



Dave Yost • Auditor of State



**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Springfield Township  
Lucas County  
7617 Angola Road  
Holland, Ohio 43528-8602

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Springfield Township, Lucas County, Ohio (the Township), as of and for the year ended December 31, 2011, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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. The Government processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Government because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code § 117.11(A) mandates the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinions.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Springfield Township, Lucas County, Ohio, as of December 31, 2011, and the respective changes in cash financial position, thereof and the respective budgetary comparison for the General, Fire District, EMS, and Lighting Funds thereof for the year then ended in conformity with the accounting basis Note 2 describes.

As described in Note 2, during 2011 Springfield Township adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2013, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

We conducted our audit to opine on the Township's financial statements taken as a whole. Management's Discussion and Analysis includes tables of net assets, changes in net assets, and governmental activities. These tables provide additional information, but are not part of the basic financial statements. However these tables are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These tables were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion and Analysis, and we express no opinion or any other assurance on it.



**Dave Yost**  
Auditor of State

May 13, 2013

Springfield Township  
Lucas County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
Unaudited

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This discussion and analysis of Springfield Township's (the Township) financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2011, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

### **Highlights**

Key highlights for 2011 are as follows:

Net assets of governmental activities increased \$218,526 or 5 percent, there were several significant changes from the prior year. The only major fund affected by the decrease in cash and cash equivalents was the Emergency Medical Fund.

The Township's general receipts are primarily property and other local taxes. These receipts represent 81 percent of the general receipts during the year.

### **Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

#### **Report Components**

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

#### **Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Springfield Township  
Lucas County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
Unaudited

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**Reporting the Township as a Whole**

The statement of net assets and the statement of activities reflect how the Township did financially during 2011, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other non-financial factors as well such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the statement of net assets and the statement of activities, only governmental activities are shown. The Township's basic services are reported here, including fire, streets and parks. State and federal grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**Reporting the Township's Most Significant Funds**

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are all governmental type funds.

Governmental Funds - Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General, EMS, Fire, and Lighting funds. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.



Springfield Township  
 Lucas County  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2011  
 Unaudited

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**The Township as a Whole**

Table 1 provides a summary of the Township's net assets for 2011 compared to 2010 on a cash basis:

(Table 1)

**Net Assets**

	Governmental Activities	
	2011	2010
<b>Assets</b>		
Cash and Cash Equivalents	\$4,343,292	\$4,124,766
<b>Net Assets</b>		
Restricted for:		
Capital Projects	296,576	481,599
Other Purposes	1,845,707	1,950,332
Unrestricted	2,201,009	1,692,835
Total Net Assets	\$4,343,292	\$4,124,766

As mentioned previously, net assets of governmental activities increased \$218,526, or 5 percent during 2011. The primary reasons contributing to the increase in cash balances are as follows:

- Increase in the General Fund as a result of an increase in intergovernmental revenue and related reimbursements.
- Decrease in the Ambulance and Emergency Medical Funds as a result of charges for services decreasing.

Springfield Township  
Lucas County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
Unaudited

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Table 2 reflects the changes in net assets in 2011 and 2010.

	Governmental Activities 2011	Governmental Activities 2010
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$1,276,686	\$1,599,894
Operating Grants and Contributions	1,260,286	1,372,624
Capital Grants and Contributions	193,797	200,601
Total Program Receipts	<u>2,730,769</u>	<u>3,173,119</u>
General Receipts:		
Property and Other Local Taxes	4,151,527	4,075,802
Other Debt Proceeds		
Grants and Entitlements Not Restricted to Specific Programs	768,088	590,906
Sale of Capital Assets	18,020	12,107
Cable Franchise Fees	253,502	247,255
Interest	25,476	44,430
Miscellaneous	157,451	87,012
Total General Receipts	<u>5,374,064</u>	<u>5,057,512</u>
Total Receipts	<u>8,104,833</u>	<u>8,230,631</u>
Disbursements:		
General Government	882,488	1,100,620
Public Safety	4,638,828	4,371,085
Public Works	1,102,365	1,122,260
Health	115,424	106,904
Other		
Conservation-Recreation	115,212	132,746
Principal Retirement	29,970	29,970
Capital Outlay	1,002,020	979,552
Total Disbursements	<u>7,886,307</u>	<u>7,843,137</u>
Increase (Decrease) in Net Assets	218,526	387,494
Net Assets, January 1	4,124,766	3,737,272
Net Assets, December 31	<u>\$4,343,292</u>	<u>\$4,124,766</u>

