



OHIO AUDITOR OF STATE
KEITH FABER



MIAMI TOWNSHIP
GREENE COUNTY

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Miami Township
Greene County
225 Corry St.
Yellow Springs, Ohio 45387

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Miami Township, Greene County, Ohio (the Township) as of and for the years ended December 31, 2019 and 2018.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

As described in Note 2 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38

and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

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* paragraph, the financial statements referred to above 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, 2019 and 2018, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of Miami Township, Greene County as of December 31, 2019 and 2018, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Emphasis of Matter

As discussed in Note 12 to the 2019 financial statements and Note 11 to the 2018 financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 24, 2020, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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.



Keith Faber
Auditor of State
Columbus, Ohio

July 24, 2020

Miami Township
Greene County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2019

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$85,200	\$562,921	\$308,186		\$956,307
Charges for Services		298,101			298,101
Licenses, Permits and Fees	1,620				1,620
Intergovernmental	63,343	205,436	7,254		276,033
Earnings on Investments	15,773	3,951		\$8,724	28,448
Miscellaneous	14,709	70,962			85,671
<i>Total Cash Receipts</i>	<u>180,645</u>	<u>1,141,371</u>	<u>315,440</u>	<u>8,724</u>	<u>1,646,180</u>
Cash Disbursements					
Current:					
General Government	109,478	29,250	3,279		142,007
Public Safety		838,586			838,586
Public Works	1,299	207,853			209,152
Health	14,943	32,775			47,718
Other		143			143
Capital Outlay	128	38,793		579,058	617,979
Debt Service:					
Principal Retirement			116,000		116,000
Interest and Fiscal Charges			11,143		11,143
<i>Total Cash Disbursements</i>	<u>125,848</u>	<u>1,147,400</u>	<u>130,422</u>	<u>579,058</u>	<u>1,982,728</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>54,797</u>	<u>(6,029)</u>	<u>185,018</u>	<u>(570,334)</u>	<u>(336,548)</u>
Other Financing Receipts (Disbursements)					
Sale of Bonds				720,990	720,990
Payment to Refunded Bond Escrow Agent				(2,500)	(2,500)
Other Financing Sources	1,163	13,008			14,171
Other Financing Uses				(29,455)	(29,455)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>1,163</u>	<u>13,008</u>	<u>0</u>	<u>689,035</u>	<u>703,206</u>
<i>Net Change in Fund Cash Balances</i>	55,960	6,979	185,018	118,701	366,658
<i>Fund Cash Balances, January 1</i>	<u>206,028</u>	<u>680,947</u>	<u>312,912</u>	<u>(23,971)</u>	<u>1,175,916</u>
Fund Cash Balances, December 31					
Nonspendable		8,437			8,437
Restricted		615,616	497,930	94,730	1,208,276
Committed		63,873			63,873
Assigned					0
Unassigned (Deficit)	261,988				261,988
<i>Fund Cash Balances, December 31</i>	<u>\$261,988</u>	<u>\$687,926</u>	<u>\$497,930</u>	<u>\$94,730</u>	<u>\$1,542,574</u>

See accompanying notes to the basic financial statements

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Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Miami Township, Greene County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township also provides fire and EMS coverage to portions of Bath Township, Greene County and Green Township, Clark County. Police protection is provided by Greene County Sheriff's office.

Public Entity Risk Pools

The Township participates in a public entity risk pool. Note 7, to the financial statements provide 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 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 or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

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.

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (Continued)

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

Fire Fund - This fund receives property tax money for providing fire protection and charges for emergency medical services to all Township residents that have insurance.

Fire and Rescue, Ambulance and EMS Service - This fund receives payments strictly made from insurance payments.

Cemetery Fund - This fund receives funds from the sale of cemetery plots and burials

Debt Service Funds 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:

Bond Retirement Fund The bond retirement fund accounts for and reports resources restricted for the retirement of debt issued to finance the construction of new fire/rescue service facility. The residents of the Township passed a 2.40 mills levy for payment of debt charges over a maximum period of 30 years.

Capital Project Funds 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 project funds:

USDA Funding The Township issued \$5,750,000 in Taxable Fire Station Bonds for the construction of new fire/rescue service facility. The Township draws down on these bonds as construction progresses on the new facility.

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 (D). 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 (D) permit.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (Continued)

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 2019 budgetary activity appears in Note 4.

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.

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

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.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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.

