

MIAMI TOWNSHIP
GREENE COUNTY, OHIO
BIENNIAL AUDIT
JANUARY 1, 2000 - DECEMBER 31, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

We have reviewed the Independent Auditor's Report of Miami Township, Greene County, prepared by Steen & Co. LLC, for the audit period January 1, 2000 to December 31, 2001. 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. Miami Township is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

May 1, 2002

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**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

January 1, 2000 to December 31, 2001

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**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**ELECTED OFFICIALS
AS OF DECEMBER 31, 2001**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Chris Mucher	Trustee	12/31/2003
Lamar Spracklen	Trustee	12/31/2005
Lehr Dircks	Trustee	12/31/2001
Margaret Silliman	Clerk	03/31/2004

Legal Council:

Suzanne M. Schmidt
45 N. Detroit Street
Xenia, Ohio 45385

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

INDEX OF FUNDS

GOVERNMENTAL FUND TYPES:

General Fund:

General Fund

Special Revenue Funds:

Motor Vehicle License Tax

Gasoline Tax

Road and Bridge

Cemetery

Fire

Permissive Motor Vehicle License Tax

Capital Projects Funds:

Fire Equipment Fund

FIDUCIARY FUND TYPE:

Expendable Trust

Grinnell Cemetery Trust Fund

Clifton Paramedic Trust Fund

REPORT OF INDEPENDENT ACCOUNTANTS

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

We have audited the accompanying financial statements of Miami Township, Greene County, Ohio (the Township) as of and for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Miami Township, Greene County, as of December 31, 2001 and 2000, 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 February 5, 2002 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. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Steen & Co. LLC

Steen & Co. LLC
February 5, 2002

**MIAMI TOWNSHIP
GREENE COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES – ALL GOVERNMENTAL FUNDS –
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Cash receipts:				
Taxes	\$ 51,156	\$ 354,401	\$ 0	\$ 405,557
Permits and fees	525	0	0	525
Charges for fees	6,021	2,595	0	8,616
Intergovernmental	65,189	115,647	25,284	206,120
Interest	15,047	1,431	1,902	18,380
Other revenue	<u>3,095</u>	<u>114,487</u>	<u>0</u>	<u>117,582</u>
Total cash receipts	<u>141,033</u>	<u>588,561</u>	<u>27,186</u>	<u>756,780</u>
Cash disbursements:				
General government	77,320	0	0	77,320
Public safety	675	416,799	0	417,474
Public works	30,453	100,778	0	131,231
Public health	11,341	0	0	11,341
Capital outlay	0	27,760	0	27,760
Miscellaneous	<u>0</u>	<u>35,229</u>	<u>0</u>	<u>35,229</u>
Total cash disbursements	<u>119,789</u>	<u>580,566</u>	<u>0</u>	<u>700,355</u>
Total receipts over/(under) disbursements	<u>21,244</u>	<u>7,995</u>	<u>27,186</u>	<u>56,425</u>
Other financing sources/(uses):				
Transfers-in	102,242	0	135,170	237,412
Transfers-out	(112,242)	(102,242)	(22,928)	(237,412)
Other sources/(uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources/ (uses)	<u>(10,000)</u>	<u>(102,242)</u>	<u>112,242</u>	<u>0</u>
Excess of cash receipts and other financing sources over/(under) cash disbursements and other financing uses	11,244	(94,247)	139,428	56,425
Fund cash balances, January 1, 2001	<u>74,603</u>	<u>181,180</u>	<u>85,957</u>	<u>341,740</u>
Fund cash balances, December 31, 2001	<u>\$ 85,847</u>	<u>\$ 86,933</u>	<u>\$ 225,385</u>	<u>\$ 398,165</u>

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

**MIAMI TOWNSHIP
GREENE COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGE IN FUND CASH BALANCE – EXPENDABLE TRUST
FUND FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>Expendable Trust</u>
Operating cash receipts	\$ 2,042
Operating cash disbursements	<u>0</u>
Operating income	2,042
Fund cash balance, January 1, 2001	<u>2,998</u>
Fund cash balance, December 31, 2001	<u><u>\$ 5,040</u></u>