Springfield Township  
Lucas County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
Unaudited

Program receipts represent only 34 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, building permits and inspection fees, lighting assessments and charges for emergency medical services provided under contract.

General receipts represent 66 percent of the Township's total receipts, and of this amount, over 77 percent are local taxes. State and federal grants and entitlements make up most of the remaining balance of the Township's general receipts (14 percent). Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the costs of the board of trustees and fiscal officer, as well as internal services such as payroll and purchasing.

Public Safety is the cost of police and fire protection and EMS services; Public Works is the cost of maintaining the roads and cemetery; Capital Outlay is the cost of public safety equipment, paving township roads, and site improvements to the township owned property.

**Governmental Activities**

If you look at the Statement of Activities, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for public safety which account for 56 percent of all governmental disbursements. Public works and general government also represent significant costs, about 14 percent and 14 percent respectively. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)

**Governmental Activities**

	Total Cost of Services 2011	Net Cost of Services 2011	Total Cost of Services 2010	Net Cost of Services 2010
General Government	\$882,488	\$387,586	\$1,100,620	\$584,375
Public Safety	4,638,828	3,422,047	4,371,085	2,833,843
Public Works	1,102,365	215,100	1,122,260	219,156
Health	115,424	93,394	106,904	81,194
Other		(109,791)		(190,818)
Conservation-Recreation	115,212	115,212	132,746	132,746
Principal Retirement	29,970	29,970	29,970	29,970
Capital Outlay	1,002,020	1,002,020	979,552	979,552
<b>Total Expenses</b>	<b>\$7,886,307</b>	<b>\$5,155,538</b>	<b>\$7,843,137</b>	<b>\$4,670,018</b>

The dependence upon property tax receipts is apparent as over 51 percent of governmental activities are supported through these general receipts.

Springfield Township  
Lucas County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2011  
Unaudited

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**The Township's Funds**

Total governmental funds had receipts of \$8,086,813 and disbursements of \$7,886,307. The greatest change within governmental funds occurred within the General Fund. The fund balance of the General Fund increased \$403,674 as the result of increase in property taxes and related state reimbursements. The fund balance of the Other Governmental Funds decreased \$257,312 as the result of a decrease in related state reimbursements.

**General Fund Budgeting Highlights**

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

During 2011, the Township amended its General fund budget. The difference between final budgeted receipts and actual receipts was significant.

Final disbursements and other financing uses were budgeted at \$3,928,951 while actual disbursements and other financing uses were \$2,096,716. The Township kept spending under budgeted amounts. However, since revenue was more than budgeted, this resulted in an increase in fund balance of \$403,674.

**Capital Assets and Debt Administration**

**Capital Assets**

The Township does not record capital assets in the accompanying basic financial statements, but records payments for capital assets as disbursements.

**Debt**

At December 31, 2011, the Township's outstanding debt included \$149,656 in Ohio Public Works Commission loans obtained for widening and resurfacing of Township roads.

**Current Issues**

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

The Township's budgeting practices have resulted in increased fund balances in each of the previous two years. The Township relies heavily on local taxes and has very little industry to support the tax base which requires the Township's administration to constantly monitor the budget and look for ways to increase revenues in other areas.

**Contacting the Township's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Fiscal Officer, Springfield Township, 7617 Angola Road, Holland, Ohio 43528-8602.

