

RICHFIELD TOWNSHIP

SUMMIT COUNTY, OHIO

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024





65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Trustees
Richfield Township
3038 Boston Mills Road
Brecksville, OH 44141

We have reviewed the *Independent Auditor's Report* of Richfield Township, Summit County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2024 through December 31, 2024. 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. Richfield Township is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

November 25, 2025

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**RICHFIELD TOWNSHIP
SUMMIT COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Richfield Township
Summit County
3038 Boston Mills Road
Brecksville, OH 44141

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of Richfield Township, Summit County, Ohio (the Township), which comprise the cash balances, receipts and disbursements for each governmental fund type as of and for the year ended December 31, 2024, 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 as of and for the year ended December 31, 2024, 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, 2024, or the changes in financial position, thereof for the year 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 the 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.

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 July 28, 2025, 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.

Charles E. Harris & Associates, Inc.
July 28, 2025

**RICHFIELD 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, 2024**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 434,575	\$ 1,968,880	\$ 54,030	\$ -	\$ 2,457,485
Licenses, Permits and Fees	44,747	150	-	-	44,897
Fines, Forfeitures and Settlements	247	-	-	-	247
Intergovernmental	234,709	260,899	-	-	495,608
Earnings On Investments	95,203	6,704	-	-	101,907
Miscellaneous	50,715	122,903	-	-	173,618
<i>Total Cash Receipts</i>	<i>860,196</i>	<i>2,359,536</i>	<i>54,030</i>	<i>-</i>	<i>3,273,762</i>
Cash Disbursements					
Current:					
General Government	598,741	30,742	4,430	-	633,913
Public Safety	1,489	1,485,465	-	-	1,486,954
Public Works	-	998,315	-	-	998,315
Health	55,444	-	-	-	55,444
Debt Service					
Principal Retirement	-	22,353	45,900	-	68,253
Interest and Fiscal Charges	3,980	981	4,065	-	9,026
<i>Total Cash Disbursements</i>	<i>659,654</i>	<i>2,537,856</i>	<i>54,395</i>	<i>-</i>	<i>3,251,905</i>
<i>Net Change in Fund Cash Balances Fund</i>	<i>200,542</i>	<i>(178,320)</i>	<i>(365)</i>	<i>-</i>	<i>21,857</i>
<i>Cash Balances, January 1</i>	<i>904,309</i>	<i>1,053,350</i>	<i>1,740</i>	<i>78,013</i>	<i>2,037,412</i>
Fund Cash Balances, December 31	<u>\$ 1,104,851</u>	<u>\$ 875,030</u>	<u>\$ 1,375</u>	<u>\$ 78,013</u>	<u>\$ 2,059,269</u>

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

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

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

Jointly Governed Organization

The Township participates in the Richfield Light Industrial/Office Joint Economic Development District (JEDD), a jointly governed organization. Note 10 to the financial statements provides additional information for this entity.

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, which is 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 or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

Road and Bridge Fund The road and bridge fund accounts for and reports the receipt of property and other local taxes and miscellaneous monies restricted for the purpose of constructing, maintaining and repairing Township roads and bridges.

Police District Fund The police district fund accounts for and reports the receipt of property and other local taxes restricted for the purpose of providing police protection services to Township residents.

Fire District Fund The fire district fund accounts for and reports the receipt of property and other local taxes and miscellaneous monies restricted for the purpose of providing fire and emergency medical services to Township residents.

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Debt Service Fund These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

General (Note) Retirement Fund The general (note) retirement fund accounts for and reports the receipt of property and other local tax revenue restricted for the retirement of general bond obligations.

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

Permanent Improvement Fund The permanent improvement fund accounts for and reports the resources restricted for the purpose of improving the Township's service garage area.

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 Township 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 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 reappropriated.

A summary of 2024 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.

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Deposits and Investments (Continued)

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

Township employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Leases and SBITAs

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

The Township has entered into a noncancelable Subscription-Based Information Technology Arrangement (SBITA) contract (as defined by GASB 96) for one type of software which is a contract related to financial systems. Subscription disbursements are recognized when they are paid.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2024, distributions of \$5,821 are reflected as miscellaneous revenue in the General Fund in the accompanying financial statements.

