

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
REPORT ON FINANCIAL STATEMENTS
DECEMBER 31, 2008



Mary Taylor, CPA
Auditor of State

Board of Trustees
Cranberry Township
5930 State Route 103
New Washington, Ohio 44854

We have reviewed the *Independent Auditors' Report* of Cranberry Township, Crawford County, prepared by Holbrook & Manter, for the audit period January 1, 2008 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.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 19, 2010

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Cranberry Township
Crawford County

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cranberry Township, Crawford County, Ohio, (the Township) as of and for the year ended December 31, 2008, which collectively comprise the Township's basic financial statements 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and 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 opinion.

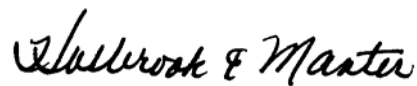
As discussed in Note 2, the Township has prepared these financial statements using the modified cash basis of accounting. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Cranberry Township, Crawford County, as of December 31, 2008, and the respective changes in modified cash basis financial position and the respective budgetary comparison for the General and the Gasoline Tax funds thereof for the year then ended on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2010 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. 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*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.



Certified Public Accountants

July 29, 2010

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008
(UNAUDITED)**

This discussion and analysis of Cranberry Township's financial performance provides an overall review of the Government's financial activities for the year ended December 31, 2008, within the limitations of the Government's modified cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Government's financial performance.

Highlights

Key highlights for 2008 are as follows:

Net assets of governmental activities increased \$5,757, or 4 percent, a significant change from the prior year. The fund most affected by the increase in cash and cash equivalents was the General Fund, which was due to the receipt of estate tax in 2008.

The Government's general receipts are primarily property taxes and gasoline taxes. These receipts represent respectively 31 and 34 percent of the total cash received for governmental activities during the year. Property and gasoline tax receipts for 2008 changed very little compared to 2007 as development within Cranberry Township has slowed.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Government's modified cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Government as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Government as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Government has elected to present its financial statements on the modified cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Government's modified cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the modified cash basis of accounting.

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008
(UNAUDITED)**

Reporting the Government as a Whole

The statement of net assets and the statement of activities reflect how the Government did financially during 2008, within the limitations of the modified cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental and business-type activities of the Government at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Government's general receipts.

These statements report the Government's cash position and the changes in cash position. Keeping in mind the limitations of the modified cash basis of accounting, you can think of these changes as one way to measure the Government's financial health. Over time, increases or decreases in the Government's cash position is one indicator of whether the Government's financial health is improving or deteriorating. When evaluating the Government's financial condition, you should also consider other nonfinancial factors as well such as the Government's property tax base, the condition of the Government's capital assets and infrastructure, the extent of the Government's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

Reporting the Government's Most Significant Funds

Fund financial statements provide detailed information about the Government's major funds – not the Government as a whole not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose.

Governmental Funds - Most of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General Fund and the Gasoline Tax Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008
(UNAUDITED)**

The Government as a Whole

Table 1 provides a summary of the Government's net assets for 2008 compared to 2007 on a modified cash basis:

(Table 1)
Net Assets

	Governmental Activities	
	2008	2007
Assets		
Cash and Cash Equivalents	\$ 85,870	\$ 81,435
Investments	52,947	51,625
Total Assets	\$ 138,817	\$ 133,060
Net Assets		
Other Purposes	\$ 53,711	\$ 58,184
Unrestricted	85,106	74,876
Total Net Assets	\$ 138,817	\$ 133,060

As mentioned previously, net assets of governmental activities increased \$5,757 or 4 percent during 2008. The primary reasons contributing to the increases in cash balances are as follows:

- Increases in general fund with estate tax received in 2008.

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008
(UNAUDITED)**

Table 2 reflects the changes in net assets on a modified cash basis in 2008 and 2007 for governmental activities.