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Net Assets - Cash Basis  
December 31, 2011*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$4,343,292</u>
<i>Total Assets</i>	<u><u>\$4,343,292</u></u>
<b>Net Assets</b>	
Restricted for:	
Capital Projects	\$296,576
Other Purposes	1,845,707
Unrestricted	<u>2,201,009</u>
<i>Total Net Assets</i>	<u><u>\$4,343,292</u></u>

See accompanying notes to the basic financial statements

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Activities - Cash Basis  
For the Year Ended December 31, 2011*

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
General Government	\$882,488		\$494,902	(\$387,586)
Public Safety	4,638,828	\$898,513	318,268	(3,422,047)
Public Works	1,102,365	308,124	385,344	\$193,797 (215,100)
Health	115,424	22,030		(93,394)
Other		48,019	61,772	109,791
Conservation-Recreation	115,212			(115,212)
Capital Outlay	1,002,020			(1,002,020)
Debt Service:				
Principal Retirement	29,970			(29,970)
Total	<u>\$7,886,307</u>	<u>\$1,276,686</u>	<u>\$1,260,286</u>	<u>\$193,797</u> <u>(5,155,538)</u>
<b>General Receipts</b>				
Property Taxes Levied for:				
				967,029
				411,999
				2,571,374
				201,125
				768,088
				18,020
				253,502
				25,476
				157,451
				<i>Total General Receipts</i>
				5,374,064
				218,526
				<i>Net Assets Beginning of Year</i>
				4,124,766
				<i>Net Assets End of Year</i>
				\$4,343,292

See accompanying notes to the basic financial statements

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Cash Basis Assets and Fund Balances  
Governmental Funds  
December 31, 2011*

	General	Fire District Fund	EMS Fund	Lighting Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$2,201,009	\$830,231	\$235,124	\$469,911	\$607,017	\$4,343,292
<i>Total Assets</i>	<u>\$2,201,009</u>	<u>\$830,231</u>	<u>\$235,124</u>	<u>\$469,911</u>	<u>\$607,017</u>	<u>\$4,343,292</u>
<b>Fund Balances</b>						
Nonspendable						
Restricted		\$830,231	\$235,124	\$469,911	\$600,552	\$2,135,818
Committed					6,465	6,465
Assigned						
Unassigned	\$2,201,009					2,201,009
<i>Total Fund Balances</i>	<u>\$2,201,009</u>	<u>\$830,231</u>	<u>\$235,124</u>	<u>\$469,911</u>	<u>\$607,017</u>	<u>\$4,343,292</u>

See accompanying notes to the basic financial statements

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances  
Governmental Funds*

*For the Year Ended December 31, 2011*

	General	Fire District Fund	EMS Fund	Lighting Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>						
Property and Other Local Taxes	\$1,168,154	\$2,571,374			\$411,999	\$4,151,527
Charges for Services			\$898,513			898,513
Licenses, Permits and Fees	279,151				16,431	295,582
Intergovernmental	923,718	631,312			666,715	2,221,745
Special Assessments				\$308,124		308,124
Interest	25,476				427	25,903
Other	103,891	43,439	14,345		23,744	185,419
<i>Total Receipts</i>	<u>2,500,390</u>	<u>3,246,125</u>	<u>912,858</u>	<u>308,124</u>	<u>1,119,316</u>	<u>8,086,813</u>
<b>Disbursements</b>						
Current:						
General Government	882,488					882,488
Public Safety	554,807	3,154,448	929,573			4,638,828
Public Works	4,656			256,638	841,071	1,102,365
Health	71,797				43,627	115,424
Conservation-Recreation	115,212					115,212
Capital Outlay	1,674	72,304			928,042	1,002,020
Debt Service:						
Principal Retirement					29,970	29,970
<i>Total Disbursements</i>	<u>1,630,634</u>	<u>3,226,752</u>	<u>929,573</u>	<u>256,638</u>	<u>1,842,710</u>	<u>7,886,307</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>869,756</u>	<u>19,373</u>	<u>(16,715)</u>	<u>51,486</u>	<u>(723,394)</u>	<u>200,506</u>
<b>Other Financing Sources (Uses)</b>						
Sale of Capital Assets		18,020				18,020
Transfers In					466,082	466,082
Transfers Out	(466,082)					(466,082)
Advances In					88,500	88,500
Advances Out					(88,500)	(88,500)
<i>Total Other Financing Sources (Uses)</i>	<u>(466,082)</u>	<u>18,020</u>			<u>466,082</u>	<u>18,020</u>
<i>Net Change in Fund Balances</i>	403,674	37,393	(16,715)	51,486	(257,312)	218,526
<i>Fund Balances Beginning of Year</i>	<u>1,797,335</u>	<u>792,838</u>	<u>251,839</u>	<u>418,425</u>	<u>864,329</u>	<u>4,124,766</u>
<i>Fund Balances End of Year</i>	<u>\$2,201,009</u>	<u>\$830,231</u>	<u>\$235,124</u>	<u>\$469,911</u>	<u>\$607,017</u>	<u>\$4,343,292</u>

