



**CHAMPION TOWNSHIP  
TRUMBULL COUNTY  
Regular Audit  
For the Years Ended December 31, 2019 and 2018**

313 Second St.  
Marietta, OH 45750  
740 373 0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304 422 2203

150 W. Main St., #A  
St. Clairsville, OH 43950  
740 695 1569

1310 Market St., #300  
Wheeling, WV 26003  
304 232 1358

749 Wheeling Ave., #300  
Cambridge, OH 43725  
740 435 3417

[www.perrycpas.com](http://www.perrycpas.com)



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Board of Trustees  
Champion Township  
149 Center St East  
Warren, OH 44481

We have reviewed the *Independent Auditor's Report* of Champion Township, Trumbull County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2018 through December 31, 2019. 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. Champion Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

November 19, 2020

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CHAMPION TOWNSHIP  
TRUMBULL COUNTY

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313 Second St.  
Marietta, OH 45750  
740.373.0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304.422.2203

150 West Main St.  
St. Clairsville, OH 43950  
740.695.1569

1310 Market Street, Suite 300  
Wheeling, WV 26003  
304.232.1358

749 Wheeling Ave., Suite 300  
Cambridge, OH 43725  
740.435.3417

## INDEPENDENT AUDITOR'S REPORT

August 31, 2020

Champion Township  
Trumbull County  
149 Center Street East  
Warren, Ohio 44481

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 **Champion Township**, Trumbull County, (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.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
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***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 Champion Township, Trumbull County as of December 31, 2019 and 2018, and 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 15 in 2019 and Note 16 in 2018 to the financial statements, during 2019 and 2018, 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 August 31, 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.



**Perry & Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio



**CHAMPION TOWNSHIP  
TRUMBULL COUNTY**

**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	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 75,059	\$ 1,862,707	\$ -	\$ 1,937,766
Charges for Services	-	366,839	-	366,839
Licenses, Permits and Fees	94,961	23,312	-	118,273
Fines and Forfeitures	-	2,157	-	2,157
Intergovernmental	133,987	456,283	97,962	688,232
Special Assessments	5,633	30,309	-	35,942
Earnings on Investments	2,330	60	-	2,390
Miscellaneous	27,371	15,309	-	42,680
<i>Total Cash Receipts</i>	<u>339,341</u>	<u>2,756,976</u>	<u>97,962</u>	<u>3,194,279</u>
<b>Cash Disbursements</b>				
Current:				
General Government	243,185	-	-	243,185
Public Safety	-	1,844,468	-	1,844,468
Public Works	9,252	892,233	-	901,485
Health	25,425	21,772	-	47,197
Capital Outlay	2,875	75,532	97,962	176,369
Debt Service:				
Principal Retirement	-	48,568	-	48,568
Interest and Fiscal Charges	-	16,537	-	16,537
<i>Total Cash Disbursements</i>	<u>280,737</u>	<u>2,899,110</u>	<u>97,962</u>	<u>3,277,809</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>58,604</u>	<u>(142,134)</u>	<u>-</u>	<u>(83,530)</u>
<b>Other Financing Receipts</b>				
Sale of Capital Assets	-	6,550	-	6,550
Transfers In	25,000	-	-	25,000
Transfers Out	(25,000)	-	-	(25,000)
<i>Total Other Financing Receipts</i>	<u>-</u>	<u>6,550</u>	<u>-</u>	<u>6,550</u>
<i>Net Change in Fund Cash Balances</i>	58,604	(135,584)	-	(76,980)
<i>Fund Cash Balances, January 1</i>	<u>223,455</u>	<u>1,217,205</u>	<u>-</u>	<u>1,440,660</u>
<b>Fund Cash Balances, December 31</b>				
Restricted	-	1,001,445	-	1,001,445
Committed	-	80,176	-	80,176
Assigned	3,781	-	-	3,781
Unassigned	278,278	-	-	278,278
<i>Fund Cash Balances, December 31</i>	<u>\$ 282,059</u>	<u>\$ 1,081,621</u>	<u>\$ -</u>	<u>\$ 1,363,680</u>

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

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Champion Township, Trumbull 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, police protection, fire protection and emergency medical services.