Note 3 – Compliance

Contrary to Ohio law and levy language, the Township did not establish a Bond Retirement fund and reported \$315,440 in receipts and \$130,422 in expenditures in the USDA Funding fund.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 4 – Budgetary Activity

Budgetary activity for the year ending 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$156,504	\$181,808	\$25,304
Special Revenue	989,821	1,154,379	164,558
Debt Service	315,440	315,440	0
Capital Projects	719,549	729,714	10,165
Total	<u>\$2,181,314</u>	<u>\$2,381,341</u>	<u>\$200,027</u>

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$146,051	\$126,269	\$19,782
Special Revenue	1,452,278	1,151,574	300,704
Debt Service	130,422	130,422	0
Capital Projects	1,205,495	611,013	594,482
Total	<u>\$2,934,246</u>	<u>\$2,019,278</u>	<u>\$914,968</u>

Note 5 – Deposits and Investments

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

	2019
Demand deposits	\$210,691
STAR Plus	607,029
Total deposits	817,720
STAR Ohio	724,854
Total investments	724,854
Total deposits and investments	\$1,542,574

Deposits

Deposits are 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.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 5 – Deposits and Investments (Continued)

Investments

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

Note 6 – 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 7 – 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.

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 and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 7 – Risk Management (Continued)

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

	<u>2019</u>
Cash and investments	\$35,207,320
Actuarial liabilities	\$10,519,942

Self-Insurance

The Township is also self-insured for dental insurance with Superior Dental. There are no liabilities disclosed related to self-insurance as of December 31, 2019.

Supplemental Insurance

The Township is insured through VFIS for supplemental accident & sickness for the Fire Department's volunteer members.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some 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, 2019.

Ohio Police and Fire Retirement System

The Township's certified full time 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 percent of their wages. The Township contributed to OP&F an amount equal to 24 percent of full-time fire fighters' wages. The Township has paid all contributions required through December 31, 2019.

Social Security

The Township's part time fire fighters contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 8 – Defined Benefit Pension Plans (Continued)

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2019.

Note 9 – Postemployment 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 2019. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2019. OP&F contributes 0.5 percent 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 at December 31, 2019, was as follows:

	Principal	Interest Rate
LGIF Loan	\$36,417	0%
Taxable Fire Station Bonds, 2007 Series	948,199	3.5%
Total	\$984,616	

The Township is a participant in LGIF loan program for the purchase of MARCS Radios. Beavercreek Township is acting as the administering agency for the loan and in 2013 the Township received \$69,000 of the loan proceeds at no interest payable in equal monthly installments over nine years.

On December 27, 2017, the Township issued Taxable Fire Station Bonds for the purpose of paying the cost of constructing a fire/rescue service facility and providing for related apparatus. The United States Department of Agriculture (USDA) approved up to \$5,750,000 in loans to the Township for this project. The Township will repay the loans in semiannual installments over 30 years. The scheduled payment amount below assumes that \$5,750,000 will be borrowed. The USDA will adjust scheduled payment to reflect any revisions in amounts the Township actually borrows. The Township made \$116,000 in principal and \$11,143 in interest payments on this loan during 2019. The Township’s taxing authority collateralized the bonds. The bonds mature on November 11, 2047 and bear an interest rate of 3.5%.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 10 – Debt (Continued)

Amortization

Amortization of the above debt, is scheduled as follows:

Year Ending December 31:	LGIF Loan	Taxable Fire Station Bonds
2020	\$7,667	\$120,000
2021	7,667	124,000
2022	7,667	128,000
2023	7,667	133,000
2024	5,749	138,000
2025-2029		766,000
2030-2034		910,000
2035-2039		1,083,000
2040-2044		1,287,000
2045-2047		887,000
Total	\$36,417	\$5,576,000

Note 11 – Construction and Contractual Commitments

Several contractors are currently under contract with the Township for the construction of the new fire house.

Note 12 – Subsequent Events

During 2020, the Township entered into an agreement with Yellow Springs Development Corporation to market and sell the current fire station.

During 2020, the Township approved a \$10,000 donation to Yellow Springs Community Foundation.