See accompanying notes to the basic financial statements



**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$1,148,425	\$1,148,425	\$1,168,154	\$19,729
Licenses, Permits and Fees	275,500	275,500	279,151	3,651
Intergovernmental	616,700	616,700	923,718	307,018
Interest	35,000	35,000	25,476	(9,524)
Other	56,000	56,000	103,891	47,891
<i>Total Receipts</i>	<u>2,131,625</u>	<u>2,131,625</u>	<u>2,500,390</u>	<u>368,765</u>
<b>Disbursements</b>				
Current:				
General Government	1,037,651	1,078,461	882,488	195,973
Public Safety	554,807	554,807	554,807	
Public Works	5,200	5,200	4,656	544
Health	72,000	72,000	71,797	203
Conservation-Recreation	156,300	156,300	115,212	41,088
Capital Outlay	1,502,993	1,452,183	1,674	1,450,509
<i>Total Disbursements</i>	<u>3,328,951</u>	<u>3,318,951</u>	<u>1,630,634</u>	<u>1,688,317</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(1,197,326)</u>	<u>(1,187,326)</u>	<u>869,756</u>	<u>2,057,082</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(600,000)	(610,000)	(466,082)	143,918
<i>Net Change in Fund Balance</i>	<u>(1,797,326)</u>	<u>(1,797,326)</u>	<u>403,674</u>	<u>2,201,000</u>
<i>Fund Balance Beginning of Year</i>	1,692,835	1,692,835	1,692,835	
<i>Prior Year Encumbrances Appropriated</i>	104,500	104,500	104,500	
<i>Fund Balance End of Year</i>	<u>\$9</u>	<u>\$9</u>	<u>\$2,201,009</u>	<u>\$2,201,000</u>

See accompanying notes to the basic financial statements

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Fire District Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$2,511,190	\$2,511,190	\$2,571,374	\$60,184
Intergovernmental	498,400	498,400	631,312	132,912
Other	35,000	35,000	43,439	8,439
<i>Total Receipts</i>	<u>3,044,590</u>	<u>3,044,590</u>	<u>3,246,125</u>	<u>201,535</u>
<b>Disbursements</b>				
Current:				
Public Safety	3,318,800	3,387,683	3,154,448	233,235
Capital Outlay	440,000	371,117	72,304	298,813
<i>Total Disbursements</i>	<u>3,758,800</u>	<u>3,758,800</u>	<u>3,226,752</u>	<u>532,048</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(714,210)</u>	<u>(714,210)</u>	<u>19,373</u>	<u>733,583</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets			18,020	18,020
<i>Net Change in Fund Balance</i>	(714,210)	(714,210)	37,393	751,603
<i>Fund Balance Beginning of Year</i>	<u>792,838</u>	<u>792,838</u>	<u>792,838</u>	
<i>Fund Balance End of Year</i>	<u><u>\$78,628</u></u>	<u><u>\$78,628</u></u>	<u><u>\$830,231</u></u>	<u><u>\$751,603</u></u>