	Governmental Activities 2008	Governmental Activities 2007
Receipts:	<u>2008</u>	<u>2007</u>
Program Receipts:		
Charges for Services and Sales	\$ 13,303	\$ 14,121
Operating Grants and Contributions	<u>89,722</u>	<u>93,639</u>
Total Program Receipts	<u>103,025</u>	<u>107,760</u>
General Receipts:		
Property and Other Local Taxes	81,874	83,828
Grants and Entitlements Not Restricted to Specific Programs	76,181	48,206
Interest	<u>1,642</u>	<u>2,859</u>
Total General Receipts	<u>159,697</u>	<u>134,893</u>
Total Receipts	<u>262,722</u>	<u>242,653</u>
Disbursements:		
General Government	98,224	66,986
Security of Persons and Property:	17,825	28,827
Public Works	<u>140,916</u>	<u>128,483</u>
Total Disbursements	<u>256,965</u>	<u>224,296</u>
Change in net assets	5,757	18,357
Net Assets, Beginning of the year	<u>133,060</u>	<u>114,703</u>
Net Assets, End of the year	<u>\$ 138,817</u>	<u>\$ 133,060</u>

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008
(UNAUDITED)**

Program receipts represent 55 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, and Rollback, Homestead and Personal Property tax.

General receipts represent 45 percent of the Government's total receipts. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Government and the support services provided for the other Government activities. These include the costs of the board, and the auditor, and treasurer, as well as internal services such as payroll and purchasing.

Security of Persons and Property are the costs of fire protection; Public Health Services is the health department; and Public Works is the cost of maintaining the roads.

Governmental Activities

If you look at the Statement of Activities table 2 above, you will see that the first columns list the major services provided by the Government. The next columns identify the costs of providing these services. The major program disbursements for governmental activities are for transportation and security of persons and property, which account for 52 and 7 percent of all governmental disbursements, respectively. General government also represents a significant cost, about 35 percent. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Government that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)
Governmental Activities

	Total Cost Of Services 2008	Total Cost Of Services 2007	Net Cost of Services 2008	Net Cost of Services 2007
General Government	\$ 98,224	\$ 66,986	\$ 98,224	\$ 66,986
Security of Persons and Property	17,825	28,827	17,825	28,827
Public Works	140,916	128,483	37,891	20,723
Total Expenses	\$ 256,965	\$ 224,296	\$ 153,940	\$ 116,536

The dependence upon property and gasoline tax receipts is apparent as over 78 percent of governmental activities are supported through these general receipts.

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008
(UNAUDITED)**

The Government's Funds

Total governmental funds had receipts of \$262,722 and disbursements of \$256,965. The greatest change within governmental funds occurred within the General Fund. The fund balance of the General Fund increased \$10,230 as the result of receiving an estate tax of \$57,112. When removing the estate tax, a deficit of \$46,877 was created.

General Fund receipts were less than disbursements by \$37,675 after removing estate tax, indicating that the General Fund is in a deficit spending situation. Some of these reductions have already been implemented for 2009 including cuts in road repair and maintenance in office personnel. These cuts will not eliminate the need for additional funds (or additional cuts) in the future if the growth in property taxes remains stagnant.

Current Issues

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. We reviewed our sources of revenue and determined that increases were unlikely. We then reviewed the disbursement history of the Government. We have reduced planned road repairs and maintenance.

Contacting the Government's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Government's finances and to reflect the Government's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Sharon Sheibley, Clerk-Treasurer; Cranberry Township, 5930 State Route 103, New Washington, Ohio 44854.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2008

	<u>Governmental Activities</u>
ASSETS:-	
Equity in pooled cash and cash equivalents	\$ 85,870
Investments	<u>52,947</u>
Total assets	<u>\$ 138,817</u>
NET ASSETS:-	
Other purposes	\$ 53,711
Unrestricted	<u>85,106</u>
Total net assets	<u>\$ 138,817</u>

See accompanying notes to the basic financial statements

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

		Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Assets	
	Cash	Charges	Operating	Governmental	Total
	Disbursements	for Services and Sales	Grants and Contributions	Activities	
GOVERNMENTAL ACTIVITIES:-					
General government	\$ 98,224	\$ 0	\$ 0	\$ (98,224)	\$ (98,224)
Public safety	17,825	0	0	(17,825)	(17,825)
Public works	140,916	13,303	89,722	(37,891)	(37,891)
Total governmental activities	\$ 256,965	\$ 13,303	\$ 89,722	\$ (153,940)	\$ (153,940)
 GENERAL RECEIPTS:-					
Property taxes				\$ 81,874	\$ 81,874
Grants and entitlements not restricted to specific programs				76,181	76,181
Earnings on investments				1,642	1,642
Total general receipts				159,697	159,697
Change in net assets				5,757	5,757
Net assets beginning of year				133,060	133,060
Net assets at end of year				\$ 138,817	\$ 138,817

