

***SPRINGFIELD TOWNSHIP***

***SUMMIT COUNTY***

Regular Audit

For the Years Ended December 31, 2022 and 2021







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Board of Trustees  
Springfield Township  
2459 Canfield Road  
Akron, OH 44312

We have reviewed the *Independent Auditor's Report* of the Springfield Township, Summit County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2021 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber  
Auditor of State  
Columbus, Ohio

**July 14, 2023**

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**Springfield Township**  
*Summit County*  
 For the Years Ended December 31, 2022 and 2021

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**INDEPENDENT AUDITOR'S REPORT**

Springfield Township  
Summit County  
2459 Canfield Road  
Akron, OH 44312

To the Board of Trustees:

***Report on the Audit of the Financial Statements***

***Unmodified and Adverse Opinions***

We have audited the financial statements of Springfield Township, Summit County, Ohio (the Township), which comprise the cash balances, receipts and disbursements for each governmental fund and fiduciary fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type and fiduciary fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2022 and 2021, or the changes in financial position, thereof for the years then ended.

***Basis for Opinions***

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

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

As described in Note 2 of the financial statements, the financial statements are prepared by Township on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Emphasis of Matter***

As discussed in Note 14 to the financial statements for 2022 and Note 15 to the financial statements for 2021, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. We did not modify our opinions regarding this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2023, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



***Charles E. Harris & Associates, Inc.***

June 19, 2023

**SPRINGFIELD TOWNSHIP  
SUMMIT COUNTY  
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES - REGULATORY CASH BASIS  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Governmental Fund Types</b>			<b>Totals (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 525,533	\$ 4,676,777	\$ -	\$ 5,202,310
Charges for Services	-	508,337	-	508,337
Licenses, Permits and Fees	174,800	10,400	-	185,200
Fines and Forfeitures	-	7,742	-	7,742
Intergovernmental	832,430	2,034,957	-	2,867,387
Special Assessments	32,204	-	-	32,204
Earnings on Investments	14,333	4,856	-	19,189
Miscellaneous	131,388	107,252	-	238,640
<i>Total Cash Receipts</i>	<u>1,710,688</u>	<u>7,350,321</u>	<u>-</u>	<u>9,061,009</u>
<b>Cash Disbursements</b>				
Current:				
General Government	975,280	-	-	975,280
Public Safety	-	4,930,422	-	4,930,422
Public Works	86,596	1,110,267	-	1,196,863
Health	102,010	118,519	-	220,529
Human Services	32,022	-	-	32,022
Conservation- Recreation	254,236	37,987	-	292,223
Capital Outlay	16,380	602,442	20,086	638,908
Debt Service:				
Principal Retirement	10,323	-	-	10,323
Interest & Fiscal Charges	2,486	-	-	2,486
<i>Total Cash Disbursements</i>	<u>1,479,333</u>	<u>6,799,637</u>	<u>20,086</u>	<u>8,299,056</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	231,355	550,684	(20,086)	761,953
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	103,320	-	103,320
Transfers Out	(103,320)	-	-	(103,320)
Advances In	2,000	-	-	2,000
Advances Out	-	(2,000)	-	(2,000)
Proceeds of SIB loan	-	-	20,086	20,086
Sale of Fixed Asset	93,884	-	-	93,884
Other Financing Uses	(59,082)	-	-	(59,082)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(66,518)</u>	<u>101,320</u>	<u>20,086</u>	<u>54,888</u>
<i>Net Change in Fund Cash Balances</i>	164,837	652,004	-	816,841
<i>Fund Cash Balances, January 1</i>	<u>1,403,147</u>	<u>3,763,394</u>	<u>-</u>	<u>5,166,541</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,567,984</u>	<u>\$ 4,415,398</u>	<u>\$ -</u>	<u>\$ 5,983,382</u>

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

**SPRINGFIELD TOWNSHIP  
SUMMIT COUNTY  
COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS  
AND CHANGES IN FUND BALANCES - REGULATORY CASH BASIS  
ALL FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Other Custodial</b>
<b>Additions</b>	
Other Amounts Collected for Distribution	\$ 223,690
<i>Total Additions</i>	223,690
<b>Deductions</b>	
Other	200,284
<i>Total Deductions</i>	200,284
<i>Net Change in Fund Cash Balance</i>	23,406
<i>Fund Cash Balances, January 1</i>	64,246
<i>Fund Cash Balances, December 31</i>	\$ 87,652

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

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 – Reporting Entity**

***Description of the Entity***

The constitution and laws of the State of Ohio establish the rights and privileges of Springfield Township, Summit County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road maintenance, cemetery maintenance, fire protection, police protection and emergency medical services.