See accompanying notes to the basic financial statements

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
EMS Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Charges for Services	\$967,259	\$967,259	\$898,513	(\$68,746)
Other	8,400	8,400	14,345	5,945
<i>Total Receipts</i>	<u>975,659</u>	<u>975,659</u>	<u>912,858</u>	<u>(62,801)</u>
<b>Disbursements</b>				
Current:				
Public Safety	1,044,325	1,059,325	929,573	129,752
Capital Outlay	60,000	45,000		45,000
<i>Total Disbursements</i>	<u>1,104,325</u>	<u>1,104,325</u>	<u>929,573</u>	<u>174,752</u>
<i>Net Change in Fund Balance</i>	(128,666)	(128,666)	(16,715)	111,951
<i>Fund Balance Beginning of Year</i>	<u>251,839</u>	<u>251,839</u>	<u>251,839</u>	
<i>Fund Balance End of Year</i>	<u><u>\$123,173</u></u>	<u><u>\$123,173</u></u>	<u><u>\$235,124</u></u>	<u><u>\$111,951</u></u>

See accompanying notes to the basic financial statements

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Lighting Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Special Assessments	\$305,000	\$305,000	\$308,124	\$3,124
<b>Disbursements</b>				
Current:				
Public Works	723,358	723,358	256,638	466,720
<i>Net Change in Fund Balance</i>	(418,358)	(418,358)	51,486	469,844
<i>Fund Balance Beginning of Year</i>	418,425	418,425	418,425	
<i>Fund Balance End of Year</i>	\$67	\$67	\$469,911	\$469,844

See accompanying notes to the basic financial statements

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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**NOTE 1 – REPORTING ENTITY**

Springfield Township, Lucas County, Ohio (the Township), is a body politic and corporate established in 1835 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

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

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, fire protection, and cemetery maintenance. Police protection is provided by the Lucas County Sheriff.

B. Component Units

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township.

Based on these criteria, the Township has no component units.

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

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant Township's accounting policies.

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are categorized as governmental.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are as follows:

**1. General Fund**

The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

**2. Fire District Fund**

The Fire District Fund receives property tax monies for providing fire protection within the Township.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

**3. Rescue Ambulance/EMS Service (EMS) Fund**

The Rescue ambulance/EMS Service Fund receives EMS contract funds and transport fees for providing EMS services within the Township.

**4. Lighting District Fund**

The Lighting District Fund received special assessment monies for maintaining lighting within the Township.

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

**C. Basis of Accounting**

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

**D. Budgetary Process**

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

The appropriations ordinance is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

E. Cash and Investments

Township records identify the purchase of specific investments by specific funds.

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts, respectively.

During 2011, the Township invested in U.S. Treasury notes, Federal Farm Credit Bank notes, Federal Home Loan Mortgage Bank notes, Federal National Mortgage notes, and a US Treasury Money Market Fund, These investments are reported at cost. The Township’s money market mutual fund investment is recorded at the amount reported by Charles Schwab on December 31, 2011.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2011 was \$25,476 which includes \$5,267 assigned from other Township funds.

F. Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

G. Capital Assets

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

H. Interfund Receivables/Payables

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

I. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township’s cash basis of accounting.

J. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.



SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

K. Long-Term Obligations

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither other financing source nor capital outlay expenditure are reported at inception.

L. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for road and bridge construction, maintenance and repair, and fire protection. The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

M. Fund Balance

For 2011, the Township implemented GASB statement 54. Fund balance is divided into five classifications based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in governmental funds. The classifications are as follows:

**Nonspendable** - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

**Restricted** - The restricted classification includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or law or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (Township ordinance).

**Enabling legislation** authorizes the Township to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Township can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

**Committed** - The committed classification includes amounts that can be used only for the specific purposes determined by a formal action (ordinance or resolution) of Township Council. The committed amounts cannot be used for any other purpose unless Township Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Township Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by Township Council or by a Township official delegated that authority by ordinance.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Township first applies restricted resources when an expenditure is 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 can be used.