***Public Entity Risk Pools***

The Township participates a public entity risk pool and is associated with related organization. Note 8 and 14 to the financial statements provide additional information for these entities. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Fund Accounting***

The Township uses funds to maintain 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:

***Gasoline Tax Fund*** The gasoline 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.

***Police Levy Fund*** The police levy fund accounts for and reports that portion of tax revenue restricted for police protection within the Township.

***Fire Levy Fund*** The fire levy fund accounts for and reports that portion of tax revenue restricted for fire and EMS protection within the Township as well as any medical billings for services provided under EMS protection.

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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

**FEMA MARCS Grant Fund** The FEMA MARCS Grant fund accounts for and reports a special project sponsored by Champion Township for the Trumbull County Fire Chiefs Association, representing amounts awarded to the associated townships but not yet disbursed by FEMA as the Trumbull County Fire Chiefs Association had additional paperwork in process to complete the grant process. Anticipated funds were not distributed prior to year end.

**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:

**2018 OPWC Fund** The township received a grant from the state for capital improvements. The proceeds are restricted for capital improvement.

**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.

**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.

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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

***Deposits and Investments***

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

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.

***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.

**CHAMPION TOWNSHIP  
TRUMBULL COUNTY**

*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

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

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

**Note 3 – Compliance**

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General Fund by \$67,266, the Special Levy Fire Fund by \$27,055, and the Special Levy Road Fund by \$17,744 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	\$ 359,164	\$ 364,341	\$ (5,177)
Special Revenue	4,131,550	2,763,526	1,368,024
Capital Projects	97,962	97,962	-
Total	\$ 4,588,676	\$ 3,225,829	\$ 1,362,847

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 244,374	\$ 311,640	\$ (67,266)
Special Revenue	4,453,263	2,974,562	1,478,701
Capital Projects	97,962	97,962	-
Total	\$ 4,795,599	\$ 3,384,164	\$ 1,411,435

**Note 5 – Deposits and Investments**

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

	2019
Demand deposits	\$ 1,356,477
Total deposits	1,356,477
STAR Ohio	7,203
Total investments	7,203
Total deposits and Investments	\$ 1,363,680

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 5 – Deposits and Investments (Continued)**

***Deposits***

Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

***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 homestead and rollback deductions. The financial statements include homestead and rollback 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.

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

**Note 7 – Intrafund Transfers**

The Township maintains a Special Revenue Zoning Fund. Based on the requirements set forth by *Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions*, the Zoning Fund activity and fund balance must be included as part of the Township's General Fund. During 2019, the Township transferred a total of \$25,000 from the General Fund to the Zoning Fund. This is shown as an intrafund transfer in the General Fund.

**Note 8 – Risk Management**

***Risk Pool Membership***

The Township is a member of the Ohio Township Association Risk Management Authority (the Pool). The Pool assumes 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

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 8 – 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

**Note 9 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

The Township's elected officials and 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 healthcare 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. Police officers contributed 13 percent of their gross salaries and the Township contributed an amount equaling 18.1 percent of participants' gross salaries. Pickup and salary reduction plans were in place, allowing the Township to pay a portion of the employees' contribution.

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

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 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. Pickup and salary reduction plans were in place, allowing the Township to pay a portion of the employees' contribution.

***Social Security***

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

Employees contributed 6.2 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.

**CHAMPION TOWNSHIP**

**TRUMBULL COUNTY**

*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

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**Note 10 – Postemployment Benefits**

OPERS offers 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 11 – Debt**

Debt outstanding at December 31, 2019 was as follows:

	Principal	Interest Rate
Fire Truck Lease	\$ 404,843	3.71%
	<u>\$ 404,843</u>	

**Leases**

The Township leases a custom built vehicle under noncancelable lease to own purchase option. The Township disbursed \$65,105 to pay lease costs for the year ended December 31, 2019. A portion of 2019 distributions finalized ownership of an ambulance.

**Amortization**

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

Year Ended December 31	Fire Truck Lease
2020	\$ 53,742
2021	53,742
2022	53,742
2023	53,742
2024	53,742
2025-2028	214,969
Total	<u>\$ 483,679</u>

**Note 12 – Construction and Contractual Commitments**

The Township is in the process of receiving and distributing the FEMA MARCs Grant disbursement for the communications operations of the Trumbull County Fire Chiefs Association as previously described in Note 2. Funds were expected to be received but were delayed past year end December 31, 2019.