See accompanying notes to the basic financial statements

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
STATEMENT OF ASSETS AND FUND BALANCES MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2008

ASSETS

	General	Gasoline Tax	Other Governmental Funds	Total Governmental Funds
Equity in pooled cash and cash equivalents	\$ 85,106	\$ 41,670	\$ 12,041	\$ 138,817
Total assets	\$ 85,106	\$ 41,670	\$ 12,041	\$ 138,817

FUND BALANCES

UNRESERVED:-

Undesignated, reported in:-				
General fund	\$ 85,106	\$ 0	\$ 0	\$ 85,106
Special revenue funds	0	41,670	12,041	53,711
Total fund balances	\$ 85,106	\$ 41,670	\$ 12,041	\$ 138,817

See accompanying notes to the basic financial statements

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
- MODIFIED CASH BASIS GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>General</u>	<u>Gasoline Tax</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
RECEIPTS:-				
Property and other local taxes	\$ 32,867	\$ 0	\$ 54,459	\$ 87,326
Intergovernmental	82,999	89,722	1,033	173,754
Earnings on investments	<u>1,092</u>	<u>540</u>	<u>10</u>	<u>1,642</u>
Total receipts	116,958	90,262	55,502	262,722
DISBURSEMENTS:-				
Current:-				
General government	98,224	0	0	98,224
Public safety	0	0	17,825	17,825
Public works	<u>8,504</u>	<u>98,783</u>	<u>33,629</u>	<u>140,916</u>
Total disbursements	<u>106,728</u>	<u>98,783</u>	<u>51,454</u>	<u>256,965</u>
Net change in fund balances	10,230	(8,521)	4,048	5,757
Fund balances beginning of year	<u>74,876</u>	<u>50,191</u>	<u>7,993</u>	<u>133,060</u>
Fund balances end of year	<u><u>\$ 85,106</u></u>	<u><u>\$ 41,670</u></u>	<u><u>\$ 12,041</u></u>	<u><u>\$ 138,817</u></u>

See accompanying notes to the basic financial statements

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Budgeted Amounts</u>			(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
RECEIPTS:-				
Property and other local taxes	\$ 105,454	\$ 30,580	\$ 32,867	\$ 2,287
Intergovernmental	56,870	56,870	82,999	26,129
Earning on investments	<u>550</u>	<u>550</u>	<u>1,092</u>	<u>542</u>
Total receipts	162,874	88,000	116,958	28,958
DISBURSEMENTS:-				
Current:-				
General government	115,576	113,476	98,224	15,252
Public works	<u>47,298</u>	<u>49,400</u>	<u>8,504</u>	<u>40,896</u>
Total disbursements	<u>162,874</u>	<u>162,876</u>	<u>106,728</u>	<u>56,148</u>
Net change in fund balance	0	(74,876)	10,230	85,106
Fund balance beginning of year	<u>74,876</u>	<u>74,876</u>	<u>74,876</u>	<u>0</u>
Fund balance end of year	<u>\$ 74,876</u>	<u>\$ 0</u>	<u>\$ 85,106</u>	<u>\$ 85,106</u>

See accompanying notes to the basic financial statements

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GASOLINE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	(Optional) Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
RECEIPTS:-				
Intergovernmental	\$ 119,792	\$ 69,601	\$ 89,722	\$ 20,121
Earnings on Investments	<u>400</u>	<u>400</u>	<u>540</u>	<u>140</u>
Total receipts	120,192	70,001	90,262	20,261
DISBURSEMENTS:-				
Current;-				
Public works	<u>120,192</u>	<u>120,192</u>	<u>98,783</u>	<u>21,409</u>
Total disbursements	<u>120,192</u>	<u>120,192</u>	<u>98,783</u>	<u>21,409</u>
Net change in fund balance	0	(50,191)	(8,521)	41,670
Fund balance beginning of year	<u>50,191</u>	<u>50,191</u>	<u>50,191</u>	<u>0</u>
Fund balance end of year	<u>\$ 50,191</u>	<u>\$ 0</u>	<u>\$ 41,670</u>	<u>\$ 41,670</u>

See accompanying notes to the basic financial statements

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 1 - REPORTING ENTITY:-

Cranberry Township, Crawford County, Ohio (the Township), is a body politic and corporate established in 1826 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 also has an elected Fiscal Officer.

The reporting entity is comprised of the primary government.