The United States and the State of Ohio declared a state of emergency in March, 2020, due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. The impact on the Township’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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Miami Township
Greene County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$84,050	\$554,735	\$374,042		\$1,012,827
Charges for Services		162,254			162,254
Licenses, Permits and Fees	1,136				1,136
Intergovernmental	62,853	212,140	9,074		284,067
Earnings on Investments	12,028	3,209		\$4,401	19,638
Miscellaneous	16,866	75,892			92,758
<i>Total Cash Receipts</i>	<u>176,933</u>	<u>1,008,230</u>	<u>383,116</u>	<u>4,401</u>	<u>1,572,680</u>
Cash Disbursements					
Current:					
General Government	117,698	33,147	2,193		153,038
Public Safety		740,168			740,168
Public Works	1,245	135,390			136,635
Health	15,474	30,699			46,173
Other		2,339			2,339
Capital Outlay		19,240		258,665	277,905
Debt Service:					
Principal Retirement	50,000		58,000		108,000
Interest and Fiscal Charges	207		10,011		10,218
<i>Total Cash Disbursements</i>	<u>184,624</u>	<u>960,983</u>	<u>70,204</u>	<u>258,665</u>	<u>1,474,476</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(7,691)</u>	<u>47,247</u>	<u>312,912</u>	<u>(254,264)</u>	<u>98,204</u>
Other Financing Receipts (Disbursements)					
Sale of Bonds				366,410	366,410
Transfers In	150,744				150,744
Transfers Out		(1)		(150,743)	(150,744)
Other Financing Sources	945	7,735			8,680
Other Financing Uses				(20,374)	(20,374)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>151,689</u>	<u>7,734</u>	<u>0</u>	<u>195,293</u>	<u>354,716</u>
<i>Net Change in Fund Cash Balances</i>	143,998	54,981	312,912	(58,971)	452,920
<i>Fund Cash Balances, January 1</i>	<u>62,030</u>	<u>625,966</u>	<u>0</u>	<u>35,000</u>	<u>722,996</u>
Fund Cash Balances, December 31					
Restricted		614,905	312,912		927,817
Committed		57,774			57,774
Assigned		8,268			8,268
Unassigned (Deficit)	206,028			(23,971)	182,057
<i>Fund Cash Balances, December 31</i>	<u>\$206,028</u>	<u>\$680,947</u>	<u>\$312,912</u>	<u>(\$23,971)</u>	<u>\$1,175,916</u>

See accompanying notes to the basic financial statements

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Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Miami Township, Greene County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township also provides fire and EMS coverage to portions of Green Township, Clark County. Police protection is provided by Greene County Sherriff's office.

Public Entity Risk Pools

The Township participates in a public entity risk pool. Note 7, to the financial statements provide 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 are organized on a fund type basis.

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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:

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.

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (Continued)

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

Fire Fund - This fund receives property tax money for providing fire protection and charges for emergency medical services to all Township residents that have insurance.

Fire and Rescue, Ambulance and EMS Service - This fund receives payments strictly made from insurance payments.

Cemetery Fund - This fund receives funds from the sale of cemetery plots and burials

Debt Service Funds 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:

Bond Retirement Fund The bond retirement fund accounts for and reports resources restricted for the retirement of debt issued to finance the construction of new fire/rescue service facility. The residents of the Township passed a 2.40 mills levy for payment of debt charges over a maximum period of 30 years.

Capital Project Funds 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 project funds:

USDA Funding The Township issued \$5,750,000 in Taxable Fire Station Bonds for the construction of new fire/rescue service facility. The Township draws down on these bonds as construction progresses on the new facility.

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 (D). 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 (D) permit.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (Continued)

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 2018 budgetary activity appears in Note 4.

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.

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

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.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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.

Note 3 – Compliance

Contrary to Ohio law and levy language, the Township did not establish a Bond Retirement fund and reported \$383,116 in receipts and \$312,912 in expenditures in the USDA Funding fund. Also contrary to Ohio law, at December 31, 2018, the USDA Funding fund had a cash deficit balance of \$23,971.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 4 – Budgetary Activity

Budgetary activity for the year ending 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$173,462	\$328,622	\$155,160
Special Revenue	1,002,554	1,015,965	13,411
Debt Service	374,000	383,116	9,116
Capital Projects	5,762,916	370,811	(5,392,105)
Total	\$7,312,932	\$2,098,514	(\$5,214,418)

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$231,019	\$184,624	\$46,395
Special Revenue	1,293,352	961,084	332,268
Debt Service	70,204	70,204	0
Capital Projects	5,785,696	429,782	5,355,914
Total	\$7,380,271	\$1,645,694	\$5,734,577

Note 5 – Deposits and Investments

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

	2018
Demand deposits	\$17,482
STAR Plus	593,170
Total deposits	610,652
STAR Ohio	565,264
Total investments	565,264
Total deposits and investments	\$1,175,916

Deposits

Deposits are 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.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 5 – Deposits and Investments (Continued)

Investments

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

Note 6 – 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 7 – 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.

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 and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 7 – Risk Management (Continued)

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

	<u>2018</u>
Cash and investments	\$33,097,416
Actuarial liabilities	\$ 7,874,610

Self-Insurance

The Township is also self-insured for dental insurance with Superior Dental. There are no liabilities disclosed related to self-insurance as of December 31, 2018.