***Joint Ventures, Public Entity Risk Pool and Related Organization***

The Township participates in one public entity risk pool, two joint ventures, and one related organization. Notes 6, 11, and 12 to the financial statements provide additional information for these entities.

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**

***Basis of Presentation***

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

***Fund Accounting***

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

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

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

***Police District Fund*** The Police District fund accounts for and reports the receipt of property tax monies and grants restricted for general operations of the police department.

***Fire District Fund*** The Fire District fund accounts for and reports the receipt of property tax monies and grants restricted to provide fire protection services to Township residents.

***Road and Bridge Fund*** The Road and Bridge fund accounts for and reports the receipt of property tax monies and grants restricted to provide road services to Township residents.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

**Gas Tax Fund** The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

**Motor Vehicle License Tax Fund** The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within the Township.

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

**SIB (Stark Infrastructure Bank) Loan Fund** This fund accounts for the activity related to the Township's SIB loan.

**Fiduciary Fund** Fiduciary funds include custodial funds. Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. Trust funds account for assets held under a trust agreement meeting certain criteria. The Township's custodial fund accounts for the activities of the Springfield Township Local Cable Communications Board for which the Township acts as fiscal agent, and accounts for fire claims - insurance escrow amounts.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund (except certain custodial funds) 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. 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 approve estimated resources.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

**Encumbrances:** The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be re-appropriated.

A summary of 2022 budgetary activity appears in Note 3.

***Deposits and Investments***

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

***Capital Assets***

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

***Leases***

The Township is the lessee in various leases (as defined by GASB 87) related to buildings, vehicles, and other equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

***Fund Balance***

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

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

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

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

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

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

**Unassigned:** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,513,099	\$ 1,806,572	\$ 293,473
Special Revenue	6,732,579	7,453,641	721,062
Capital Projects	20,086	20,086	-

2022 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 2,352,486	\$ 1,694,358	\$ 658,128
Special Revenue	8,518,429	7,079,133	1,439,296
Capital Projects	20,086	20,086	-

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 4 - Deposits and Investments**

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

	<u>2022</u>
Demand deposits	\$3,551,844
Other Time Deposits	<u>2,519,190</u>
Total deposits	<u>6,071,034</u>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Township is holding \$98,014 in unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Depository Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Note 5 – Property Taxes**

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

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

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

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 6 – Risk Management**

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

***Workers' Compensation***

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

***Risk Pool Membership***

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

- General Liability & Casualty
- Public Officials Liability
- Cyber
- Law Enforcement Liability
- Automobile Liability
- Vehicles
- Property
- Equipment Breakdown

The Pool reported the following summary of assets and actuarially measured liabilities to pay those liabilities as of December 31, 2021 (the latest information available):

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

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. Full-time police officers contributed 13% of their gross salaries and the Township contributed an amount equal to 18.10% of participants gross salaries. All other OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants gross salaries. The Township has paid all contributions required through December 31, 2022.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 7 – Defined Benefit Pension Plans (continued)**

***Ohio Police and Fire Retirement System***

The Township’s certified fire fighters belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Township contributed to OP&F an amount equal to 24% of the full-time firefighters’ wages. The Township has paid all contributions required through December 31, 2022.

***Social Security***

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2% of their gross salaries. The Township contributed an amount equal to 6.2% of participants’ gross salaries. The Township has paid all contributions required through December 31, 2022.

**Note 8 – Post Employment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0% during calendar year 2022. OP&F contributes 0.5% to fund these benefits.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

**Note 9 – Debt**

Debt outstanding on December 31, 2022 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
SIB Loan	\$ 92,116	3.00%

The Township has entered into a contractual agreement for the Canton and Waterloo Streets Decorative Lighting Project from the State Infrastructure Bank (SIB). Under the terms of the agreement, the SIB will directly pay the construction costs of the approved project. A line of credit has been established with the SIB in the amount of \$227,000. The balance of the loan as of December 31, 2022 was \$92,116. The repayment of the SIB loan began in October, 2021 and will be repaid over a total of nine years at an interest rate of 3.00 percent, paying \$15,267 per year through 2029.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 9 – Debt (continued)**

***Financed Purchases***

The Township has entered into several leases for equipment and other assets, including a fire truck, police vehicles, road truck, an ambulance, and Stryker Cots and Load Systems.

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

Year Ending December 31:	Leases
2023	\$ 154,437
2024	116,193
2025	87,619
2026	43,738
2027	43,738
2028	33,049
	\$ 478,774

**Note 10 – Contingent Liabilities**

The Township may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Township’s financial condition.

