

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO**

Financial Statements
(Audited)

For The Years Ended
December 31, 2003 and 2002

ARLENE A. SNIDER, CLERK



**Auditor of State
Betty Montgomery**

Board of Trustees
Springcreek Township

We have reviewed the Independent Auditor's Report of Springcreek Township, Miami County, prepared by Trimble, Julian & Grube, Inc. for the audit period January 1, 2002 through December 31, 2003. 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. Springcreek Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

June 1, 2004

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**SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report.....	1
Combined Statement of Fund Balances - All Fund Types - Cash Basis December 31, 2003 and 2002	2
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Cash Fund Balances - All Governmental Fund Types For the Year Ended December 31, 2003.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Encumbrances Compared with Expenditure Authority - Budget and Actual For the Year Ended December 31, 2003.....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Fund Balances - All Governmental Fund Types For the Year Ended December 31, 2002.....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Encumbrances Compared with Expenditure Authority - Budget and Actual For the Year Ended December 31, 2002.....	6
Notes to the Financial Statements.....	7 - 14
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	15 - 16
Schedule of Findings.....	17

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TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

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Independent Auditor’s Report

Board of Trustees
Springcreek Township, Miami County
7739 N. Union Shelby Rd.
Piqua, OH 45356

We have audited the accompanying financial statements of Springcreek Township (the “Township”), Miami County, as of and for the years ended December 31, 2003 and 2002. 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 discussed in Note 2, the Township prepares its financial statements on the basis of accounting prescribed or permitted by Auditor of State, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances and fund balances of Springcreek Township, as of December 31, 2003 and 2002, and its combined cash receipts and disbursements, combined budgeted and actual receipts and budgeted and actual disbursements for the years then ended on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 26, 2004, on our consideration of the Township’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts. That 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, Ohio Revised Code and is not intended to be and should not be used by anyone other than these specified parties.

Trimble, Julian & Grube, Inc.
April 26, 2004

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO**

COMBINED STATEMENT OF FUND BALANCES -
ALL FUND TYPES - CASH BASIS -
DECEMBER 31, 2003 AND 2002

	2003	2002
<u>Cash and Cash Equivalents</u>		
Cash and Cash Equivalents	\$ 320,565	\$ 291,488
Total Cash and Cash Equivalents	\$ 320,565	\$ 291,488
 <u>Fund Balances</u>		
<u>Governmental Fund Types:</u>		
General Fund	\$ 169,992	\$ 141,286
Special Revenue Funds	150,573	150,202
Total Governmental Fund Types	320,565	291,488
Total Fund Balances	\$ 320,565	\$ 291,488

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003

	Governmental Fund Types		Total (Memorandum Only)
	General	Special Revenue	
Cash receipts:			
Taxes	\$ 26,484	\$ 69,746	\$ 96,230
Charges for services	-	19,681	19,681
Intergovernmental	118,915	67,474	186,389
Interest	537	175	712
Miscellaneous	416	-	416
Total cash receipts	146,352	157,076	303,428
Cash disbursements:			
Current:			
General government	95,164	-	95,164
Public safety	3,402	69,696	73,098
Public works	798	97,009	97,807
Health	8,216	-	8,216
Total cash disbursements	107,580	166,705	274,285
Excess cash receipts over/(under) cash disbursements	38,772	(9,629)	29,143
Other financing receipts (disbursements):			
Transfer in	-	10,000	10,000
Transfer out	(10,000)	-	(10,000)
Other financing disbursements	(66)	-	(66)
Total other financing receipts (disbursements)	(10,066)	10,000	(66)
Excess of cash receipts and other financing receipts over cash disbursements and other financing disbursements	28,706	371	29,077
Cash fund balances, January 1, 2003	141,286	150,202	291,488
Cash fund balances, December 31, 2003	\$ 169,992	\$ 150,573	\$ 320,565

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2003

Fund Types	Receipts				Disbursements						Variance Favorable (Unfavorable)	
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2003 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2003 Appropriations	Total	Actual 2003 Disbursements	Encumbrances Outstanding at 12/31/03		Total
Governmental:												
General	\$ 139,499	\$ 108,265	\$ 247,764	\$ 146,352	\$ 38,087	\$ -	\$ 247,764	\$ 247,764	\$ 117,646	\$ -	\$ 117,646	\$ 130,118
Special Revenue	151,987	136,727	288,714	167,076	30,349	-	312,623	312,623	166,705	-	166,705	145,918
Total (Memorandum Only)	\$ 291,486	\$ 244,992	\$ 536,478	\$ 313,428	\$ 68,436	\$ -	\$ 560,387	\$ 560,387	\$ 284,351	\$ -	\$ 284,351	\$ 276,036