Primary Government - The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, cemetery maintenance, and fire protection. The police protection is provided by Crawford County Sheriff. The Township contracts with the Village of New Washington for fire protection and ambulance service.

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:-

These financial statements are presented on the modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the modified cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Township's accounting policies.

Basis of Presentation - The Township's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. The statements reflect activities of the Township that are governmental. Cranberry Township has no activities that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions.

The statement of net assets presents the cash balance of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function activity is self-financing on the modified cash basis or draws from the Township's general receipts.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (continued)

Fund Financial Statements - During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

Fund Accounting - The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The Township's funds are classified as governmental.

Governmental Funds - The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other non-exchange transactions as governmental funds. The Township's major governmental funds are the General Fund and the Gasoline Tax Fund.

The General Fund is used to account for all financial resources, except those required to be accounted for 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.

The Gasoline Tax Fund is used to account for all financial resources designated to road and bridge maintenance and related expense.

The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

Basis of Accounting - The Township's financial statements are prepared using the modified cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

Budgetary Process - 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 ordinance, 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 ordinance 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 fund, department, and object level for all funds.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (continued)

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 certificated of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance 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 ordinance 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.

Cash and Investments - To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as 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 negative receipts, respectively.

During 2008, the Township invested STAR Ohio. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2008.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund and Gasoline Funds during 2008 was \$1,092 and \$540, respectively

Restricted Assets - Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation.

Inventory and Prepaid Items - The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

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

Inter-fund Receivables and Payables - The Township reports advances-in and advances-out for inter-fund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Accumulated Leave - In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's modified cash basis of accounting.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (continued)

Employer Contributions to Cost-Sharing Pension Plans - The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long Term Obligations - The Township's modified cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

Net Assets - Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted to expenditures for specified purposes. The Township's policy is to first apply restricted resources when an obligation is incurred for purposes of which both restricted and unrestricted net assets are available.

Fund Balance Reserves - The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves are established for encumbrances when necessary.

Inter-fund Transactions - Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general receipts.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds and after non-operating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE:-

The Township reports no deficit fund balances.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING:-

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund and Gasoline Tax Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the modified cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis) (and outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an inter-fund receivable or payable (cash basis)). There were no outstanding encumbrances or advances at the end of the year.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 5 - DEPOSITS AND INVESTMENTS:-

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawal on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 5 - DEPOSITS AND INVESTMENTS:- (continued)

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$0 of the Township's bank balance of \$141,410 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

Deposits:

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments:

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

	2008
	<u>Carrying Value</u>
Deposits	\$ 85,870
STAR Ohio	<u>52,947</u>
Total Portfolio	<u><u>\$ 138,817</u></u>

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

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form. STAR Ohio carries a rating of AAAM by Standard and Poor's. The Township has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

NOTE 6 - PROPERTY TAXES:-

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2008 represent the collection of 2007 taxes. Real property taxes received in 2008 were levied after October 1, 2007, on the assessed values as of January 1, 2007, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2008 represent the collection of 2007 taxes. Public utility real and tangible personal property taxes received in 2008 became a lien on December 31, 2007, were levied after October 1, 2007, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2008 (other than public utility property) represent the collection of 2007 taxes. Tangible personal property taxes received in 2008 were levied after October 1, 2007, on the true value as of December 31, 2007.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 6 - PROPERTY TAXES:- (continued)

Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all Township operations for the year ended December 31, 2008 was 1 mills per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property	\$ 27,453,400
Public Utility Property	<u>1,340,050</u>
Total assessed value	<u>\$ 28,793,450</u>

NOTE 7 - RISK MANAGEMENT:-

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio. These coverage programs, referred to as Ohio Plan Risk management

("OPRM"), are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retain 15% of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had over 650 members as of December 31, 2008. The Government does not participate in this coverage.

