



**SAGAMORE HILLS TOWNSHIP
SUMMIT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Sagamore Hills Township
Summit County
11551 Valley View Road
Sagamore Hills, Ohio 44067

To the Board of Trustees:

We have audited the accompanying financial statements of Sagamore Hills Township, Summit County, Ohio, (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 audits.

We conducted our audits 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 audits 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 audits provide a reasonable basis for our opinion.

As described in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the 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 and reserves for encumbrances of Sagamore Hills Township, Summit 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 June 30, 2000 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 grants.

This report is intended solely for the information and use of management, the Board of Trustees, and other 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.

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Jim Petro
Auditor of State

June 30, 2000

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**SAGAMORE HILLS TOWNSHIP
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>					Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
Cash Receipts:						
Local Taxes	\$239,539	\$1,350,375	\$46,407			\$1,636,321
Charges for Services	74,685	63,384				138,069
Licenses, Permits, and Fees	70,665					70,665
Fines and Forfeitures	6,662					6,662
Intergovernmental	565,308	252,296				817,604
Interest	121,294	6,607				127,901
Other	11,928	22,062			\$62,890	96,880
Total Cash Receipts	<u>1,090,081</u>	<u>1,694,724</u>	<u>46,407</u>		<u>62,890</u>	<u>2,894,102</u>
Cash Disbursements:						
Current:						
General Government	363,353	4,227				367,580
Public Safety	172,019	798,817				970,836
Public Works		370,684				370,684
Health	86,900					86,900
Conservation-Recreation	2,500					2,500
Miscellaneous	3,870	2,530			42,800	49,200
Capital Outlay	200,303	138,162				338,465
Debt Service:						
Redemption of Principal			38,841			38,841
Interest and Fiscal Charges			6,272			6,272
Total Cash Disbursements	<u>828,945</u>	<u>1,314,420</u>	<u>45,113</u>		<u>42,800</u>	<u>2,231,278</u>
Total Cash Receipts Over Cash Disbursements	<u>261,136</u>	<u>380,304</u>	<u>1,294</u>		<u>20,090</u>	<u>662,824</u>
Other Financing Receipts/(Disbursements):						
Advances-In	61,707	7,406				69,113
Transfers-In		100,000		\$10,000		110,000
Other Sources	353					353
Transfers-Out	(110,000)					(110,000)
Advances-Out	(7,406)	(61,707)				(69,113)
Total Other Financing Receipts/(Disbursements)	<u>(55,346)</u>	<u>45,699</u>		<u>10,000</u>		<u>353</u>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	<u>205,790</u>	<u>426,003</u>	<u>1,294</u>	<u>10,000</u>	<u>20,090</u>	<u>663,177</u>
Fund Cash Balances, January 1	<u>1,244,711</u>	<u>1,051,643</u>		<u>20,001</u>	<u>95,557</u>	<u>2,411,912</u>
Fund Cash Balances, December 31	<u>\$1,450,501</u>	<u>\$1,477,646</u>	<u>\$1,294</u>	<u>\$30,001</u>	<u>\$115,647</u>	<u>\$3,075,089</u>
Reserves for encumbrances, December 31	<u>\$905</u>	<u>\$48,391</u>	<u>\$0</u>	<u>\$20,000</u>	<u>\$0</u>	<u>\$69,296</u>

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

**SAGAMORE HILLS TOWNSHIP
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>					Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
Cash Receipts:						
Local Taxes	\$216,098	\$1,113,449	\$45,113			\$1,374,660
Charges for Services	54,808	309,196				364,004
Licenses, Permits, and Fees	76,565					76,565
Fines and Forfeitures	7,065					7,065
Intergovernmental	654,639	218,361		\$11,544		884,544
Interest	110,047	6,779				116,826
Other	34,333	27,969			\$58,830	121,132
Total Cash Receipts	<u>1,153,555</u>	<u>1,675,754</u>	<u>45,113</u>	<u>11,544</u>	<u>58,830</u>	<u>2,944,796</u>
Cash Disbursements:						
Current:						
General Government	329,119	4,390				333,509
Public Safety	144,776	770,110				914,886
Public Works	67,563	374,998		11,544		454,105
Health	113,442					113,442
Miscellaneous		1,452			36,935	38,387
Capital Outlay	5,877	341,966		15,000		362,843
Debt Service:						
Redemption of Principal			36,973			36,973
Interest and Fiscal Charges			8,140			8,140
Total Cash Disbursements	<u>660,777</u>	<u>1,492,916</u>	<u>45,113</u>	<u>26,544</u>	<u>36,935</u>	<u>2,262,285</u>
Total Cash Receipts Over (Under) Cash Disbursements	<u>492,778</u>	<u>182,838</u>		<u>(15,000)</u>	<u>21,895</u>	<u>682,511</u>
Other Financing Receipts/(Disbursements):						
Advances-In		10,000				10,000
Transfers-In		60,000		10,000		70,000
Other Sources	3,240					3,240
Transfers-Out	(70,000)					(70,000)
Advances-Out	(10,000)					(10,000)
Other Uses		(46,590)				(46,590)
Total Other Financing Receipts/(Disbursements)	<u>(76,760)</u>	<u>23,410</u>		<u>10,000</u>		<u>(43,350)</u>
Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements and Other Financing Disbursements	<u>416,018</u>	<u>206,248</u>		<u>(5,000)</u>	<u>21,895</u>	<u>639,161</u>
Fund Cash Balances, January 1	<u>828,693</u>	<u>845,395</u>		<u>25,001</u>	<u>73,662</u>	<u>1,772,751</u>
Fund Cash Balances, December 31	<u>\$1,244,711</u>	<u>\$1,051,643</u>	<u>\$0</u>	<u>\$20,001</u>	<u>\$95,557</u>	<u>\$2,411,912</u>
Reserves for encumbrances, December 31	<u>\$2,495</u>	<u>\$60,138</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$62,633</u>

