

# Deerfield Township

Report on Financial Statements

For the Years Ended December 31, 2008 and 2007

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# Mary Taylor, CPA

Auditor of State

Board of Trustees  
Deerfield Township  
P.O. Box 186  
Deerfield, Ohio 44411

We have reviewed the *Independent Auditors' Report* of Deerfield Township, Portage County, prepared by Bodine Perry, LLC, 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 Auditors' 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 Auditors' 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. Deerfield 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

September 15, 2009

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## INDEPENDENT AUDITORS' REPORT

May 15, 2009

Board of Trustees  
Deerfield Township  
Portage County  
Deerfield, Ohio

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

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

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.

Revisions to GAAP would require the Township to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2008 and 2007. Instead of the accompanying fund financial statements presented for 2008 and 2007, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2008 and 2007. 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 the GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their financial statements. The Township has elected not to reformat its financial statements for 2008 and 2007. Since this County does not use GAAP to measure financial statement amounts, 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 matters 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 its changes in financial position for the years then ended.

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

The Township has not included 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. The Township has elected not to present Management's Discussion and Analysis.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2009, on our consideration of Deerfield Township, Portage County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

BODINE PERRY, LLC  
Certified Public Accountants and Business Analysts

Canfield, Ohio

**Deerfield Township  
Portage County**

Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances  
Governmental Fund Type

For The Year Ended December 31, 2008

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Private Purpose Trust	
<b>CASH RECEIPTS</b>						
Local Taxes	\$ 41,359	\$ 301,461	\$ 15,688	\$ -	\$ -	\$ 358,508
Intergovernmental	108,846	8,000	-	-	-	116,846
Charges for Services	-	61,383	-	-	-	61,383
Licenses, Permits, and Fees	9,093	6,523	-	-	-	15,616
Earnings on Investments	1,983	534	-	-	25	2,542
Miscellaneous	35,292	1,938	-	-	-	37,230
Total Cash Receipts	<u>196,573</u>	<u>379,839</u>	<u>15,688</u>	<u>-</u>	<u>25</u>	<u>592,125</u>
<b>CASH DISBURSEMENTS</b>						
Current:						
General Government	167,610	320,525	-	-	-	488,135
Public Works	2,361	-	-	-	-	2,361
Health	-	-	-	-	-	-
Other	7,967	104,221	-	9,417	-	121,605
Debt Service						
Redemption of Principal	-	-	5,200	-	-	5,200
Interest and Fiscal Charges	-	-	10,488	-	-	10,488
Capital Outlay	-	-	-	-	-	-
Total Cash Disbursements	<u>177,938</u>	<u>424,746</u>	<u>15,688</u>	<u>9,417</u>	<u>-</u>	<u>627,789</u>
Total Receipts Over/(Under) Disbursements	<u>18,635</u>	<u>(44,907)</u>	<u>-</u>	<u>(9,417)</u>	<u>25</u>	<u>(35,664)</u>
<b>Other Financing Receipts and (Disbursements)</b>						
Sale of Cemetery Lots	-	2,100	-	-	-	2,100
Other - Other Financing Sources	-	12,650	-	-	-	12,650
Total Other Financing Receipts/(Disbursements)	<u>-</u>	<u>14,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,750</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	18,635	(30,157)	-	(9,417)	25	(20,914)
Fund Cash Balances, January 1	<u>217,476</u>	<u>308,694</u>	<u>3,827</u>	<u>18,577</u>	<u>6,379</u>	<u>554,953</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$ 236,111</b></u>	<u><b>\$ 278,537</b></u>	<u><b>\$ 3,827</b></u>	<u><b>\$ 9,160</b></u>	<u><b>\$ 6,404</b></u>	<u><b>\$ 534,039</b></u>

See Accountants' Report and Notes to financial statements.