In August 2007, OGRMP formed the Ohio Plan Healthcare Consortium ("OPHC"), as authorized by Section 9.833 of the Ohio Revised Code. The OPHC was established to provide cost effective employee benefit programs for Ohio political sub-divisions and is a self-funded, group purchasing consortium that offers medical, dental, vision and prescription drug coverage as well as life insurance for its members. The OPHC is sold through seventeen appointed independent agents in the State of Ohio. Coverage programs are developed specific to each member's healthcare needs and the related premiums for coverage are determined through the application of uniform underwriting criteria. Variable plan options are available to members. These plans vary primarily by deductibles, coinsurance levels, office visit co-pays and out-of-pocket maximums. OPHC had 40 members as of December 31, 2008. the Government does not participate in this coverage.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 7 - RISK MANAGEMENT:- (continued)

The Pool's audited financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Assets	\$ 10,471,114	\$ 11,136,455
Liabilities	(5,286,781)	(4,273,553)
Members Equity	<u>\$ 5,184,333</u>	<u>\$ 6,862,902</u>

You can read the complete audited financial statements for The Ohio Government Risk Management Plan at the Plan's website, www.ohioplan.org.

NOTE 8 - DEFINED BENEFIT PENSION PLAN:-

Ohio Public Employees Retirement System - The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

The 2008 member contribution rates were 10% for members in state and local classifications. Public safety and law enforcement members contributed 10.1%. The 2009 employer contribution rate for state and local employers was 14% of covered payroll. For both the law enforcement and public safety divisions, the employer contribution rate for 2008 was 17.63% the Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's required contributions for pension obligations to the traditional plan for the years ended December 31, 2008, 2007 and 2006 were \$5,348 \$5,147 and \$5,005, respectively. The full amount has been contributed for all years.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 9 - POST EMPLOYMENT BENEFITS:-

Ohio Public Employees Retirement System - The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Post Employment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2008 local government employer contribution rate was 14.0 percent of covered payroll.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2008, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4.0 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between 1.0 and 6.0 percent annually for the next eight years and 4.0 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 357,584. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2008, were \$10.7 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.6 billion and \$18.9 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2008. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.



**Independent Accountants' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Required by *Government Auditing Standards***

Board of Trustees
Cranberry Township
Crawford County

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cranberry Township, Crawford County, Ohio (the Township), as of and for the year ended December 31, 2008, and have issued our report thereon dated July 29, 2010, wherein we noted the Township had followed the modified cash basis of accounting 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Cranberry Township's internal control over financial reporting as a basis for designing our auditing procedures for expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Cranberry Township's internal control over financial reporting.

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 a combination of deficiencies in internal control such that there is a reasonable possibility that a material financial statement misstatement will not be prevented, or detected and timely corrected.

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 or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings as item 2008-001 that we consider to be a significant deficiency in internal control over financial reporting. 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.

We also noted certain internal control matters that we reported to the Township's management in a separate letter dated July 29, 2010.

Compliance and Other Matters

As part of reasonably assuring whether Cranberry 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 have a direct and material effect on 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to management of the Township, in a separate letter dated July 29, 2010.

We intend this report solely for the information and use of management, Board of Trustees, and the Auditor of State of Ohio and is not intended to be and should not be used by anyone other than these specified parties.

Shullrock & Manton

Certified Public Accountants

July 29, 2010

**CRANBERRY TOWNSHIP
CRAWFORD COUNTY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2008**

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

Finding Number	2008-001
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Significant Deficiency – Internal Control and Review Procedures

Although the Trustees' receive and review a select number of reports from the Fiscal Officer of the Township for approval on a monthly basis, the Township has not established formal procedures for sign-offs of procedures performed. During our testing and analysis, we noted that the Trustees are not formally reviewing the numerical check sequence prior to signing the checks.

The Township should carefully review this information and make appropriate inquiries to help determine the integrity of the financial information. When performing such review, the trustees' signatures or initials and the date should be affixed to the documents examined and it should be noted in the monthly minutes that the trustees' thoroughly reviewed and approved those documents. In addition, we also recommend that the numerical check sequence be noted in the minutes and signed off of by the Board each month.

Officials' Response

The Fiscal Officer will continue to provide the bank reconciliations and bank statements to the Trustees for their review and approval at each months meeting. The Township will also document and approve the review of those reports and the numerical sequence of the checks within the monthly minutes. Subsequent to year end, the Township has implemented these procedures.

CRANBERRY TOWNSHIP
CRAWFORD COUNTY
 SCHEDULE OF PRIOR AUDIT FINDINGS
 DECEMBER 31, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2007-001	Significant Deficiency- Internal control and reivew procedures.	Yes	Corrected mid year after the release of the prior audit. Repeated as finding 2008-001.



Mary Taylor, CPA
Auditor of State

CRANBERRY TOWNSHIP

CRAWFORD 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
NOVEMBER 4, 2010**