**CHAMPION TOWNSHIP**

**TRUMBULL COUNTY**

*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

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**Note 13 – Contingent Liabilities**

The Township is defendant in a lawsuit. Although management cannot presently determine the outcome of this suit, management believes that the resolution of these matters 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, principally the federal government. 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 14 – Related Party Transactions**

A Township Trustee is the owner of a company from which the Township received services during the year. The Township has been receiving these in-kind services between 7-10 times each year for some time, but the owner was not a Trustee prior to 2018.

**Note 15 – Subsequent Events**

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, any recovery from emergency funding, either federal or state, cannot be estimated.

**CHAMPION TOWNSHIP  
TRUMBULL COUNTY**

**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	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 78,301	\$ 1,840,714	\$ -	\$ 1,919,015
Charges for Services	-	360,467	-	360,467
Licenses, Permits and Fees	90,535	30,408	-	120,943
Fines and Forfeitures	-	2,573	-	2,573
Intergovernmental	125,122	447,437	58,783	631,342
Special Assessments	-	27,084	-	27,084
Earnings on Investments	1,908	49	-	1,957
Miscellaneous	33,914	30,192	-	64,106
<i>Total Cash Receipts</i>	<u>329,780</u>	<u>2,738,924</u>	<u>58,783</u>	<u>3,127,487</u>
<b>Cash Disbursements</b>				
Current:				
General Government	306,865	120	-	306,985
Public Safety	-	1,826,735	-	1,826,735
Public Works	56,720	683,291	-	740,011
Health	25,309	27,791	-	53,100
Capital Outlay	-	625,284	58,783	684,067
Debt Service:				
Principal Retirement	-	22,168	-	22,168
Interest and Fiscal Charges	-	558	-	558
<i>Total Cash Disbursements</i>	<u>388,894</u>	<u>3,185,947</u>	<u>58,783</u>	<u>3,633,624</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(59,114)</u>	<u>(447,023)</u>	<u>-</u>	<u>(506,137)</u>
<b>Other Financing Receipts (Disbursements)</b>				
Other Debt Proceeds	-	442,161	-	442,161
Transfers In	55,000	27,500	-	82,500
Transfers Out	(82,500)	-	-	(82,500)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(27,500)</u>	<u>469,661</u>	<u>-</u>	<u>442,161</u>
<i>Net Change in Fund Cash Balances</i>	<u>(86,614)</u>	<u>22,638</u>	<u>-</u>	<u>(63,976)</u>
<i>Fund Cash Balances, January 1 (Restated, See Note 13)</i>	<u>310,069</u>	<u>1,194,567</u>	<u>-</u>	<u>1,504,636</u>
<b>Fund Cash Balances, December 31</b>				
Restricted	-	1,157,483	-	1,157,483
Committed	-	59,722	-	59,722
Assigned	3,781	-	-	3,781
Unassigned	219,674	-	-	219,674
<i>Fund Cash Balances, December 31</i>	<u>\$ 223,455</u>	<u>\$ 1,217,205</u>	<u>\$ -</u>	<u>\$ 1,440,660</u>

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

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Champion Township, Trumbull 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, police protection, fire protection and emergency medical services.

***Jointly Governed Organizations and Public Entity Risk Pools***

The Township participates in a jointly governed organization and a public entity risk pool and is associated with a related organization. Notes 7, 14, and 15 to the financial statements provide additional information for these entities. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

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

***Fund Accounting***

The Township uses funds to maintain 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:

***Gasoline Tax Fund*** The gasoline 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*** The road and bridge fund receives property tax money for constructing, maintaining and repairing Township roads.

***Police Levy Fund*** The police levy fund accounts for and reports that portion of tax revenue restricted for police protection within the Township.

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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

**Fire Levy Fund** The fire levy fund accounts for and reports that portion of tax revenue restricted for fire and EMS protection within the Township as well as any medical billings for services provided under EMS protection.

**Cemetery Fund** The cemetery fund accounts for money received for the sale of cemetery lots, along with charges for services provided, such as opening and closing of graves.

**Road Levy Fund** The road levy fund accounts for and reports that portion of tax revenue restricted for the improvement of roads within the Township.

