

**CENTER TOWNSHIP
COLUMBIANA COUNTY
Regular Audit
December 31, 2008 and 2007**

Perry & Associates
Certified Public Accountants, A.C.



Mary Taylor, CPA

Auditor of State

Board of Trustees
Center Township
9416 Freeman Road
Lisbon, Ohio 44432

We have reviewed the *Independent Accountants' Report* of Center Township, Columbiana County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2007 through December 31, 2008. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Accountants' Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Accountants' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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. Center Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 18, 2009

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**CENTER TOWNSHIP
COLUMBIANA COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT

April 21, 2009

Center Township
Columbiana County
9416 Freeman Road
Lisbon, OH 44432

To the Board of Trustees:

We have audited the accompanying financial statements of **Center Township, Columbiana County, Ohio**, (the Township) as of and for the years ended December 31, 2008 and 2007. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP requires presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the second following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The Following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2008 and 2007 or their changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserve for encumbrances for Center Township, Columbiana County, as of December 31, 2008 and 2007, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2009 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$ 34,480	\$ 262,700	\$ 297,180
Intergovernmental	87,376	173,996	261,372
Special Assessments	-	617	617
Licenses, Permits, and Fees	12,215	-	12,215
Earnings on Investments	2,817	4,357	7,174
Miscellaneous	8,155	-	8,155
	<u>145,043</u>	<u>441,670</u>	<u>586,713</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
General Government	95,014	69,622	164,636
Public Safety	8,104	-	8,104
Public Works	41,980	424,212	466,192
Capital Outlay	99,438	-	99,438
Debt Service:			
Redemption of Principal	-	21,497	21,497
	<u>244,536</u>	<u>515,331</u>	<u>759,867</u>
Total Cash Disbursements			
Total Cash Receipts Over/(Under) Disbursements	<u>(99,493)</u>	<u>(73,661)</u>	<u>(173,154)</u>
Other Financing Receipts and (Disbursements):			
Note Proceeds	99,438	-	99,438
	<u>99,438</u>	<u>-</u>	<u>99,438</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(55)	(73,661)	(73,716)
Fund Cash Balances, January 1	<u>42,793</u>	<u>289,905</u>	<u>332,698</u>
Fund Cash Balances, December 31	<u>\$ 42,738</u>	<u>\$ 216,244</u>	<u>\$ 258,982</u>
Reserve for Encumbrances, December 31	<u>\$ 341</u>	<u>\$ 632</u>	<u>\$ 973</u>

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

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Fiduciary Fund Type
	Private Purpose Trust
Operating Cash Receipts:	
Total Operating Cash Receipts	\$ -
Operating Cash Disbursements:	
Total Operating Cash Disbursements	-
Net Receipts over/(under) Disbursements	-
Non-Operating Cash Receipts:	
Other Non-Operating Cash Receipts	1,000
Total Non-Operating Cash Receipts	1,000
Non-Operating Cash Disbursements:	
Total Non-Operating Cash Disbursements	-
Excess Of Receipts Over/(Under) Disbursements	1,000
Fund Cash Balance, January 1	6,000
Fund Cash Balance, December 31	\$ 7,000

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

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$ 34,739	\$ 282,116	\$ 316,855
Intergovernmental	83,925	158,476	242,401
Special Assessments	-	617	617
Licenses, Permits, and Fees	6,421	-	6,421
Earnings on Investments	6,379	8,052	14,431
Miscellaneous	8,250	9,721	17,971
	<u>139,714</u>	<u>458,982</u>	<u>598,696</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
General Government	83,643	53,891	137,534
Public Safety	8,725	-	8,725
Public Works	36,307	314,603	350,910
Capital Outlay	-	311	311
	<u>128,675</u>	<u>368,805</u>	<u>497,480</u>
Total Cash Disbursements			
Total Cash Receipts Over/(Under) Disbursements	<u>11,039</u>	<u>90,177</u>	<u>101,216</u>
Fund Cash Balances, January 1	<u>31,754</u>	<u>199,728</u>	<u>231,482</u>
Fund Cash Balances, December 31	<u>\$ 42,793</u>	<u>\$ 289,905</u>	<u>\$ 332,698</u>
Reserve for Encumbrances, December 31	<u>\$ 28</u>	<u>\$ 164</u>	<u>\$ 192</u>

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

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Fiduciary Fund Type</u>
	<u>Private Purpose Trust</u>
Operating Cash Receipts:	
Total Operating Cash Receipts	<u>\$ -</u>
Operating Cash Disbursements:	
Total Operating Cash Disbursements	<u>-</u>
Net Receipts over/(under) Disbursements	<u>-</u>
Non-Operating Cash Receipts:	
Total Non-Operating Cash Receipts	<u>-</u>
Non-Operating Cash Disbursements:	
Total Non-Operating Cash Disbursements	<u>-</u>
Excess Of Receipts Over/(Under) Disbursements	<u>-</u>
Fund Cash Balance, January 1	<u>6,000</u>
Fund Cash Balance, December 31	<u><u>\$ 6,000</u></u>

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

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Center Township, Columbiana County, (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees and publicly elected Clerk. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection. The Township contracts with the Village of Lisbon to provide fire services.

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

B. Basis of Accounting

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

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

C. Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

The Township Clerk invests all available funds of the Township in an interest-bearing checking account and an interest-bearing Money Market account.

D. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Township has the following significant Special Revenue Funds:

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

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

Road Levy Fund - This fund receives levy tax money for constructing, maintaining, and repairing Township roads.

