

**WEST TOWNSHIP
COLUMBIANA COUNTY
Regular Audit
December 31, 2007 and 2006**



Mary Taylor, CPA

Auditor of State

Board of Trustees
West Township
7195 12th Street
Minerva, Ohio 44657

We have reviewed the *Independent Accountants' Report* of West Township, Columbiana County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2006 through December 31, 2007. 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. West 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 19, 2008

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**WEST TOWNSHIP
COLUMBIANA COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2006	4
Notes to the Financial Statements	5
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	11
Schedule of Findings	13

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INDEPENDENT ACCOUNTANTS' REPORT

May 9, 2008

West Township
Columbiana County
7195 12th Street
Minerva, OH 44657

To the Board of Trustees:

We have audited the accompanying financial statements of **West Township, Columbiana County, Ohio**, (the Township) as of and for the years ended December 31, 2007 and 2006. 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 require 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 following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of the State permits, but does not require Townships 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, 2007 and 2006 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, 2007 and 2006 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 of West Township, Columbiana County, as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the years ended December 31, 2007 and 2006. The Government 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 May 9, 2008, 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.

**WEST 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>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Permanent</u>	
Cash Receipts:					
Local Taxes	\$ 60,146	\$ 247,389	\$ -	\$ -	\$ 307,535
Intergovernmental	87,362	143,864	-	-	231,226
Licenses, Permits, and Fees	-	21,829	-	-	21,829
Special Assessments	-	4,036	-	-	4,036
Earnings on Investments	15,938	1,208	-	1,121	18,267
Miscellaneous	1,354	18,603	-	-	19,957
	<u>164,800</u>	<u>436,929</u>	<u>-</u>	<u>1,121</u>	<u>602,850</u>
Cash Disbursements:					
Current:					
General Government	106,177	24	-	-	106,201
Public Safety	-	47,383	-	-	47,383
Public Works	22,461	242,328	-	-	264,789
Health	8,973	22,010	-	690	31,673
Debt Service:					
Redemption of Principal	-	18,202	-	-	18,202
Interest and Fiscal Charges	-	1,624	-	-	1,624
Capital Outlay	-	-	1,176	-	1,176
	<u>137,611</u>	<u>331,571</u>	<u>1,176</u>	<u>690</u>	<u>471,048</u>
Total Cash Disbursements	<u>137,611</u>	<u>331,571</u>	<u>1,176</u>	<u>690</u>	<u>471,048</u>
Total Cash Receipts Over/(Under) Disbursements	27,189	105,358	(1,176)	431	131,802
Fund Cash Balances, January 1	<u>112,286</u>	<u>320,995</u>	<u>1,176</u>	<u>25,944</u>	<u>460,401</u>
Fund Cash Balances, December 31	<u>\$ 139,475</u>	<u>\$ 426,353</u>	<u>\$ -</u>	<u>\$ 26,375</u>	<u>\$ 592,203</u>

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

**WEST 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, 2006**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Permanent</u>	
Cash Receipts:					
Local Taxes	\$ 57,033	\$ 301,207	\$ -	\$ -	\$ 358,240
Intergovernmental	81,066	149,117	20,771	-	250,954
Licenses, Permits, and Fees	-	14,361	-	-	14,361
Special Assessments	-	4,807	-	-	4,807
Earnings on Investments	10,164	475	-	949	11,588
Miscellaneous	252	14,886	-	-	15,138
Total Cash Receipts	148,515	484,853	20,771	949	655,088
Cash Disbursements:					
Current:					
General Government	109,951	47	-	-	109,998
Public Safety	-	50,121	-	-	50,121
Public Works	43,566	363,730	-	-	407,296
Health	18,388	21,364	-	1,454	41,206
Debt Service:					
Redemption of Principal	-	18,189	-	-	18,189
Interest and Fiscal Charges	-	2,137	-	-	2,137
Capital Outlay	-	-	22,595	-	22,595
Total Cash Disbursements	171,905	455,588	22,595	1,454	651,542
Total Cash Receipts Over/(Under) Disbursements	(23,390)	29,265	(1,824)	(505)	3,546
Other Financing Receipts and (Disbursements):					
Transfers-In	-	-	3,000	-	3,000
Advances-In	3,000	3,000	-	-	6,000
Transfers-Out	(3,000)	-	-	-	(3,000)
Advances-Out	(3,000)	(3,000)	-	-	(6,000)
Total Other Financing Receipts/(Disbursements)	(3,000)	-	3,000	-	-
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(26,390)	29,265	1,176	(505)	3,546
Fund Cash Balances, January 1	138,676	291,730	-	26,449	456,855
Fund Cash Balances, December 31	\$ 112,286	\$ 320,995	\$ 1,176	\$ 25,944	\$ 460,401
Reserve for Encumbrances, December 31	\$ 921	\$ 357	\$ -	\$ -	\$ 1,278

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

**WEST TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

West 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. The Township provides road and bridge maintenance and cemetery maintenance. The Township contracts with the Minerva Volunteer Fire Department, Hanoverton Volunteer Fire Department and Homeworth Volunteer Fire Department to provide fire and emergency 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

The Township Clerk invests all available funds of the Township in an interest-bearing checking account, a savings account and certificate of deposits. Certificates of deposit are valued at cost.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are 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.

2. Special Revenue Funds

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:

**WEST TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

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.

Fire Fund - This fund receives property tax money for the contracting of fire protection services.

3. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant capital project fund:

Public Works Project Fund - This fund is used to account for receipts and disbursements restricted for a sewer improvement project funded by Issue II monies. This project was completed in 2007.