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002

	Governmental Fund Types		Total (Memorandum Only)
	General	Special Revenue	
Cash receipts:			
Taxes	\$ 23,988	\$ 62,321	\$ 86,309
Charges for services	-	23,909	23,909
Intergovernmental	81,565	79,662	161,227
Interest	983	1,563	2,546
Miscellaneous	487	-	487
Total cash receipts	107,023	167,455	274,478
Cash disbursements:			
Current:			
General government	104,336	-	104,336
Public safety	5,204	65,453	70,657
Public works	4,685	83,651	88,336
Health	4,080	-	4,080
Capital outlay	1,828	-	1,828
Total cash disbursements	120,133	149,104	269,237
Excess cash receipts over/(under) cash disbursements	(13,110)	18,351	5,241
Cash fund balances, January 1, 2002	154,396	131,851	286,247
Cash fund balances, December 31, 2002	\$ 141,286	\$ 150,202	\$ 291,488

THE NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND ENCUMBRANCES COMPARED WITH EXPENDITURE
AUTHORITY - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2002

Fund Types	Receipts				Disbursements				Variance Favorable (Unfavorable)			
	County Certified Unencumbered Cash	Budget	Total Estimated Resources	Actual 2002 Receipts	Variance Favorable (Unfavorable)	Prior Year Carryover Appropriations	2002 Appropriations	Total		Actual 2002 Disbursements	Encumbrances Outstanding at 12/31/02	Total
Governmental:												
General	\$ 152,609	\$ 203,600	\$ 356,209	\$ 107,023	\$ (96,577)	\$ -	\$ 356,209	\$ 356,209	\$ 120,133	\$ -	\$ 120,133	\$ 236,076
Special Revenue	133,636	240,881	374,517	167,455	(73,426)	-	374,517	374,517	149,104	-	149,104	225,413
Total (Memorandum Only)	\$ 286,245	\$ 444,481	\$ 730,726	\$ 274,478	\$ (170,003)	\$ -	\$ 730,726	\$ 730,726	\$ 269,237	\$ -	\$ 269,237	\$ 461,489

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 1 - DESCRIPTION OF THE ENTITY

Springcreek Township (“the Township”) is a body politic and corporate established for the purpose of exercising 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, emergency medical services, fire protection and cemetery maintenance.

Management believes the financial statements included in this report represent all of the funds of the Township over which the Township officials have direct operating control.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The most significant of the Township’s accounting policies are described below.

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the Township are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The following fund types are used by the Township:

GOVERNMENTAL FUNDS

General Fund

The general fund is used to account for all activities of the Township not required to be included 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 are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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.

Fire Levy Fund - This fund receive proceeds from a property tax levy to provide fire protection and services to the surrounding community.

B. BASIS OF ACCOUNTING

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

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

C. BUDGETARY PROCESS

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds are legally required to be budgeted and appropriated, except Agency funds. The primary level of budgetary control is at the item level within each fund. Any budgetary modifications at this level may only be made by resolution of the Township Trustees.

Tax Budget:

A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The expressed purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Estimated Resources:

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews receipt estimates. The County Budget Commission certifies its actions to the Township by September 1. As part of this certification, the Township receives the official certificate of estimated resources, which states the projected receipts of each fund. On or about January 1, the certificate is amended to include unencumbered fund balances at December 31 of the preceding year. Further amendments may be made during the year if the Township determines that receipts collected will be greater than or less than the prior estimates, and the Budget Commission finds the revised estimates to be reasonable. Prior to December 31, the Township must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure.

Appropriations:

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriations measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. The Township legally adopted a supplemental appropriation during 2003 and none in 2002.

Encumbrances:

As part of the formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated. There were no outstanding encumbrances at December 31, 2003 or 2002.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. CASH AND CASH EQUIVALENTS

For reporting purposes, the Township considers "Cash and Cash Equivalents" to be cash on hand, demand deposits, and all investments held by the Township with a maturity date less than or equal to three months from the date of purchase. Interest earned on investments held by the treasurer is credited to its respective funds. Interest income earned and received by the Township totaled \$712 and \$2,546 for the years ended December 31, 2003 and 2002, respectively.

E. PROPERTY, PLANT AND EQUIPMENT

Fixed assets are not capitalized in any of the Township's funds. Instead, capital acquisition and construction costs are reflected as expenditures in the fund in the year expended. The costs of normal maintenance and repairs are also expended, along with improvements. Depreciation is not recorded.

F. INTERGOVERNMENTAL REVENUES

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursable basis are recorded when received in accordance with the Township's cash basis method of accounting.