**NOTE 3 – BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). There were no encumbrances outstanding at year end.

**NOTE 4 – DEPOSITS AND INVESTMENTS**

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 4 – DEPOSITS AND INVESTMENTS – (CONTINUED)**

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

At year end, the Township did not have any undeposited cash on hand which is included as part of cash on the financial statements.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$2,122,608 of the Township's bank balance of \$2,622,608 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

**NOTE 4 – DEPOSITS AND INVESTMENTS – (CONTINUED)**

Investments

As of December 31, 2011, the Township had the following investments:

	Carrying Value	Maturity
Federal Home Loan Bank	200,000	10/03/14
Federal Home Loan Bank	250,000	10/03/13
Federal Home Loan Bank	200,000	12/27/13
Federal Home Loan Bank	250,000	03/27/13
Federal Home Loan Bank	200,000	05/28/14
Federal National Mortgage	250,000	10/25/13
US Treasury Notes	150,000	11/15/12
US Treasury Notes	150,000	01/15/13
US Treasury Notes	110,000	09/15/12
US Treasury Money Market Fund	9,052	NA
Total Portfolio	\$1,769,052	

The Township's investment policy establishes the maximum percentage of the portfolio permitted in each eligible security as follows:

US Treasury	No Limit
Federal Agency	Limit of 35% per issuer
Repurchase Agreements	Limited to 20%
Commercial Paper/Banker's Accept	Limited to 25%
Certificates of deposit	Limited to 75%
STAR Ohio	No Limit

The Township places no limit on the amount the Township may invest in one issuer. Of the Township's total investments (excluding US Treasury Money Market), 9.9% are Federal Home Loan Bank, 9.6% are Federal National Mortgage, 80.5% are US Treasury notes

Interest rate risk arises because the fair value of investments changes as interest rates change. The Township's investment policy addresses interest rate risk by requiring that the Township's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

All of the Township's securities carry a rating of Aaa by Moody's. The Township's investment policy is limited to requiring compliance with state statutes.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 4 – DEPOSITS AND INVESTMENTS – (CONTINUED)**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the Township's name. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

**NOTE 5 – PROPERTY TAXES**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. In 2011, real property taxes were levied in 2010, on the assessed values as of January 1, 2010, the lien date. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. The last revaluation was completed in 2006. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes became a lien December 31, 2010 are levied after October 1, 2010, and are collected in 2012 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Beginning in calendar year 2009, tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property tax collections in calendar year 2009 represent delinquent collections.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 replaces a portion of the revenue lost by the Township due to the phasing out of the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. In calendar years 2011-2017, the reimbursements will be phased out.

The full tax rate for all Township operations for the year ended December 31, 2009, was \$64.17 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2009 property tax receipts were based are as follows:

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

**NOTE 5 – PROPERTY TAXES – (CONTINUED)**

Real Property	
Residential/Agricultural	\$462,475,050
Commercial and Industrial	163,981,710
Public Utility	57,140
Tangible Personal Property	
Public Utility	10,590,920
Total Assessed Value	\$637,104,820

**NOTE 6 – RISK MANAGEMENT**

**Risk Pool Membership – Ohio Plan Risk Management**

The Government belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Risk Management Plan, (the "Plan"), 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 Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (41.5% effective November 1, 2011, 40% through October 31, 2011 and 17.5% through October 31, 2010) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 782 and 761 members as of December 31, 2011 and 2010 respectively.

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

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

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31: 2011 and 2010.

	<b>2011</b>	<b>2010</b>
Assets	\$12,501,280	\$12,036,541
Liabilities	(5,328,761)	(4,845,056)
Members' Equity	\$7,172,519	\$7,191,485

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 6 – RISK MANAGEMENT – (CONTINUED)**

**Risk Pool Membership – Ohio Plan Healthcare Consortium**

The Government belongs to the Ohio Plan Healthcare Consortium, Inc. (OPHC) - formerly known as the Ohio Healthcare Consortium, (the "Plan"), 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 Plan is legally separate from its member governments.

As authorized by Section 9.833 of the Ohio Revised Code, the OPHC was established to provide cost effective employee benefit programs for Ohio political sub-divisions and is a self-funded, group purchasing consortium that offers medical, dental, vision and prescription drug coverage as well as life insurance for its members. The OPHC is sold through seventeen appointed independent agents in the State of Ohio. Coverage programs are developed specific to each member's healthcare needs and the related premiums for coverage are determined through the application of uniform underwriting criteria. Variable plan options are available to members. These plans vary primarily by deductibles, coinsurance levels, office visit co-pays and out-of pocket maximums. OPHC had 74 and 65 members as of December 31, 2011 and 2010 respectively.