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.

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.

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (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 12.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2024 follows:

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 702,795	\$ 860,196	\$ 157,401
Special Revenue	2,278,324	2,359,536	81,212
Debt Service	54,030	54,030	-
Capital Projects	-	-	-

2024 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 1,509,844	\$ 661,785	\$ 848,059
Special Revenue	3,264,080	2,545,747	718,333
Debt Service	55,767	54,395	1,372
Capital Projects	78,013	-	78,013

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. The Township also has a segregated account which is a health care reimbursement account. A summary of the Township's deposit and investment accounts are as follows:

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 4 – Deposits and Investments (Continued)

	<u>2024</u>
<i>Cash Management Pool:</i>	
Demand deposits	\$ 375,321
Total deposits	<u>375,321</u>
STAR Ohio	1,683,948
Total investments	<u>1,683,948</u>
<i>Total</i>	<u><u>\$ 2,059,269</u></u>

Segregated Accounts - Not held in the Pool:

Health reimbursement account	\$ 15,258
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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, 2024, the Township is holding no unremitted employee payroll withholdings.

The Township also has accounts held outside of the deposit pool for health insurance deductibles.

Deposits

Deposits are either insured by the Federal Deposit 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.

Investments

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

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.

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 6 – Risk Management

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.

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The Township provides health insurance and dental and vision coverage to full-time employees through a private carrier.

Note 7 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

All 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. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2024.

Note 8 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement agreement (HRA) allowance to benefit receipts meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 9 – Debt

Debt outstanding at December 31, 2024 was as follows:

	Principal	Interest Rate
Facilities Bonds	\$ 255,000	2.71%
OPWC - Culvert Replacement	15,752	0.00%
Financed Purchase	<u>22,908</u>	2.47%
Total	<u>\$ 293,660</u>	

The Township Facilities Bonds (LTGO) through JP Morgan Chase were issued by the Township to finance the construction of the Township service garage. The Bonds were issued May 28, 2015, and will mature December 1, 2029. Payments are semi-annual with a coupon rate of 2.71%. The Township's taxing authority collateralized the bonds.

The Ohio Public Works Commission (OPWC) Loan CH11M was issued in 2011 in the amount of \$27,003 to finance the replacement of the Whitehorn Circle Culvert Replacement. The loan will be paid in interest free semiannual installments of \$450 and will mature in January 2042.

Financed Purchase

The Huntington financed purchase was issued for the purpose of purchasing one 2021 Ford Ranger 4X4 Pickup Truck and one 2021 Ford F550 4X4 Regular Cab 145" Wheelbase Cab Chassis for the amount of \$109,902. The financed purchase commenced February 16, 2021, with payments due in ten semiannual installments with an interest rate of 2.47% and terminates November 1, 2025.

Amortization

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

Year Ending December 31:	Facilities Bond	OPWC - Culvert Replacement	Financed Purchase
2025	\$ 51,911	\$ 900	\$ 23,334
2026	55,691	900	-
2027	54,336	900	-
2028	57,981	900	-
2029	56,491	900	-
2030-2034	-	4,500	-
2035-2039	-	4,500	-
2040-2044	-	2,252	-
Total	<u>\$ 276,410</u>	<u>\$ 15,752</u>	<u>\$ 23,334</u>

Richfield Township
Summit County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 10 – Jointly Governed Organization

The Township participates in the Richfield Light Industrial/Office Join Economic Development District (JEDD). The Township and the Village of Richfield formed the JEDD in accordance with Sections 715.12 through 715.82 of the Ohio Revised Code for their mutual benefit and for the benefit of their residents and the State of Ohio as of October 24, 2005. The JEDD Board of Directors consists of five members; one Township trustees; the Mayor or an elected member of the Village Council; one representative business owner in the JEDD; one member representing persons working in the JEDD; and one member appointed by the preceding four members. The JEDD shall facilitate economic development, create or preserve jobs and employment opportunities and improve the economic welfare of the people. The Village acts as the fiscal agent for the JEDD.