Supplemental Insurance

The Township is insured through VFIS for supplemental accident & sickness for the Fire Department's volunteer members.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some 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, 2018.

Ohio Police and Fire Retirement System

The Township's certified full time 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 percent of their wages. The Township contributed to OP&F an amount equal to 24 percent of full-time fire fighters' wages. The Township has paid all contributions required through December 31, 2018.

Social Security

The Township's part time fire fighters contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 8 – Defined Benefit Pension Plans (Continued)

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2018.

Note 9 – Postemployment 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 2018. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2018. OP&F contributes 0.5 percent to fund these benefits.

Note 10 – Debt

Debt outstanding at December 31, 2018, was as follows:

	Principal	Interest Rate
LGIF Loan	\$44,083	0%
Taxable Fire Station Bonds, 2007 Series	343,410	3.5%
Total	\$387,493	

The Township is a participant in LGIF loan program for the purchase of MARCS Radios. Beaver Creek Township is acting as the administering agency for the loan and in 2013 the Township received \$69,000 of the loan proceeds at no interest payable in equal monthly installments over nine years.

On December 27, 2017, the Township issued Taxable Fire Station Bonds for the purpose of paying the cost of constructing a fire/rescue service facility and providing for related apparatus. The United States Department of Agriculture (USDA) approved up to \$5,750,000 in loans to the Township for this project. The Township will repay the loans in semiannual installments over 30 years. The scheduled payment amount below assumes that \$5,750,000 will be borrowed. The USDA will adjust scheduled payment to reflect any revisions in amounts the Township actually borrows. The Township made \$58,000 in principal and \$10,011 in interest payments on this loan during 2018. The Township’s taxing authority collateralized the bonds. The bonds mature on November 11, 2047 and bear an interest rate of 3.5%.

Loan Agreement

On March 20, 2017, the Township entered into a loan agreement for \$50,000 for the purchase of land for the new Township fire/rescue service facility. The Township paid off the loan on April 16, 2018.

Miami Township
Greene County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 10 – Debt (Continued)

Amortization

Amortization of the above debt, is scheduled as follows:

Year Ending December 31:	LGIF Loan	Taxable Fire Station Bonds
2019	\$7,667	\$116,000
2020	7,667	120,000
2021	7,667	124,000
2022	7,667	128,000
2023	7,667	133,000
2024-2028	5,748	740,000
2029-2033		879,000
2034-2038		1,046,000
2039-2043		1,243,000
2044-2047		1,163,000
Total	\$44,083	\$5,692,000

Note 11 – Subsequent Events

A Bond was issued on December 27, 2017 in the amount of \$5,750,000 to cover the costs of the new fire station. The Special Levy will be used to repay the Bonds. Construction was scheduled to begin in the Spring of 2018. However, due to numerous unforeseen circumstances, construction did not start until 2019.

During 2020, the Township entered into an agreement with Yellow Springs Development Corporation to market and sell the current fire station.

During 2020, the Township approved a \$10,000 donation to Yellow Springs Community Foundation.

The United States and the State of Ohio declared a state of emergency in March, 2020, due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. The impact on the Township’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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OHIO AUDITOR OF STATE KEITH FABER



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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

Miami Township
Greene County
225 Corry St.
Yellow Springs, Ohio 45387

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Miami Township, Greene County, (the Township) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated July 24, 2020 wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted that the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Township's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider material weaknesses. We consider findings 2019-001 and 2019-002 to be material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2019-001.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

July 24, 2020

MIAMI TOWNSHIP
GREENE COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018

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

FINDING NUMBER 2019-001

NONCOMPLIANCE AND MATERIAL WEAKNESS – Bond Retirement Fund

Ohio Rev. Code §5705.09(E) requires each subdivision to “establish a special bond fund for each bond issue.”

Ohio Rev. Code §5705.10(B) states “all revenue derived from general or special levies for debt charges, whether within or in excess of the ten-mill limitation, which is levied for the debt charges on serial bonds, notes, or certificates of indebtedness having a life less than five years, shall be paid into the bond retirement fund; and all such revenue which is levied for the debt charges on all other bonds, notes, or certificates of indebtedness shall be paid into the sinking fund.”

Additionally, **Ohio Rev. Code §5705.10(I)** requires money paid into a fund to “be used only for the purposes for which such fund has been established.” As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another fund.

The voters of Miami Township passed a levy on May 7, 2017 for the purpose of issuing bonds for the purpose of constructing a new fire/rescue service facility for Miami Township in the principal amount of \$5,750,000 to be repaid annual over a maximum period of 30 years.