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

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

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31: 2011 and 2010.

	<b>2011</b>	<b>2010</b>
Assets	\$1,459,791	\$1,355,131
Liabilities	(1,283,527)	(1,055,096)
Members' Equity	\$176,264	\$300,035

You can read the complete audited financial statements for OPHC at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 7 – DEFINED BENEFIT PENSION PLAN**

**A. Ohio Public Employees Retirement System**

Plan Description – The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2011, members in state and local classifications contributed 10 percent of covered payroll. Members may participate in all three plans. For 2011, member and employer contribution rates were consistent across all three plans.

The Township's 2011 contribution rate was 14.0 percent percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4 for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011. Employer contribution rates are actuarially determined.

The Township's required contributions for pension obligations for the years ended December 31, 2011, 2010, and 2009 were \$123,414, \$140,275, and \$131,552, respectively; 100 percent has been contributed for 2011 and 100 percent for 2010 and 2009.

**B. Ohio Police and Fire Pension Fund**

Plan Description – The Township contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 24.0 percent for firefighters.



SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 7 – DEFINED BENEFIT PENSION PLAN – (CONTINUED)**

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 17.25 percent of covered payroll for firefighters. The Township's contributions to OP&F for firefighters pension were \$450,571 for the year ended December 31, 2011, \$452,382 for the year ended December 31, 2010, and \$440,060 for the year ended December 31, 2009. The full amount has been contributed for 2011, 2010, and 2009.

**NOTE 8 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 8 - POSTEMPLOYMENT BENEFITS – (CONTINUED)**

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The Township's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$35,261, \$42,383, and \$44,486, respectively; 100 percent has been contributed for 2011 and 100 percent for 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. These rate increases allowed additional funds to be allocated to the health care plan.

**B. Ohio Police and Fire Pension Fund**

Plan Description – The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 24.0 percent of covered payroll fire employers. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

**NOTE 8 - POSTEMPLOYMENT BENEFITS – (CONTINUED)**

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Township's contributions to OP&F which were allocated to fund post-employment health care benefits for firefighters were \$126,723 for the year ended December 31, 2011, \$127,232 for the year ended December 31, 2010, and \$123,367. The full amount has been contributed for 2011, 2010, and 2009.

**NOTE 9 – DEBT**

The Township's long-term debt activity for the year ended December 31, 2011, was as follows:

	Interest Rate	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011	Due Within One Year
<u>Governmental Activities</u>						
OPWC Loan - Widening	0.0%	\$ 35,453	-	\$11,818	\$23,636	\$11,818
OPWC Loan - Resurfacing	0.0%	\$96,000	-	\$12,800	\$83,200	\$12,800
OPWC Loan - Improvement	0.0%	\$48,172	-	\$5,352	\$42,820	\$5,352

The Ohio Public Works Commission (OPWC) Loan Widening proceeds were used to help finance the widening and resurfacing of Longworth, Roycroft, Holloway, and Hall Roads. The loan is a zero percent loan repayable in semi-annual installments of \$5,909 through January 1, 2014.

The proceeds from the second OPWC Loan were used for a resurfacing project in the Township. The loan is a zero percent loan repayable in semi-annual installments of \$6,400 through July 1, 2018.

A third OPWC loan of \$53,524 was received in 2009 for resurfacing 1.88 miles of roads. The loan is a zero percent loan repayable in semi-annual installments of \$2,676 through 2019.

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

SPRINGFIELD TOWNSHIP  
LUCAS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

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**NOTE 9 – DEBT – (CONTINUED)**

Year	OPWC Loans
	Principal
2012	\$ 29,970
2013	29,970
2014	18,152
2015	18,152
2016	18,152
thereafter	35,260
Totals	<u>\$149,656</u>

**NOTE 10 – INTERFUND TRANSFERS**

During 2011 the following transfers were made:

Transfers from the General Fund to:	
Other Governmental Funds	\$466,082

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.