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

**SAGAMORE HILLS TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Sagamore Hills Township, Summit County, Ohio, (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 rubbish removal, road maintenance, park operations, and police protection. The Township contracts with the Northfield Center Township's Fire Department to provide fire protection and emergency medical services to Township residents.

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 follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and cash disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved.)

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and 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 disbursements, respectively.

D. Fund Accounting

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

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:

Police District Fund - This fund is used to account for a portion of property tax revenue received and used for maintaining the Township police department.

Road and Bridge Fund - This fund receives property taxes and intergovernmental receipts for constructing, maintaining and repairing Township roads.

**SAGAMORE HILLS TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Debt Service Fund

The Debt Service Fund is used to accumulate resources to service bond and note debt. The Township had the following significant Debt Service Fund:

General Note Retirement Fund - This fund is used to account for property tax money used to pay note debt.

Capital Projects 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 enterprise or trust funds). The Township had the following significant Capital Projects Fund:

Capital Equipment Fund - This fund is used to account for receipts which are used for major capital equipment purchases.

Fiduciary Fund (Trust Fund)

These funds are used to account for resources restricted by legally binding trust. The Township had the following significant fiduciary fund:

Expendable Trust Fund - This fund is used to account for faithful performance cash deposit bonds paid by contractors.

E. Budgetary Process

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

Appropriations

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

Estimated Resources

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

**SAGAMORE HILLS TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

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 capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

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 cash basis of accounting used by the Township.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investment 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	(\$39,911)	(\$78,088)
Certificate of deposit	<u>1,700,000</u>	<u>900,000</u>
Total deposits	1,660,089	821,912
Repurchase agreement	<u>1,415,000</u>	<u>1,590,000</u>
Total deposits and investments	<u>\$3,075,089</u>	<u>\$2,411,912</u>

Deposits

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

Investments

The Township invests in Repurchase Agreements. These are valued at cost.

**SAGAMORE HILLS TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

3. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$1,075,875	\$1,090,434	\$14,559
Special Revenue	1,737,456	1,794,724	57,268
Debt Service	45,113	46,407	1,294
Capital Projects	10,000	10,000	0
Expendable Trust	<u>65,000</u>	<u>62,890</u>	<u>(2,110)</u>
Total	<u>\$2,933,444</u>	<u>\$3,004,455</u>	<u>\$71,011</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$1,893,973	\$939,850	\$954,123
Special Revenue	2,741,780	1,362,811	1,378,969
Debt Service	45,113	45,113	0
Capital Projects	30,000	20,000	10,000
Expendable Trust	<u>104,847</u>	<u>42,800</u>	<u>62,047</u>
Total	<u>\$4,815,713</u>	<u>\$2,410,574</u>	<u>\$2,405,139</u>

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$815,449	\$1,156,795	\$341,346
Special Revenue	1,774,673	1,735,754	(38,919)
Debt Service	45,113	45,113	0
Capital Projects	21,544	21,544	0
Expendable Trust	<u>58,830</u>	<u>58,830</u>	<u>0</u>
Total	<u>\$2,715,609</u>	<u>\$3,018,036</u>	<u>\$302,427</u>

**SAGAMORE HILLS TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$1,644,142	\$733,272	\$910,870
Special Revenue	2,666,041	1,599,644	1,066,397
Debt Service	45,113	45,113	0
Capital Projects	35,001	26,544	8,457
Expendable Trust	<u>105,767</u>	<u>36,935</u>	<u>68,832</u>
Total	<u>\$4,496,064</u>	<u>\$2,441,508</u>	<u>\$2,054,556</u>

4. NONCOMPLIANCE

The Township did not properly certify the availability of monies prior to making purchase commitments as required by Ohio Rev. Code Section 5705.41(D).