4. Permanent Funds (Trust Funds)

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Township's programs. The Township had the following significant Permanent Fund:

Cemetery Trust Fund - This fund receives interest earned on the nonexpendable corpus from a trust agreement. The earnings are used for the general maintenance and upkeep of the Township's cemetery. The Township has two separate trusts set up for the same purpose.

**WEST TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Encumbrances outstanding at year end are carried over, and need not be reappropriated in the subsequent year.

A summary of 2007 and 2006 budgetary activity appears in Note 3.

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.

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. The carrying amount of cash at December 31 was as follows:

	<u>2007</u>	<u>2006</u>
Demand deposits	\$ 341,009	\$ 220,524
Investments	251,194	239,877
Total deposits and investments	<u>\$ 592,203</u>	<u>\$ 460,401</u>

Deposits are either insured by the Federal Deposit Insurance Corporation, or collateralized by the financial institution's public entity deposit pool. Investments are not evidenced by securities that exist in physical or book-entry form.

**WEST TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2007 and 2006 follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 143,871	\$ 164,800	\$ 20,929
Special Revenue	347,270	436,929	89,659
Permanent Fund	901	1,121	220
Total	\$ 492,042	\$ 602,850	\$ 110,808

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 254,328	\$ 137,611	\$ 116,717
Special Revenue	667,907	331,571	336,336
Capital Project	1,176	1,176	-
Permanent Fund	901	690	211
Total	\$ 924,312	\$ 471,048	\$ 453,264

2006 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 147,108	\$ 151,515	\$ 4,407
Special Revenue	466,451	487,852	21,401
Capital Projects	3,000	23,771	20,771
Permanent	1,051	949	(102)
Total	\$ 617,610	\$ 664,087	\$ 46,477

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 279,785	\$ 178,826	\$ 100,959
Special Revenue	649,219	458,945	190,274
Capital Projects	3,000	22,595	(19,595)
Permanent	2,323	1,454	869
Total	\$ 934,327	\$ 661,820	\$ 272,507

Contrary to ORC Section 5705.41 (B) the Public Works Project Fund had expenditures exceeding appropriations in 2007 and 2006.

**WEST TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

4. DEBT

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
2004 GMC Truck	\$ 27,201	4.00%
County Reclaimer	5,000	0.00%
Total	\$ 32,201	

The Massey Front End Loader Note was issued for \$10,000 at an interest rate of 0% on June 30, 2004 for a period of 20 months. This debt was paid off in 2006.

The 2004 GMC Truck Note was issued for \$65,385.03 at an interest rate of 4% for a new truck for the road department on August 16, 2005. The note will be repaid in five annual installments of \$14,825.98, including interest.

The County Reclaimer Note was issued for \$25,000 for the use of the County Reclaimer, the Township will have 1/11 ownership at the end of the five year payment plan. The County purchased this piece of equipment and then ten townships agreed to pay \$5,000 annual installments for five years.

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

Year ending December 31:	2004 GMC Truck	County Reclaimer
2008	14,826	5,000
2009	14,826	
Total	\$ 29,652	\$ 5,000

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the 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.

**WEST TOWNSHIP
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

5. PROPERTY TAX (Continued)

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 2007 and 2006, members of PERS contributed 9.5% (2007) and 9% (2006) of their gross salaries. The Township contributed an amount equal to 13.85% (2007) and 13.7% (2006) of participants' gross salaries. The Township has paid all contributions required through December 31, 2007.

7. RISK MANAGEMENT

The Township belongs to the Ohio Government Risk Management Plan (the Plan) an unincorporated non-profit association with over 600 governmental entity members providing a formalized, jointly administrative self-insurance risk management program and other administrative services.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements, and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages 100%, rather than using a risk pool of member funds to pay individual and collective losses. Therefore, the individual members are only responsible for their self-retention (deductible) amounts which vary from member to member.

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***

May 9, 2008

West Township
Columbiana County
7195 12th Street
Minerva, OH 44657

To the Board of Trustees:

We have audited the financial statements of **West Township, Columbiana County**, (the Township) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated May 9, 2008, 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 the 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 considered significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be 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.

Internal Control Over Financial Reporting (Continued)

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2007-001 through 2007-002.

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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe none of the significant deficiencies described above are not 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 one instance of noncompliance or other matters that we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2007-001.

This report is intended solely for the information and use of management and the Township's 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.

**WEST TOWNSHIP
COLUMBIANA COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2007-001

Noncompliance Citation/Significant Deficiency

Ohio Rev. Code Section 5705.41 (B) states that no subdivision or taxing unit shall make any expenditure of money unless the same has been properly appropriated.

Actual disbursements exceeded appropriations in 2007 and 2006 in the Public Works Project Fund.

We recommend the Township Clerk modify appropriations with the Board of Township Trustees and County Budget Commission before incurring obligations that would cause expenditures to exceed appropriations. The Township Clerk should deny any payments until the legislative authority has passed the necessary changes to the appropriation measure.

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

FINDING NUMBER 2005-002

Significant Deficiency

Posting Receipts and Expenditures

Receipts and expenditures should be posted to the fund and line item accounts as established by Ohio Administrative Code Section 117-7-01.

During 2007 and 2006, several receipts and expenditures were not posted into accurate classifications based on the source of the receipt or expenditure. For example, loan payments were posted as capital outlay and public works instead of principal and interest. In addition, the Township did not record the receipt of OPWC Issue II grant money or the corresponding expenditures associated with the grant. This resulted in several reclassification entries and adjustments being made to the financial statements.

We recommend the Clerk refer to Ohio Administrative Code Section 117-7-01 and/or 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.



Mary Taylor, CPA
Auditor of State

WEST 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 1, 2008