# Dave Yost • Auditor of State

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

Springfield Township  
Lucas County  
7617 Angola Road  
Holland, Ohio 43528-8602

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Springfield Township, Lucas County, Ohio (the Township), as of and for the year ended December 31, 2011, which collectively comprise the Township's basic financial statements and have issued our report thereon dated May 13, 2013, wherein we noted, the Township uses a comprehensive accounting basis other than generally accepted accounting principles and implemented Government Accounting Standards Board Statement 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*". We also noted the Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code § 117.11(A) mandates the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

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

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider findings 2011-001 and 2011-002 described in the accompanying schedule of findings 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, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We also noted certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated May 13, 2013.

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.

We intend this report solely for the information and use of management, Board of Trustees, audit committee, and others within the Township. We intend it for no one other than these specified parties.



**Dave Yost**  
Auditor of State

May 13, 2013

**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2011**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2011-001**

**Entering Financial Data into the Accounting System**

**Material Weakness**

The Township should have procedures in place to prevent or detect material misstatements for the accurate presentation of the Township's financial statements. The Fiscal Officer did not always accurately post receipts and disbursements to the Township's accounting system. Not posting financial information accurately to the ledgers resulted in audit adjustments made to the financial statements.

- Adjustments were made in the amount of \$4,100 to properly reflect the bank balance and book balance due to errors in posting interest receipts and other related disbursements;
- An adjustment in the amount of \$136,737 was made to receipts and disbursements to include amounts from the Ohio Public Works Commission.

As a result of these adjustments and reclassifications, there were significant changes required to the financial statements, notes to the financial statements, and management's discussion and analysis.

We recommend the Township's Fiscal Officer establish policies and procedures to ensure the accurate posting of all financial activity. Cash receipts and disbursements posting should be made in accordance with procedures and posting guidelines established by the Uniform Accounting Network. By exercising accuracy in recording financial activity, the Township can reduce posting errors and increase the reliability of financial data throughout the year. We also recommend the Board of Trustees more closely monitor financial information posting to help detect any posting errors or inaccuracies.

**Officials' Response:**

The Township appointed a Deputy Fiscal Officer in the March 4, 2013 meeting of the Trustees. One of the first duties of the Deputy Fiscal Officer has been to focus on getting bank reconciliations caught up to date, and correcting any unrecorded activity. Once caught up, monthly bank reconciliations will be reviewed and signed off by the Township Administrator.

In addition, the recording of any non-cash activity involving Ohio Public Works Commission projects will be reviewed with the Township Administrator.

**FINDING NUMBER 2011-002**

**Preparation of Financial Report**

**Material Weakness**

The Township Fiscal Officer did not have the Notes to the Financial Statements and Management Discussion and Analysis prepared at the time of audit. The Notes to the Financial Statements and the Management's Discussion and Analysis were not provided until three months later. These documents were not properly prepared; the Fiscal Officer just submitted the Notes to the Financial Statements and Management Discussion and Analysis from 2009 and changed the dates to reflect 2011.

This resulted in erroneous reports submitted for audit. These reports required many changes to properly reflect the operations of the Township for 2011.

**FINDING NUMBER 2011-002  
(Continued)**

We recommend the Board of Trustees review the Annual Financial Report which includes the Notes to the Financial Statements and Management Discussion and Analysis to ensure they properly reflect the operations of the Township for the period covered by the report.

**Officials' Response:**

We will insure that prompt attention is given to preparing accurate Notes to the Financial Statements, and Management Discussion and Analysis in future audits. In addition, the Township Administrator will review them, and they will be presented in draft form to the Board of Trustees.



**SPRINGFIELD TOWNSHIP  
LUCAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2011**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2010-001	Material weakness related to preparation of the Financial Report.	No	Re-Issued as Finding 2011-002 in this report.

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# Dave Yost • Auditor of State

**SPRINGFIELD TOWNSHIP**

**LUCAS 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  
JUNE 4, 2013**