The Board adopted a resolution to levy an income tax on all income as defined in the Village's income tax ordinance at a rate of 2% in the JEDD in accordance with Section 714.74 of the Ohio Revised Code. 10% of the collected income tax will be distributed, 5% going to the Township and 5% going to the Village. The balance (90%) will be distributed in accordance with the JEDD agreement. The JEDD is also providing access to water service from the water system of the City of Cleveland.

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.

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 12 – 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 facilitate effective cash planning and control. At year end, the balances of these amounts were as follows:

Fund Balances	Special		
Outstanding Encumbrances	General	Revenue	Total
	\$ 2,131	\$ 7,891	\$10,022

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

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

Richfield Township
Summit County
3038 Boston Mills Road
Brecksville, OH 44141

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 fund type of Richfield Township, Summit County (the Township) as of and for the year ended December 31, 2024, and the related notes to the financial statements, and have issued our report thereon dated July 28, 2025, 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.

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 purpose 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as item 2024-001 that we consider to be a material weakness.

*Richfield Township
Summit County
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards**
Page 2

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*.

We also noted certain other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated July 28, 2025.

Township's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Township's response to the finding identified in our audit and described in the accompanying Corrective Action Plan. The Township's response was not subject to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

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

Charles E. Harris & Associates, Inc.
July 28, 2025

**RICHFIELD TOWNSHIP
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING 2024-001 - Material Weakness

Financial Reporting - Posting Receipts and Disbursements

The Township should have procedures and controls in place to prevent and detect errors in financial reporting. During 2024 receipts and disbursements were not always posted or classified correctly. The following posting errors were noted:

- Adjustment to properly record the conversion of January, February, and March receipts and expenditures to UAN. General Fund receipts for \$203,582 and expenditures for \$76,453, Motor Vehicle License Tax Fund receipts for \$1,164 and expenditures for \$350, Gasoline Fund receipts for \$25,423 and expenditures for \$4,131, Road and Bridge Fund receipts for \$187,630 and expenditures for \$31,786, Garbage and Waste Disposal District Fund receipts for \$81,663 and expenditures for \$36,373, Police District Fund receipts for \$293,842 and expenditures for \$293,842, Fire District Fund receipts for \$211,278 and expenditures for \$211,278, and Permissive Motor Vehicle License Tax Fund receipts for \$1,736 and expenditures for \$1,735.
- Adjustment to beginning fund balances reducing the General Fund for \$127,128 and Special Revenue Fund for \$223,246 and increasing the Debt Service Fund for \$3.
- Reclassification to properly gross up real estate receipts with corresponding deductions in the General Fund for \$67,726, Fire District Fund for \$8,444, Police District Fund for \$11,599, Road and Bridge Fund for \$7,399, and Garbage and Waste Disposal District Fund for \$3,300.
- Reclassification to properly record rollback receipts from Property and Other Local Taxes to Intergovernmental Revenue in the General Fund for \$55,148, Fire District Fund for \$2,956, Police District Fund for \$64,251, Road and Bridge Fund for \$42,144, and Garbage and Waste Disposal District Fund for \$1,143.
- Reclassification to properly record debt payments in the General Fund for \$3,980 Interest, Bond Retirement Fund for \$45,900 Principal Payment and \$4,065 Interest, and Gasoline Fund for \$22,353 Principal Payment and \$981 Interest.

Not posting receipts and disbursements correctly resulted in the financial statements requiring reclassification and adjusting entries. The financial statements and Township's records reflect all adjustments and reclassifications.

We recommend the Fiscal Officer refer to the Ohio Township Handbook, Uniform Accounting Network (UAN) Manual and other Auditor of State guidance to determine the proper establishment of receipt and disbursement accounts and proper posting.

Management's Response – See Corrective Action Plan.

**RICHFIELD TOWNSHIP
SUMMIT COUNTY**

**CORRECTIVE ACTION PLAN - PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	Fiscal Officer will follow the guidance obtained during the current audit to process transactions.	Immediately	Vik Sandhu – Fiscal Officer

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OHIO AUDITOR OF STATE KEITH FABER



RICHFIELD 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 12/9/2025

65 East State 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