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

**MIAMI TOWNSHIP
GREENE COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES – ALL GOVERNMENTAL FUNDS –
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Cash receipts:				
Taxes	\$ 54,121	\$ 361,663	\$ 0	\$ 415,784
Permits and fees	738	0	0	738
Charges for Services	48	250	0	298
Intergovernmental	66,375	171,228	23,842	261,445
Interest	13,324	1,887	7,863	23,074
Other revenue	<u>469</u>	<u>0</u>	<u>0</u>	<u>469</u>
Total cash receipts	<u>135,075</u>	<u>535,028</u>	<u>31,705</u>	<u>701,808</u>
Cash disbursements:				
General government	81,720	0	0	81,720
Public safety	4,229	290,508	0	294,737
Public works	1,353	186,095	0	187,448
Public health	6,898	0	0	6,898
Capital outlay	0	35,136	108,276	143,412
Miscellaneous	<u>0</u>	<u>3,043</u>	<u>0</u>	<u>3,043</u>
Total cash disbursements	<u>94,200</u>	<u>514,782</u>	<u>108,276</u>	<u>717,258</u>
Total receipts over/(under) disbursements	<u>40,875</u>	<u>20,246</u>	<u>(76,571)</u>	<u>(15,450)</u>
Other financing sources/(uses)				
Transfers-in	0	0	0	0
Transfers-out	0	0	0	0
Other sources/(uses)	<u>(3,900)</u>	<u>(6,242)</u>	<u>0</u>	<u>(10,142)</u>
Total other financing sources/(uses)	<u>(3,900)</u>	<u>(6,242)</u>	<u>0</u>	<u>(10,142)</u>
Excess of cash receipts and other financing sources over/(under) cash disbursements and other financing uses	36,975	14,004	(76,571)	(25,592)
Fund cash balances, January 1, 2000	<u>37,628</u>	<u>167,176</u>	<u>162,528</u>	<u>367,332</u>
Fund cash balances, December 31, 2000	<u>\$ 74,603</u>	<u>\$ 181,180</u>	<u>\$ 85,957</u>	<u>\$ 341,740</u>

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

**MIAMI TOWNSHIP
GREENE COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGE IN FUND CASH BALANCE – EXPENDABLE TRUST
FUND FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Expendable Trust</u>
Operating cash receipts	\$ 183
Operating cash disbursements	<u>0</u>
Operating income	183
Fund cash balance, January 1, 2000	<u>2,815</u>
Fund cash balance, December 31, 2000	<u><u>\$ 2,998</u></u>

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

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2001 AND 2000**

1. Summary of Significant Accounting Policies

A. Description of the Entity

Miami Township, Greene 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 road maintenance, zoning, and fire services.

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

B. Basis of Accounting

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

C. Cash and Investments

Certificates of deposit are valued at cost.

D. Fund Accounting

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

General Fund

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

Special Revenue Funds

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

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

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

Fire Fund - This fund receives property tax money to provide fire protection and emergency services to Township residents.

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2001 AND 2000**

D. Fund Accounting (continued)

Capital Project Fund

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

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

Fiduciary Funds

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

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

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

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. Appropriations lapse at year-end.

Estimated Resources

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

Encumbrances

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

A summary of 2001 and 2000 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

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.

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2001 AND 2000

2. Equity in Pooled Cash and Investments

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

	<u>2001</u>	<u>2000</u>
Depository Balance	\$ 6,647	\$ 5,208
Certificates of Deposit	<u>396,558</u>	<u>339,530</u>
Total Cash and Investments	403,205	344,738

Deposits:

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

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2001 and 2000 was as follows:

	<u>2001 Budgeted vs. Actual Receipts</u>		
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$131,936	\$141,033	\$ 9,097
Special Revenue	473,980	588,561	114,581
Capital Projects	88,472	27,186	(61,286)
Fiduciary	<u>3,138</u>	<u>2,042</u>	<u>(1,096)</u>
Total	<u>\$697,526</u>	<u>\$758,822</u>	<u>\$61,296</u>

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2001 AND 2000

2001 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$203,403	\$119,789	\$83,614
Special Revenue	655,160	580,566	74,594
Capital Projects	88,472	0	88,472
Fiduciary	<u>3,138</u>	<u>0</u>	<u>3,138</u>
Total	<u>\$950,173</u>	<u>\$700,355</u>	<u>\$249,818</u>

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$132,433	\$135,075	\$2,642
Special Revenue	498,149	535,028	36,879
Capital Projects	851	31,705	30,854
Fiduciary	<u>40</u>	<u>183</u>	<u>143</u>
Total	<u>\$631,473</u>	<u>\$701,991</u>	<u>\$70,518</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$166,453	\$94,200	\$72,253
Special Revenue	662,259	514,782	147,477
Capital Projects	163,379	108,276	55,103
Fiduciary	<u>2,855</u>	<u>0</u>	<u>2,855</u>
Total	<u>\$994,946</u>	<u>\$717,258</u>	<u>\$277,688</u>

**MIAMI TOWNSHIP
GREENE COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2001 AND 2000**

4. Property Tax

Real property taxes become a lien on January 1, preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, 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 to the County by each April 30.

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

5. Retirement Systems

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55 of participants' gross salaries through June 30, 2000 and from January 1, 2001 through December 3, 2001. PERS temporarily reduced the employer contribution rate to 8.13 percent, effective July 1, 2000. The contribution rate returned to 13.55 percent as of January 1, 2001. The Township has paid all contributions required through December 31, 2001.

6. Risk Management

The Township has obtained commercial insurance for the following risks:

- Comprehensive business policy – Vehicles, Building, Property
- Officials' liability policy
- Vehicles

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



**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements of Miami Township, Greene County, Ohio (the Township) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated February 5, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We noted other matters involving compliance that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated February 5, 2002.

Internal Control Over Financial Reporting

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

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

A handwritten signature in cursive script that reads 'Steen & Co. LLC'.

Steen & Co. LLC
February 5, 2002

Steen & Co.

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STATE OF OHIO
OFFICE OF THE AUDITOR

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MIAMI TOWNSHIP

GREENE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 9, 2002**