	5,660	0	0	0	5,660
Capital outlay	8,917	85,688	25,144	0	119,749
Miscellaneous	0	1,495	0	0	1,495
Total cash disbursements	153,532	434,687	25,144	660	614,023
Total receipts over/(under) disbursements	(26,734)	38,410	14,628	(510)	25,794
Other financing receipts/(disbursements):					
Transfers-in	0	0	0	0	0
Transfers-out	0	0	0	0	0
Other sources	0	0	0	0	0
Total other financing receipts receipts/(disbursements)	0	0	0	0	0
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(26,734)	38,410	14,628	(510)	25,794
Fund cash balances					
January 1, 1999	64,363	128,765	147,900	3,325	344,353
Fund cash balances December 31, 1999	\$ 37,629	\$167,175	\$ 162,528	2,815	\$ 370,147

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

**MIAMI TOWNSHIP
GREENE COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES – ALL GOVERNMENTAL FUNDS –
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>General</u>	<u>Special Capital Revenue</u>	<u>Expendable Projects</u>	<u>Total Trust</u>	<u>(Memo Only)</u>
Cash receipts:					
Taxes	\$ 28,288	\$212,526	\$ 131,000	\$ 0	\$ 371,814
Charges for services	1,363	2,667	0	0	4,030
Permits and fees	511	0	0	0	511
Intergovernmental	60,785	132,816	13,535	0	207,136
Interest	12,965	12,524	3,365	137	28,991
Miscellaneous	738	173	0	0	911
Total cash receipts	104,650	360,706	147,900	137	613,393
Cash disbursements:					
General government	80,485	366	0	0	80,851
Public safety	1,350	231,987	0	30	233,367
Public works	46,890	113,639	0	0	160,529
Health	4,929	0	0	0	4,929
Capital outlay	14,235	145,712	0	0	159,947
Miscellaneous	0	1,623	0	0	1,623
Total cash disbursements	147,889	493,327	0	30	641,246
Total receipts over/(under) disbursements	(43,239)	(132,621)	147,900	107	(27,853)
Other financing receipts/(disbursements):					
Transfers-in	0	0	0	0	0
Transfers-out	0	0	0	0	0
Other sources	2,373	0	0	0	2,373
Total other financing receipts receipts/(disbursements)	2,373	0	0	0	2,373
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(40,866)	(132,621)	147,900	107	(25,480)
Fund cash balances					
January 1, 1998	105,229	261,386	0	3,218	369,833
Fund cash balances December 31, 1998	\$ 64,363	\$ 128,765	\$ 147,900	\$ 3,325	\$ 344,353

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

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998**

1. Summary of Significant Accounting Policies

A. Description of the Entity

Miami Township Greene County, (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township provides general governmental services, including road maintenance, zoning, and fire services.

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

B. Basis of Accounting

These financial statements were prepared on the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when a payment is made rather than when a liability is incurred.

C. Cash and Investments

Certificates of deposit are valued at cost.

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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds :

Gasoline Tax Fund- This fund receives gasoline tax money for constructing, maintaining and repairing Township roads.

Road and Bridge Fund - This fund receives taxes and state support for maintaining and repairing Township roads.

Fire District Fund- This fund receives property tax money to provide fire protection services.

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998**

D. Fund Accounting (continued)

Capital Project Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through trust funds). The Township had the following significant capital project fund:

Fire Equipment Fund- This fund receives transfers from the Fire District Fund to purchase equipment.

Fiduciary Funds

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Township to maintain the corpus of the trust, the fund is classified as a non-expendable trust fund. Other trust funds are classified as expendable trust funds. The Township had the following significant fiduciary funds:

Clifton Paramedic Trust Fund- An expendable trust fund. Amounts donated are used to improve emergency services provided to the Township.

Grinnell Cemetery Trust Fund- An expendable trust fund. Amounts donated are used for grave upkeep as specified by the donor.

E. Budgetary Process

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

Appropriations and Expenditures

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. The County Budget Commission must also approve the annual appropriation measure. 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 also approve estimated resources.

Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year-end are carried over, and need not be reappropriated. .
A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Township.

2. Equity in Pooled Cash and Investments

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$15,290	\$25,562
Investments	<u>354,857</u>	<u>318,791</u>
Total Cash and Investments	<u>370,147</u>	<u>344,353</u>

Deposits:

Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool

3. Budgetary Activity

Budgetary activity for the years ending December 31, 1999 and 1998 were as follows:

	<u>1998 Budgeted vs. Actual Receipts</u>		
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$118,124	\$107,023	(\$11,101)
Special Revenue	440,700	360,706	(79,994)
Capital Projects	250	147,900	147,650
Fiduciary	<u>165</u>	<u>137</u>	<u>(28)</u>
Total	<u>\$559,239</u>	<u>\$615,766</u>	<u>\$56,527</u>

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	Appropriation <u>Authority</u>	Budgetary <u>Expenditures</u>	<u>Variance</u>
General	\$198,353	\$147,889	\$50,464
Special Revenue	582,086	495,469	86,617
Capital Projects	145,250	0	145,250
Fiduciary	<u>3,383</u>	<u>30</u>	<u>3,353</u>
Total	<u>\$929,072</u>	<u>\$643,388</u>	<u>\$285,684</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$124,665	\$126,797	\$2,132
Special Revenue	483,705	473,097	(10,608)
Capital Projects	10,991	39,772	28,781
Fiduciary	<u>64</u>	<u>149</u>	<u>85</u>
Total	<u>\$619,425</u>	<u>\$639,815</u>	<u>\$20,390</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	Appropriation <u>Authority</u>	Budgetary <u>Expenditures</u>	<u>Variance</u>
General	\$180,893	\$153,532	\$27,361
Special Revenue	508,164	434,686	73,478
Capital Projects	145,394	25,144	120,250
Fiduciary	<u>3,728</u>	<u>660</u>	<u>3,068</u>
Total	<u>\$838,179</u>	<u>\$614,022</u>	<u>\$224,157</u>

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 1999 AND 1998**

4. Property Tax

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

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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 employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement health care, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55 of participants' gross salaries. The Township has paid all contributions required through December 31, 1999.

6. Risk Management

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Public Officials Bonds

The Township also provides health insurance to full-time employees through a private carrier.

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Miami Township
225 Cory Street
Yellow Springs, Ohio 45371

We have audited the financial statements of Miami Township (the Township) as of and for the year ended December 31, 1999 and 1998, and have issued our report thereon dated November 6, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*

However, we noted other immaterial instances of non-compliance, that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated November 6, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting, that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated November 6, 2000.

This report is intended solely for the information and use of the officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be used by anyone other than these specified parties.

Steen and Co., LLC
November 6, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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MIAMI TOWNSHIP

GREENE 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
FEBRUARY 1, 2001**