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the 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 December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township. Tangible personal property tax is assessed by the property owners, who must file a list of such property with 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.

6. DEBT

Debt outstanding at December 31, 1999 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Land Acquisition Note	\$84,967	5.00%
Backhoe Note	<u>13,205</u>	4.95%
Total	<u>\$98,172</u>	

**SAGAMORE HILLS TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

6. DEBT (Continued)

The general obligation notes were issued to finance the purchase of land and a backhoe. The notes are collateralized solely by the Township's taxing authority.

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

<u>Year ending December 31:</u>	<u>Backhoe Note</u>	<u>Land Acquisition Note</u>
2000	\$13,870	\$31,244
2001	0	31,244
2002	0	31,244
Total	<u>\$13,870</u>	<u>\$93,732</u>

7. RETIREMENT SYSTEMS

The Township's Police Officers belong to the Police and Firemen's Disability and Pension Funds (PFDPF). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including postretirement healthcare, 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, members of PFDPF contributed 10% of their wages to the PFDPF. The Township contributed an amount equal to 19.5% of their wages. 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

8. RISK MANAGEMENT

The Township has obtained commercial insurance for the following risks:

- Property
- Vehicles
- General liability
- Public officials' liability
- Errors and Omissions

The Township also provides health, dental, and vision coverage to full time employees through a commercial insurance provider.

9. JOINTLY GOVERNED ORGANIZATIONS

The North Hills Water District (the District) is a jointly governed organization established to provide for the construction and maintenance of water transmission lines to residents of Northfield Center Township and Sagamore Hills Township. The seven member board consists of three members appointed by each Township with one member appointed alternately by the Townships. The District Board exercises total control over District operations, including budgeting, appropriating, and contracting and hiring personnel. All of the District's revenues are derived from property taxes assessed on the property of Township residents. The City of Cleveland provides water service to Township residents and bills them for the water service. Financial information can be obtained by writing to the North Hills Water District, 253 West Aurora Road, Northfield Center, Ohio 44067. The Summit Council of Governments (Council) is a statutorily created political subdivision of Ohio. The Council is jointly governed among municipalities and townships located in Summit County. Each

**SAGAMORE HILLS TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

9. JOINTLY GOVERNED ORGANIZATIONS (Continued)

members' control over the operation of the Council is limited to its representation on the Board which consists of twenty-seven members. The Board exercises total control over Council operations.

The Summit County Regional Planning Commission (Commission) is a statutorily created political subdivision of Ohio. The Commission is jointly governed among municipalities and townships located in Summit County. Each members' control over the operation of the Commission is limited to its representation on the Board which consists of forty-eight members. The Board exercises total control over Commission operations.

10. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal and state Governments. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

11. SUBSEQUENT EVENT

In April 2000, the Township issued a four year general obligation note for \$662,513. Note proceeds were used to purchase land for the GREENSPACE land conservation project. The total land acquisition cost was \$840,000.

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

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

Sagamore Hills Township
Summit County
11551 Valley View Road
Sagamore Hills, Ohio 44067

To the Board of Trustees:

We have audited the financial statements of Sagamore Hills Township, Summit County, Ohio, (the Township) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated June 30, 2000. We conducted our audits 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, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as items 1999-40977-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated June 30, 2000.

Internal Control Over Financial Reporting

In planning and performing our audits, 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 June 30, 2000.

This report is intended for the information and use of management and the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

June 30, 2000

**SCHEDULE OF FINDINGS
DECEMBER 31, 1999 AND 1998**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 1999-40977-001

Noncompliance Citation

Ohio Rev. Code Section 5705.41(D) requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need only be signed by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

This section also provides for two exceptions to the above requirements:

- Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the Board of Trustees may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- If the amount involved is less than \$1,000, the Clerk may authorize payment through a Then and Now Certificate without affirmation of the Board of Trustees, if such expenditure is otherwise valid.

The Township did not certify the availability of funds before entering into commitments for 17% of expenditures tested. Then and Now Certificates were also not issued for these expenditures.

To assist in monitoring expenditure activity, the Township should certify of the availability of funds for all orders or contracts involving the expenditure of money.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

SAGAMORE HILLS TOWNSHIP

SUMMIT 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
AUGUST 10, 2000**