**Note 11 – Joint Ventures**

The Township is a member of a Joint Economic Development District (JEDD) with the City of Akron. The City of Akron provides city services to businesses within the District and subsequently is permitted to collect income tax on those employees of the business district. At the same time, the JEDD prevents the annexation of Township property by the City and maintains the Township’s property tax base. The Township has no equity interest in the JEDD. Complete financial statements can be obtained from the City of Akron.

The Township participates in the Southwest Summit Council of Governments (Council) which is a statutorily created political subdivision of the State. The Council is a joint venture between Copley Township, the City of Norton, the City of Barberton and Springfield Township. The Council is controlled by an executive board which is composed of a President, Vice President/Secretary, and Fiscal Officer who serve without compensation. Each member's control over the operation of the Council is limited to its representation on the board. The Council was formed to share services, promote cooperative arrangements, and coordinate action among its members in matters relating to public safety dispatch operations. The Council may also, at its discretion, promote cooperative agreements and contracts among its members or other governmental agencies and private persons, corporations, or agencies. Continued existence of the Council is not dependent on the Township's continued participation, and the Township

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 11 – Joint Ventures (continued)**

does not have an equity interest in the Council. The Council is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the Township. In 2022, the Township contributed \$373,336 to the Council for dispatch and information technology services. Complete financial statements can be obtained from the Southwest Summit Council of Governments, Summit County, Ohio.

**Note 12 – Related Organization**

The Township appoints four of the five members of the Springfield Township Local Cable Communications Board, Inc. (Board). The Board operates, maintains, manages, and regulates the cable television programming and charges and receives 2% franchise fees on behalf of its member communities (Lakemore Village and Springfield Township). The Board hires and fires its own staff and does not rely on the Township to finance deficits. The Township is not financially accountable for the Board nor is the Board financially dependent on the Township. The Board serves as its own budgeting, taxing and debt issuance authority. Complete financial statements can be obtained from the Springfield Township Local Cable Communications Board, Inc.

**Note 13 – Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end, the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	\$ 52,623	\$277,496	\$ 330,119

The fund balance of special revenue funds is either restricted or committed. These restricted or committed amounts in the special revenue funds include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 14 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2022, the Township received ARPA funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

**SPRINGFIELD TOWNSHIP  
SUMMIT COUNTY  
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES - REGULATORY CASH BASIS  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Governmental Fund Types</b>			<b>Totals (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 489,670	\$ 4,581,501	\$ -	\$ 5,071,171
Charges for Services	-	513,779	-	513,779
Licenses, Permits and Fees	186,463	7,025	-	193,488
Fines and Forfeitures	150	9,028	-	9,178
Intergovernmental	685,884	1,627,443	-	2,313,327
Special Assessments	7,101	-	-	7,101
Miscellaneous	118,933	107,268	-	226,201
<i>Total Cash Receipts</i>	<u>1,488,201</u>	<u>6,846,044</u>	<u>-</u>	<u>8,334,245</u>
<b>Cash Disbursements</b>				
Current:				
General Government	886,424	45,031	-	931,455
Public Safety	-	4,551,922	-	4,551,922
Public Works	84,874	934,072	-	1,018,946
Health	100,705	-	-	100,705
Human Services	45,459	-	-	45,459
Conservation- Recreation	280,127	-	-	280,127
Capital Outlay	-	541,858	66,258	608,116
Debt Service:				
Principal Retirement	-	2,958	-	2,958
Interest & Fiscal Charges	-	808	-	808
<i>Total Cash Disbursements</i>	<u>1,397,589</u>	<u>6,076,649</u>	<u>66,258</u>	<u>7,540,496</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	90,612	769,395	(66,258)	793,749
<b>Other Financing Receipts (Disbursements)</b>				
Proceeds of SIB Loan	-	-	66,258	66,258
Other Financing Uses	(16,413)	-	-	(16,413)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(16,413)</u>	<u>-</u>	<u>66,258</u>	<u>49,845</u>
<i>Net Change in Fund Cash Balances</i>	74,199	769,395	-	843,594
<i>Fund Cash Balances, January 1, Restated</i>	<u>1,328,948</u>	<u>2,993,999</u>	<u>-</u>	<u>4,322,947</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,403,147</u>	<u>\$ 3,763,394</u>	<u>\$ -</u>	<u>\$ 5,166,541</u>

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

**SPRINGFIELD TOWNSHIP  
SUMMIT COUNTY  
COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS  
AND CHANGES IN FUND BALANCES - REGULATORY CASH BASIS  
ALL FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Other Custodial</b>
<b>Additions</b>	
Other Amounts Collected for Distribution	\$ 34,375
<i>Total Additions</i>	34,375
<b>Deductions</b>	
Other	16,235
<i>Total Deductions</i>	16,235
<i>Net Change in Fund Cash Balance</i>	18,140
<i>Fund Cash Balances, January 1</i>	46,106
<i>Fund Cash Balances, December 31</i>	\$ 64,246

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

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 1 – Reporting Entity**

***Description of the Entity***

The constitution and laws of the State of Ohio establish the rights and privileges of Springfield Township, Summit County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road maintenance, cemetery maintenance, fire protection, police protection and emergency medical services.