**Deerfield Township  
Portage County**

Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances  
Governmental Fund Type

For The Year Ended December 31, 2007

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Private Purpose Trust	
<i>CASH RECEIPTS</i>						
Local Taxes	\$ 97,649	\$ 305,660	\$ 15,621	\$ -	\$ -	\$ 418,930
Intergovernmental	113,188	2,500	-	-	-	115,688
Charges for Services	-	46,544	-	-	-	46,544
Licenses, Permits, and Fees	9,641	8,060	-	-	-	17,701
Earnings on Investments	2,305	865	-	-	32	3,202
Miscellaneous	25,258	62,731	-	-	-	87,989
Total Cash Receipts	<u>248,041</u>	<u>426,360</u>	<u>15,621</u>	<u>-</u>	<u>32</u>	<u>690,054</u>
<i>CASH DISBURSEMENTS</i>						
Current:						
General Government	161,633	256,556	-	-	-	-
Public Works	2,182	-	-	-	-	2,182
Health	-	-	-	-	-	-
Other	49,274	174,839	-	-	-	224,113
Debt Service						
Redemption of Principal	-	-	4,900	-	-	4,900
Interest and Fiscal Charges	-	-	10,721	-	-	10,721
Total Cash Disbursements	<u>213,089</u>	<u>431,395</u>	<u>15,621</u>	<u>-</u>	<u>-</u>	<u>660,105</u>
Total Receipts Over/(Under) Disbursements	<u>34,952</u>	<u>(5,035)</u>	<u>-</u>	<u>-</u>	<u>32</u>	<u>29,949</u>
<b>Other Financing Receipts and (Disbursements)</b>						
Sale of Cemetery Lots	-	6,850	-	-	-	6,850
Sale of Fixed Assets	-	4,040	-	-	-	4,040
Total Other Financing Receipts/(Disbursements)	<u>-</u>	<u>10,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,890</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	34,952	5,855	-	-	32	40,839
Fund Cash Balances, January 1	<u>182,524</u>	<u>302,839</u>	<u>3,827</u>	<u>18,577</u>	<u>6,347</u>	<u>514,114</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$ 217,476</b></u>	<u><b>\$ 308,694</b></u>	<u><b>\$ 3,827</b></u>	<u><b>\$ 18,577</b></u>	<u><b>\$ 6,379</b></u>	<u><b>\$ 554,953</b></u>

See Accountants' Report and Notes to financial statements.

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Deerfield Township, Portage County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection, and ambulance 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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements. The Township 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 Auditor of State prescribes or permits.

**C. Cash and Investments**

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

**D. Fund Accounting**

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

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Fire District Fund: This fund receives property tax money for the general operation of the fire department.

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

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

**3. Debt Service Funds**

These funds account for resources the Township accumulates to pay bond and note debt. The Township had only one debt service fund for the construction of the Township Hall.

**4. 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:

Issue II Fund: The Township received a grant from the State of Ohio to Replace a culvert on Treasure Boulevard.

**5. Fiduciary Funds (Trust Funds)**

Fiduciary Funds include private purpose trust funds. These funds account for resources restricted by legally binding trust agreements. The Township has a Cemetery Bequest Trust Fund. The interest from the trust may be used for cemetery maintenance.

**E. Budgetary Process**

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

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**1. Appropriations**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations resolution is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

**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 individual commitments are made. Encumbrances outstanding at year end are canceled, and re-appropriated in the subsequent year. A summary of 2007 and 2008 budgetary activity appears in Note 3.

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**F. Property, Plant, and Equipment**

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**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 all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The Township maintained all cash in an interest bearing checking account. The carrying amount of cash and investments at December 31 was as follows:

	2007	2008
Total Deposits	\$554,953	\$534,039

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township collateralized by the financial institution's public entity deposit pool.