**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:

**Issue I Fund (2017 Calla & Earl Resurfacing)** The township received an OPWC grant from the state for capital improvements. The proceeds are restricted for capital improvement.

**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.

**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.

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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

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

A summary of 2018 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.

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.

**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.

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. 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 – Budgetary Activity**

Budgetary activity for the year ending 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 329,352	\$ 384,780	\$ (55,428)
Special Revenue	3,183,553	3,208,585	(25,032)
Capital Projects	59,596	58,783	813
Total	\$ 3,572,501	\$ 3,652,148	\$ (79,647)

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 609,421	\$ 475,457	\$ 133,964
Special Revenue	4,350,621	3,202,403	1,148,218
Capital Projects	59,596	58,783	813
Total	\$ 5,019,638	\$ 3,736,643	\$ 1,282,995

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 4 – Deposits and Investments**

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

	2018
Demand deposits	<u>\$ 1,433,622</u>
Total deposits	<u>1,433,622</u>
STAR Ohio	<u>7,038</u>
Total investments	<u>7,038</u>
Total deposits and Investments	<u><u>\$ 1,440,660</u></u>

***Deposits***

Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

***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 homestead and rollback deductions. The financial statements include homestead and rollback 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.

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

**Note 6 – Intrafund Transfers**

The Township maintains a Special Revenue Zoning Fund. Based on the requirements set forth by *Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions*, the Zoning Fund activity and fund balance must be included as part of the Township's General Fund. During 2018, the Township transferred a total of \$55,000 from the General Fund to the Zoning Fund. This is shown as an intrafund transfer in the General Fund.

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 7 – Risk Management**

***Risk Pool Membership***

The Township is a member of the Ohio Township Association Risk Management Authority (the Pool). The Pool assumes 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

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

**Note 8 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

The Township's elected officials and 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 healthcare 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. Police officers contributed 13 percent of their gross salaries and the Township contributed an amount equaling 18.1 percent of participants' gross salaries. Pickup and salary reduction plans were in place, allowing the Township to pay a portion of the employees' contribution.

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

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

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 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. Pickup and salary reduction plans were in place, allowing the Township to pay a portion of the employees' contribution.



**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Social Security**

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

Employees contributed 6.2 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**

OPERS offers 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:

	<u>Principal</u>	<u>Interest Rate</u>
Fire Truck Lease	\$ 442,161	3.71%
Ambulance Lease	11,250	2.00%
	<u>\$ 453,411</u>	

**Leases**

The Township leases vehicles under a non-cancelable lease. The Township disbursed \$11,160.00 to pay lease costs for an Ambulance during the year ended December 31, 2018. A second lease for a custom-built fire truck was entered into during calendar year 2018, but payments will not begin until calendar year 2019, when the vehicle is delivered to the Township.

**Amortization**

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

Year Ended	Ambulance	Fire Truck
<u>December 31</u>	<u>Lease</u>	<u>Lease</u>
2019	\$ 11,363	\$ 53,742
2020	-	53,742
2021	-	53,742
2022	-	53,742
2023	-	53,742
2024-2028	-	268,711
Total	<u>\$ 11,363</u>	<u>\$ 537,422</u>

**CHAMPION TOWNSHIP**  
**TRUMBULL COUNTY**  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 11 – Construction and Contractual Commitments**

The Township is in receipt of an OPWC Grant for a 2018 project, which was bid out in 2018 but postponed to calendar year 2019. The Township will encumber these funds in their Permanent Appropriations and expect that these funds will be expended completely within 2019.

**Note 12 – Contingent Liabilities**

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 13 – Prior Period Restatement**

The following adjustment is reflected in the January 1, 2018 fund balances:

	General Fund	Special Revenue Funds
December 31, 2017 audited balances	\$ 300,704	\$ 1,203,932
Zoning Fund not included in General Fund balance	9,365	(9,365)
January 1, 2018 balances	\$ 310,069	\$ 1,194,567

**Note 14 – Jointly Governed Organizations**

The Township participates in the Trumbull County Council of Governments (TCCOG), a council of governments organized under Section 167 of the Ohio Revised Code. Participating entities include: Trumbull County; Cities: Cortland, Hubbard and Niles; Townships: Bazetta, Braceville, Brookfield, Champion, Farmington, Fowler, Hartford, Howland, Hubbard, Kinsman, Liberty, Mesopotamia, Newton, Southington, Vernon, Vienna, Warren and Weathersfield. The organization was formed to facilitation of Trumbull County communities and partner in areas of collaboration, resource sharing, and challenge resolution with the common objective of improving operations and efficiencies for the benefit of Trumbull County as a whole.