***Joint Ventures, Public Entity Risk Pool and Related Organization***

The Township participates in one public entity risk pool, one joint venture, and one related organization. Notes 7, 12, and 13 to the financial statements provide additional information for these entities.

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**

***Basis of Presentation***

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

***Fund Accounting***

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

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

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

***Police District Fund*** The Police District fund accounts for and reports the receipt of property tax monies restricted for general operations of the police department.

***Fire District Fund*** The Fire District fund accounts for and reports the receipt of property tax monies and grants restricted to provide fire protection services to Township residents.

***Road and Bridge Fund*** The Road and Bridge fund accounts for and reports the receipt of property tax monies and grants restricted to provide road services to Township residents

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

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

**SIB (Stark Infrastructure Bank) Loan Fund** This fund accounts for the activity related to the Township's SIB loan.

**Fiduciary Fund** Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria. The Township's custodial fund accounts for the activities of the Springfield Township Local Cable Communications Board for which the Township acts as fiscal agent. Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-203(C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-203(C) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund (except certain custodial funds) 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. 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 approve estimated resources.

**Encumbrances** The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be re-appropriated.

A summary of 2021 budgetary activity appears in Note 3.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***Deposits and Investments***

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

***Capital Assets***

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

***Fund Balance***

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

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

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

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

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

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 2 – Summary of Significant Accounting Policies (continued)**

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 14.

**Note 3 – Budgetary Activity**

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

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,402,475	\$ 1,488,201	\$ 85,726
Special Revenue	7,043,486	6,846,044	(197,442)
Capital Projects	66,258	66,258	-

2021 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriatio n Authority	Budgetary Disbursements	Variance
General	\$ 2,076,510	\$ 1,517,120	\$ 559,390
Special Revenue	7,196,887	6,496,667	700,220
Capital Projects	66,258	66,258	-

**Note 4 - Deposits and Investments**

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

Demand deposits	2021 \$5,230,787
Total deposits	\$5,230,787

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 4 - Deposits and Investments (continued)**

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2021, the Township is holding \$107,724 in unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Depository Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**Note 5 – Property Taxes**

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

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

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

**Note 6 - Interfund Balances**

Outstanding advances at December 31, 2021, consisted of \$2,000 advanced to the Flood Mitigation Grant Fund (Special Revenue) from the General Fund for EMS operations and a flood mitigation project.

**Note 7 – Risk Management**

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

***Workers' Compensation***

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

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 7 – Risk Management (continued)**

***Risk Pool Membership***

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township’s policy. The Pool covers the following risks:

- General Liability & Casualty
- Public Officials Liability
- Cyber
- Law Enforcement Liability
- Automobile Liability
- Vehicles
- Property
- Equipment Breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities to pay those liabilities as of December 31, 2021:

	<u>2021</u>
Cash and investments	\$34,880,559
Actuarial liabilities	10,601,444

**Note 8– Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. Full-time police officers contributed 13% of their gross salaries and the Township contributed an amount equal to 18.10% of participants gross salaries. All other OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants gross salaries. The Township has paid all contributions required through December 31, 2021.

***Ohio Police and Fire Retirement System***

The Township’s certified fire fighters belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 8– Defined Benefit Pension Plans (continued)**

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Township contributed to OP&F an amount equal to 24% of the full-time firefighters’ wages. The Township has paid all contributions required through December 31, 2021.

***Social Security***

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2% of their gross salaries. The Township contributed an amount equal to 6.2% of participants’ gross salaries. The Township has paid all contributions required through December 31, 2021.

**Note 9 – Post Employment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0% during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0% during calendar year 2021. OP&F contributes 0.5% to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

**Note 10 – Debt**

Debt outstanding on December 31, 2021 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
SIB Loan	\$82,353	3.00%

The Township has entered into a contractual agreement for the Canton and Waterloo Streets Decorative Lighting Project from the State Infrastructure Bank (SIB). Under the terms of the agreement, the SIB will directly pay the construction costs of the approved project. A line of credit has been established with the SIB in the amount of \$227,000. The balance of the loan as of December 31, 2021 was \$82,352. The repayment of the SIB loan began in October, 2021 and will be repaid over a total of nine years at an interest rate of 3.00 percent, per the amortization schedule below.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 10 – Debt (continued)**

***Leases***

The Township has entered into several leases for equipment and other assets, including a fire truck, police vehicles, and Stryker Cots and Load Systems.