Resolution 2017-37 approved by the Township Trustees on November 20, 2017 authorizing the issuance and sale of a principal amount of not to exceed \$5,750,000 of fire station bonds, series 2017 for the purpose of paying the cost of constructing a fire/rescue service facility and providing related apparatus, and matters related thereto states, in part that the board expects that service of bonds will be paid from the voted levy in accordance with Section 5705.119 of the Ohio Revised Code.

The Township did not establish a bond retirement fund in accordance with the provisions of Ohio Rev. Section 5705.10(B) and instead placed all the levy and related homestead and rollback revenues in the capital projects fund established for the purpose of constructing the new fire/rescue service facility. This resulted in the following revenues/expenses related to the special levy being reported in the capital projects fund instead of the debt service fund:

2018

- Property tax receipts in the amount of \$374,042;
- Intergovernmental receipts in the amount of \$9,074;
- Expenditures related to auditor and treasurer fees in the amount of \$2,193.

2019

- Property tax receipts in the amount of \$308,186;
- Intergovernmental receipts in the amount of \$7,254;
- Expenditures related to auditor and treasurer fees in the amount of \$3,279.

Audit adjustments were made to properly report the special levy and related activity in the debt service fund. Additionally, the Township has adjusted its financial system to properly account for the levy in a separate fund. Audit adjustments resulted in the capital projects fund reporting a deficit of \$23,971 at December 31, 2018.

The Township should establish policies and procedures to verify that all special levies are accounted for in a separate fund in accordance with state laws. Failure to do so could result in the Township spending levy proceeds for unallowable purposes and finding for adjustments in future audits.

FINDING NUMBER 2019-002

MATERIAL WEAKNESS – Financial Statement Misstatements

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraph .A14 & .A16.

Additionally, Governmental Accounting Standards Board (GASB) Statement No. 54 (GASB Codification 1800.168-1800.177) - Fund Balance Reporting and Governmental Fund Type Definitions gives definitions for each of the following fund types General, Special Revenue, Capital Project, Debt Service, and Permanent. GASB Statement No. 54 also establishes fund balance classifications that stipulate use of fund balances based on the extent to which a government is required to observe constraints imposed upon the use of the resources reported in governmental funds and for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.

Due to lack of adequate controls over transaction recording and financial statement reporting, the following errors were noted during the audit that were determined to be material and have been adjusted in the accompanying financial statements:

During 2018:

- General Fund:
 - i. General Government expenditures were overstated by \$50,207, Principal Retirement and Interest and Fiscal Charges were understated by \$50,000 and \$207, respectively;
- Capital Projects Fund:
 - i. Cash was understated by \$68,011 and Payments to Refunded Bond Escrow Agent was overstated by the same amount due to the Township making debt payments out of capital projects fund instead of the debt service fund;
 - ii. Capital Outlay was understated by \$258,665, and Other Financing Uses was overstated by \$258,665
- Debt Service Fund:
 - i. Cash was overstated by \$68,011, Principal Retirement and Interest and Fiscal Charges were understated by \$58,000 and \$10,011, respectively

During 2019:

- Special Revenue Funds:
 - i. Restricted Fund balance was overstated by \$63,873 and Committed Fund balance was understated by the same amount.
- Capital Projects Fund:
 - i. Cash was understated by \$127,143 and Payments to Refunded Bond Escrow Agent was overstated by the same amount due to the Township making debt payments out of the capital projects fund instead of debt service;
 - ii. The Township reported \$720,989 in sale of bonds as intergovernmental revenues.
 - iii. Capital Outlay was understated by \$579,058, Payment to Refunded Bond Escrow Agent was overstated by \$21,030, and Other Financing Uses was overstated by \$558,028;

**FINDING NUMBER 2019-002
(Continued)**

- Debt Service Fund:
 - i. Cash was overstated by \$127,143, Principal Retirement and Interest and Fiscal Charges were understated by \$116,000 and \$11,143, respectively;

All adjustments impacting fund balance have been posted to the Township's accounting system. In addition, other immaterial errors ranging from \$185 to \$16,672 were noted during our audit and have been reported to those charged with governance in the Summary of Identified Misstatements form.

The Township should establish and implement procedures to verify the completeness and accuracy of the Township's financial statements. Someone independent of the financial statement preparation process should review them for completeness and accuracy. Failure to do so could result in the users of financial statements using materially incorrect amounts to base their opinion about Township's finances.

Official's Response: We did not receive a response from Officials to the findings reported above.

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OHIO AUDITOR OF STATE KEITH FABER



MIAMI TOWNSHIP

GREENE 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 9/8/2020

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