3. Fiduciary Fund (Private Purpose Trust)

Fiduciary funds include private purpose trust funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Township's own programs.

The Township's private purpose trust is required under the EPA landfill mandate.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when commitments are made.

A summary of 2008 and 2007 budgetary activity appears in Note 3.

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property, Plant and Equipment

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

G. 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.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2008	2007
Demand deposits	\$ 12,566	\$ 9,681
Money market account	253,415	329,017
Total deposits and investments	\$ 265,981	\$ 338,698

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 246,117	\$ 244,481	\$ (1,636)
Special Revenue	417,656	441,670	24,014
Fiduciary Fund	-	1,000	1,000
Total	\$ 663,773	\$ 686,151	\$ 22,378

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 288,431	\$ 244,877	\$ 43,554
Special Revenue	699,539	515,963	183,576
Total	\$ 987,970	\$ 760,840	\$ 227,130

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(CONTINUED)**

3. BUDGETARY ACTIVITY (Continued)

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 148,809	\$ 139,714	\$ (9,095)
Special Revenue	372,681	458,982	86,301
Total	\$ 521,490	\$ 598,696	\$ 77,206

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 177,250	\$ 128,703	\$ 48,547
Special Revenue	567,426	368,969	198,457
Total	\$ 744,676	\$ 497,672	\$ 247,004

4. DEBT

Debt outstanding at December 31, 2008 was as follows:

	Principal	Interest Rate
Tractor Loan	\$ 77,941	4.05%

The Tractor loan was for the purchase of a John Deere Tractor with Alamo Mower in August of 2008 for \$99,438 from Kansas State Bank. The loan will be paid off in annual payments of \$21,497, including interest. The first payment was principal only. The final payment will be made in April of 2012.

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

Year ending December 31:	Truck Loan
2009	21,497
2010	21,497
2011	21,497
2012	21,497
Total	\$ 85,988

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(CONTINUED)**

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

6. RETIREMENT SYSTEMS

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2008 and 2007, members of PERS contributed 10% (2008) and 9.5% (2007) of their gross salaries. The Township contributed an amount equal to 14% (2008) and 13.85% (2007) of participants' gross salaries. The Township has paid all contributions required through December 31, 2008.

7. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

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

8. LANDFILL

Center Township purchased land in December 1980 which included a landfill. This landfill was closed on December 31, 1988. This action was taken upon advice of the Columbiana County Health Department and because of new and more restrictive landfill regulations taking effect on January 1, 1989.

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(CONTINUED)**

8. LANDFILL (Continued)

State and Federal laws and regulations require that the Township perform certain maintenance and monitoring functions at the closed landfill site for thirty years after closure. The Township's estimated liability for the landfill is \$500,000 for closure costs and \$950,000 for post closure costs, for a total estimated liability of \$1,450,000. The estimated cost of the landfill closure and post closure care expenses is based on the amount that would be paid if all materials and services required to monitor and maintain the closed landfill were acquired as of December 31, 2000. However, the actual cost of closure and post closure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

With the Ohio Environmental Protection Agency (OEPA), the Township established a trust fund in the name of the Township and the OEPA. The OEPA will contribute funds collected through various fines collected from violations within the state. Any monies will be used to help offset the closure and post closure costs associated with the landfill. There is no estimate of the collections the Trust will receive.

The Township is also in negotiations with the Village of Lisbon for part of the closure and post closure costs. As of the date of this report, Lisbon has not offered to share this liability. It is uncertain how this liability will affect future financial Township activities.

Perry & Associates
Certified Public Accountants, A.C.

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

April 21, 2009

Center Township
Columbiana County
9416 Freeman Road
Lisbon, OH 44432

To the Board of Trustees:

We have audited the financial statements of **Center Township, Columbiana County**, Ohio (the Township) as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated April 21, 2009, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider findings 2008-001 and 2008-002 described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting.

Internal Control Over Financial Reporting (Continued)

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Township's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We believe none of the significant deficiencies described above are 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, providing an opinion 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 no instances of noncompliance or other matters that we must report under *Government Auditing Standards*.

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

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.

**CENTER TOWNSHIP
COLUMBIANA COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007**

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

FINDING NUMBER 2008-001

Significant Deficiency

Posting Receipts and Expenditures

During 2008 and 2007, several receipts and expenditures were not posted into accurate revenue or expenditures classifications based on the source of the receipt or expenditure. Examples of mispostings are as follows: debt principal expenditure was posted as capital outlay, note proceeds were posted as miscellaneous revenue, and various intergovernmental receipts were posted as taxes.

These mispostings resulted in several audit reclassifications.

We recommend the Fiscal Officer refer to the Ohio Township Handbook for guidance to determine the proper establishment of receipt and expenditure accounts and posting of receipts and expenditures.

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

FINDING NUMBER 2008-002

Significant Deficiency

Landfill Trust Receipt

During 2008, the Fiscal Officer made a \$1,000 expenditure to the Landfill Trust Fund as required by law. However, she did not properly post this receipt during the calendar year, resulting in cash not reconciling and an audit adjustment being required.

We recommend the Fiscal Officer record all receipts promptly and accurately to maintain control over cash balances and reconciliations. In addition, we recommend the Fiscal Officer make the landfill trust receipt during the calendar year to ensure consistency and proper recording of the obligation.

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



Mary Taylor, CPA
Auditor of State

CENTER TOWNSHIP
COLUMBIANA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 2, 2009