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**3. BUDGETARY ACTIVITY**

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

**2007 Budgeted vs. Actual Receipts**

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 300,482	\$ 248,041	\$ (52,441)
Special Revenue	602,113	437,250	(164,863)
Debt Service	19,449	15,621	(3,828)
Capital Projects	18,577	-	(18,577)
Private Purpose Trust	329	32	(297)
Total	<u>\$ 940,950</u>	<u>\$ 700,944</u>	<u>\$ (240,006)</u>

**2007 Budgeted vs. Actual Budgetary Basis Expenditures**

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 290,482	\$ 213,089	\$ 77,393
Special Revenue	591,113	431,395	159,718
Debt Service	19,449	15,621	3,828
Capital Projects	18,577	-	18,577
Private Purpose Trust	309	-	309
Total	<u>\$ 919,930</u>	<u>\$ 660,105</u>	<u>\$ 259,825</u>

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**3. BUDGETARY ACTIVITY (CONTINUED)**

**2008 Budgeted vs. Actual Receipts**

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 344,451	\$ 196,573	\$ (147,878)
Special Revenue	669,601	394,589	(275,012)
Debt Service	19,516	15,688	(3,828)
Capital Projects	18,577	-	(18,577)
Private Purpose Trust	361	25	(336)
Total	<u>\$ 1,052,506</u>	<u>\$ 606,875</u>	<u>\$ (445,631)</u>

**2008 Budgeted vs. Actual Budgetary Basis Expenditures**

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 334,451	\$ 177,938	\$ 156,513
Special Revenue	658,601	424,746	233,855
Debt Service	19,516	15,688	3,828
Capital Projects	18,577	9,417	9,160
Private Purpose Trust	309	-	309
Total	<u>\$ 1,031,454</u>	<u>\$ 627,789</u>	<u>\$ 403,665</u>

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date which the Trustees adopt 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. The second half payment is due the following June 20.

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 tangible personal property is phased out after 2008.

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

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**5. DEBT**

Debt outstanding at December 31, 2007 and 2008 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds		
2007	\$220,800	4.75%
2008	\$215,600	4.75%

The Township issued general obligation bonds in the amount of \$247,000 to finance the construction of the new town hall during 2001 and 2002. Monies are released by the bank using the percentage of completion method of contracts. During 2003 the final \$22,960 of the bond monies were received as a reimbursement of monies spent during calendar 2002. This debt is backed by the full faith of the Township.

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

Year Ending December 31:	General Obligation Bonds
2009	\$ 15,641
2010-2014	77,934
2015-2019	78,064
2020-2024	78,185
2025-2029	78,031
2030-2031	31,190
Total	<u>\$ 359,045</u>

**6. RETIREMENT SYSTEMS**

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2008 and 2007, OPERS members contributed 10.0% and 9.5%, respectively, of their gross salaries. The Township contributed an amount equaling 14.00% and 13.85%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2008.

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

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

**7. RISK MANAGEMENT**

**Risk Pool Membership**

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

Casualty Coverage

OTARMA retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000 from the General Reinsurance Corporation.

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

Property Coverage

OTARMA retains property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsures losses exceeding \$100,000. APEEP's Guarantee Fund pays losses and loss adjustment expenses exceeding operating contributions.

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

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

May 15, 2009

Board of Trustees  
Deerfield Township  
Portage County  
Deerfield, Ohio

We have audited the financial statements of Deerfield Township, Portage County (the Township) as of and for the years ended December 31, 2008 and 2007 and have issued our report thereon dated May 15, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered Deerfield Township, Portage County's, internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion the effectiveness of Deerfield Township, Portage County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Deerfield Township, Portage County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of 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 Deerfield Township, Portage County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the accounting practices the Auditor of State prescribes or permits, such that there is more than a remote likelihood that a misstatement of Deerfield Township, Portage County's financial statements that is more than inconsequential will not be prevented or detected by Deerfield Township, Portage County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Deerfield Township, Portage County's internal control.

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 deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify

any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

We noted certain matters that we reported to the Township's management in a separate letter dated May 15, 2009.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Deerfield Township, Portage County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of statements of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of audit committee, management, and other members of the board. It is not intended to be nor should it be used by anyone other than these specified parties.

BODINE PERRY, LLC  
Certified Public Accountants and Business Analysts

Canfield, Ohio

**DEERFIELD TOWNSHIP  
PORTAGE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2008 and 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2006-001	ORC 5705.39	Yes.	Finding no longer valid. Finding was specific to 2006 and 2005.



Mary Taylor, CPA  
Auditor of State

**DEERFIELD TOWNSHIP**

**PORTAGE 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  
SEPTEMBER 29, 2009**