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

Year Ending December 31:	Leases
2022	\$ 140,556
2023	140,556
2024	105,505
2025	76,931
2026	33,049
2027-2028	66,099
	\$ 562,696

**Note 11 – Contingent Liabilities**

The Township may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Township’s financial condition.

**Note 12 – Joint Ventures**

The Township is a member of a Joint Economic Development District (JEDD) with the City of Akron. The City of Akron provides city services to businesses within the District and subsequently is permitted to collect income tax on those employees of the business district. At the same time, the JEDD prevents the annexation of Township property by the City and maintains the Township’s property tax base. The Township has no equity interest in the JEDD. Complete financial statements can be obtained from the City of Akron.

The Township participates in the Southwest Summit Council of Governments (Council) which is a statutorily created political subdivision of the State. The Council is a joint venture between Copley Township, the City of Norton, the City of Barberton and Springfield Township. The Council is controlled by an executive board which is composed of a President, Vice President/Secretary, and Fiscal Officer who serve without compensation. Each member's control over the operation of the Council is limited to its representation on the board. The Council was formed to share services, promote cooperative arrangements, and coordinate action among its members in matters relating to public safety dispatch operations. The Council may also, at its discretion, promote cooperative agreements and contracts among its members or other governmental agencies and private persons, corporations, or agencies. Continued existence of the

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 12 – Joint Ventures (continued)**

Council is not dependent on the Township's continued participation, and the Township does not have an equity interest in the Council. The Council is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the Township. In 2020, the Township contributed \$218,000 to the Council for dispatch and information technology services. Complete financial statements can be obtained from the Southwest Summit Council of Governments, Summit County, Ohio.

**Note 13 – Related Organization**

The Township appoints four of the five members of the Springfield Township Local Cable Communications Board, Inc. (Board). The Board operates, maintains, manages, and regulates the cable television programming and charges and receives 2% franchise fees on behalf of its member communities (Lakemore Village and Springfield Township). The Board hires and fires its own staff and does not rely on the Township to finance deficits. The Township is not financially accountable for the Board nor is the Board financially dependent on the Township. The Board serves as its own budgeting, taxing and debt issuance authority. Complete financial statements can be obtained from the Springfield Township Local Cable Communications Board, Inc.

**Note 14 – Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end, the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	\$ 103,118	\$ 420,018	\$ 523,136

The fund balance of special revenue funds is either restricted or committed. These restricted or committed amounts in the special revenue, including the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 15 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. In 2021, Congress passed the American Rescue Plan Act (ARPA). The Township received \$760,021 during 2021 due to ARPA, and expects to receive an additional \$760,021 in 2022. Fund 2274 was established to account for the receipt and expenditure of these funds which must meet certain requirements set forth in the American Rescue Plan Act.

**Springfield Township**  
*Summit County, Ohio*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 16 – Prior Period Adjustment**

The Township adjusted their fund balances for checks that were issued in 2020 and voided in 2021.

	<u>General Fund</u>	<u>Enterprise Funds</u>
Fund Cash Balance at December 31, 2020	\$1,328,607	\$2,993,824
Voided check	<u>341</u>	<u>175</u>
Adjusted Cash Balance at January 1, 2021	<u>\$1,328,948</u>	<u>\$2,993,999</u>

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

Springfield Township  
Summit County  
2459 Canfield Road  
Akron, OH 44312

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental and fiduciary fund type of Springfield Township, Summit County, (the Township) as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, and have issued our report thereon dated June 19, 2023, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Township.

***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

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

However, we noted certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated June 19, 2023.

***Purpose of This Report***

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



***Charles E. Harris & Associates, Inc.***

June 19, 2023

**SPRINGFIELD TOWNSHIP  
SUMMIT COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2022  
Prepared by Management**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2020-001	Ohio Rev. Code § 149.351 - Maintaining Supporting Documentation – The Township was unable to locate supporting documentation in multiple instances.	Corrected	None
2020-002	Financial Reporting Presentation – The Township had various errors on its financial reports that resulted in adjustments.	Partially corrected	

# OHIO AUDITOR OF STATE KEITH FABER



**SPRINGFIELD TOWNSHIP**

**SUMMIT COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 7/27/2023**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)