**Note 15 – Related Party Transactions**

A Township Trustee is the owner of a company from which the Township received services during the year. The Township has been receiving these in-kind services between 7-10 times each year for some time, but the owner was not a Trustee prior to 2018.

**Note 16 – Subsequent Events**

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, any recovery from emergency funding, either federal or state, cannot be estimated.



313 Second St.  
Marietta, OH 45750  
740.373.0056

1907 Grand Central Ave.  
Vienna, WV 26105  
304.422.2203

150 West Main St.  
St. Clairsville, OH 43950  
740.695.1569

1310 Market Street, Suite 300  
Wheeling, WV 26003  
304.232.1358

749 Wheeling Ave., Suite 300  
Cambridge, OH 43725  
740.435.3417

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

August 31, 2020

Champion Township  
Trumbull County  
149 Center Street East  
Warren, Ohio 44481

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 **Champion Township**, Trumbull 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 August 31, 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 and we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent period 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 opinions 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 audit findings that we consider material weaknesses. We consider findings 2019-001 and 2019-002 to be material weaknesses.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
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***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 2019-002.

***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 communication is not suitable for any other purpose.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

CHAMPION TOWNSHIP  
TRUMBULL COUNTY

SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

FINDING NUMBER 2019-001

**Material Weakness**

**Posting Disbursements and Fund Balance Classification**

The Township is responsible for establishing procedures and controls to help prevent and detect errors in financial reporting. Fund balances should be classified based on Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.

During 2019 and 2018, disbursements and fund balances were not always posted or classified correctly. The following posting errors were noted:

- The principal portion of debt payments were classified as Interest and Fiscal Charges and were not classified as Principal Retirement in 2019 and 2018;
- Road and Bridge Fund balances, representing inside millage from property taxes, were classified as Restricted instead of Committed fund balance in 2019 and 2018; and
- A disbursement of \$48,640 for a road resurfacing project was incorrectly classified as a Health expenditure and not classified as Public Works expenditure in 2018.

Not posting disbursements or classifying fund balances accurately resulted in the financial statements requiring several reclassifications and adjusting entries. The Financial Statements reflect all reclassifications and adjustments. The Township has made these adjustments to their accounting system.

To help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues are properly identified and classified on the financial statements.

We also recommend the Fiscal Officer refer to the Ohio Township Handbook for guidance to determine the proper establishment of disbursement accounts and posting of disbursements. The Fiscal Officer should refer to Auditor of State Technical Bulletin 2011-004 for assistance in properly classifying fund balances.

**Management's Response** – We did not receive a response from officials to this finding.

CHAMPION TOWNSHIP  
TRUMBULL COUNTY

SCHEDULE OF AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

FINDING NUMBER 2019-002

**Material Weakness/Noncompliance**

**Ohio Revised Code, § 5705.41(B)**, provides no subdivision shall make any expenditure of money unless it has been lawfully appropriated.

In 2019, we noted expenditures exceeded appropriations in the General Fund by \$67,266, the Special Levy Fire Fund by \$27,055, and the Special Levy Road Fund by \$17,744.

The budgeting process is an essential monitoring control that, when properly used, reduces the possibility of the Township encountering deficit spending.

The Fiscal Officer should not certify the availability of funds and should deny payment requests exceeding appropriations. The Fiscal Officer may request the Board of Trustees to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary.

**Management's Response** – We did not receive a response from officials to this finding.

**CHAMPION TOWNSHIP  
TRUMBULL COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

Finding Number	Finding Summary	Status	Additional Information
2017-001	Revenue Account Mispostings and Assigned Fund Balance	Corrected	N/A

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# OHIO AUDITOR OF STATE KEITH FABER



**CHAMPION TOWNSHIP**

**TRUMBULL 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 12/1/2020**

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](http://www.ohioauditor.gov)