G. INTERFUND TRANSACTIONS

During the course of normal operations, the Township had transactions between funds. The most significant include transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the receiving fund and are recorded as operating transfers.

H. TOTAL COLUMNS ON FINANCIAL STATEMENTS

Total columns on the financial statements are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Interfund-type eliminations have not been made in the aggregation of this data.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 3 - COMPLIANCE

The following fund had appropriations in excess of estimated resources for the year ended December 31, 2003, in noncompliance with Ohio Revised Code Section 5705.39:

<u>Fund Type</u>	<u>Fund</u>	<u>Excess</u>
Special Revenue	Fire District Fund	\$ 23,909

NOTE 4 - EQUITY IN POOLED CASH AND CASH EQUIVALENTS

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

	<u>2003</u>	<u>2002</u>
Demand deposits	<u>\$ 320,565</u>	<u>\$ 291,488</u>

Deposits: Deposits are insured by the Federal Deposit Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

NOTE 5 - PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the County. 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. Real property taxes are payable annually or semiannually to the County. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

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.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 6 - INTERFUND TRANSACTION

The following is a summarized breakdown of the Township's operating transfers for 2003:

	<u>Transfers In</u>	<u>Transfers Out</u>
GENERAL FUND	\$ -	\$ 10,000
<u>SPECIAL REVENUE FUND:</u>		
Gasoline Tax	10,000	-
Totals	\$ 10,000	\$ 10,000

The transfer during the year ended December 31, 2003 was made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

NOTE 7 - RETIREMENT SYSTEM

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2003 and 2002, OPERS members contribute 8.5% of their gross salaries. The Township contributes an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2003 and 2002.

NOTE 8 - RISK MANAGEMENT

Risk Pool Membership

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty insurance for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgements, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 8 - RISK MANAGEMENT - (Continued)

Casualty Insurance

OTARMA retains casualty risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, from the General Reinsurance Corporation.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Insurance

OTARMA retains property risks including automobile physical damage up to \$100,000 on any specific loss. The Travelers Indemnity Company reinsures specific losses exceeding \$100,000. The Travelers Indemnity Company also provides aggregate excess coverage for property including automobile physical damage subject to an annual stop loss. When the stop loss is reached in any year, The Travelers Indemnity Company provides coverage in excess of \$10,000.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with accounting principles generally accepted in the United States of America, and reported the following assets, liabilities and retained earnings at December 31, 2002 which is the latest available data:

<u>Casualty Coverage</u>	<u>2002</u>
Assets	\$ 23,757,036
Liabilities	<u>(9,197,512)</u>
Retained earnings	<u>\$ 14,559,524</u>
<u>Property Coverage</u>	<u>2002</u>
Assets	\$ 6,596,996
Liabilities	<u>(1,204,326)</u>
Retained earnings	<u>\$ 5,392,670</u>

SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 9 - CONTINGENT LIABILITY

LITIGATION

The Township is currently not involved in litigation that the Township's management anticipates a loss.

TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

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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
Springcreek Township, Miami County
7739 N. Union Shelby Rd.
Piqua, OH 45356

We have audited the financial statements of Springcreek Township (the “Township”), Miami County, as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated April 26, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2003-ST-001. We also noted certain immaterial instances of noncompliance that we have reported to the management of the Township in a separate letter dated April 26, 2004.

Board of Trustees
Springcreek Township

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 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 operations that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the management of Springcreek Township in a separate letter dated April 26, 2004.

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

Trimble, Julian & Grube, Inc.
April 26, 2004

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY, OHIO
DECEMBER 31, 2003 AND 2002**

SCHEDULE OF FINDINGS

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

Finding Number	2003-ST-001
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Ohio Revised Code Section 5705.39 requires that the total appropriations from each fund should not exceed total estimated resources.

It was noted during the year ending December 31, 2003 that the appropriations exceeded total estimated resources for the following fund:

<u>Fund Type</u>	<u>Fund</u>	<u>Excess</u>
Special Revenue	Fire District Fund	\$ 23,909

With appropriations exceeding estimated resources, the Township may spend more funds than in the Treasury or in the process of collection and may cause fund deficits.

We recommend that the Township comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by keeping more accurate appropriations versus estimated resource records and amending the budget as needed and prior to year end. If appropriations are increased it is determined that estimated resources will be greater than initially anticipated, the Township should amend its official estimate in order to provide for any additional appropriations; however, appropriations should not exceed estimated resources. In addition, the Township should monitor its budgetary process on a continual basis.

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**Auditor of State
Betty Montgomery**

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SPRINGCREEK TOWNSHIP

MIAMI COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 15, 2004**