

TRUMBULL TOWNSHIP

ASHTABULA COUNTY

**JANUARY 1, 2014 TO DECEMBER 31, 2015
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Board of Trustees
Trumbull Township
2443 S. R. 534
Geneva, Ohio 44041

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of Trumbull Township, Ashtabula County, prepared by Julian & Grube, Inc., for the period January 1, 2014 through December 31, 2015. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Compensation of Elected Township Officials – Findings For Recovery Repaid Under Audit

Pursuant to Ohio Rev. Code § 507.09(A)(8) and 505.24(A)(5), in calendar year 2015, in a township having a budget of more than \$250,001 but not more than \$500,000, the annual compensation of the township fiscal officer shall be \$12,733 and each township trustee shall be \$8,490. Similarly, in a township having a budget of more than \$500,001 but not more than \$750,000, the annual compensation of the township fiscal officer shall be \$14,147 and each township trustee shall be \$9,004.

The Township's 2015 Certificates of Estimated Resources as approved by the County Budget Commission on January 9, 2015 and subsequently amended on April 7, 2015 indicated certified amounts of \$491,121 and 498,199, respectively. The next Certificate of Estimated Resources dated June 22, 2015 increased estimated resources to \$500,324 and subsequent amendments remained above \$500,001 but not more than \$750,000 for the remainder of 2015. Ohio Attorney General Opinions 92-003 and 99-015 indicate that, under Section 505.24 a Township's Certificate of Estimated Resources is to be utilized in order to determine the appropriate compensation level of the Township Trustees and Fiscal Officer. After an amendment of the budget to the next compensation level, the official would be compensated for the remainder of the year at that higher budget level, but may not enjoy the benefits of the increase retroactively and be paid the higher rate for days of work proceeding the amendment. Rather the official receives the higher salary, only from the date the County Auditor approved the amended certificate. As such, the maximum annual salary for the fiscal officer and each trustee based on the amended and supplemented budget occurring at June 22, 2015 should have been \$13,475 and \$8,760, respectively for 2015.

A review of the payroll records indicate the fiscal officer was paid the annual total compensation of \$14,147 during 2015 and as a result, an overpayment of \$671 occurred.

This page intentionally left blank.

Board of Trustees
Trumbull Township
2443 S. R. 534
Geneva, Ohio 44041
Page 2

Each township trustee was paid annual total compensation of \$9,004 during 2015 and as a result, an overpayment of \$244 occurred for each of the three trustees.

In accordance with the foregoing facts and circumstances, and, pursuant to Ohio Rev. Code §117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Marie Rohrbaugh, Fiscal Officer, in the amount of \$671 and in favor of Trumbull Township's General Fund. In addition Findings for Recovery for public monies illegally expended are hereby issued against trustees Willis Clay, John McMahan, and Ron Tamburrino in the amounts of \$244 each in favor of the Trumbull Township's General Fund. The Township should implement procedures to ensure officials are compensated in accordance with the Ohio Revised Code.

Marie Rohrbaugh, Willis Clay, John McMahan, and Ron Tamburrino repaid \$671, \$244, \$244, and \$244, respectively, under audit through a payroll deduction directly from their April 29, 2016 paycheck for the month of April 2016.

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



Dave Yost
Auditor of State

July 19, 2016

This page intentionally left blank.



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Trumbull Township
Ashtabula County
2443 S. R. 534
Geneva, Ohio 44041

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Trumbull Township (the Township) and the Auditor of State agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2015 and 2014, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balances recorded in the Cash Fund Summary Report to the December 31, 2013 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the Cash Fund Summary Report to the December 31, 2014 balances in the Cash Fund Summary Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balances with the Township's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

6. We tested interbank account transfers occurring in December of 2015 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
7. We tested investments held at December 31, 2015 and December 31, 2014 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2015 and one from 2014:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Revenue Ledger Report. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Revenue Ledger Report to determine whether it included two real estate tax receipts for 2015 and 2014. We noted the Revenue Ledger Report included the proper number of tax receipts for each year.
3. We selected all four receipts from the State Distribution Transaction Lists (DTL) from 2015 and all four from 2014. We also selected five receipts from the County Auditor's DTLs from 2015 and five from 2014.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Register Report. The amounts agreed, except for receipts were recorded net of fees for 2014 in the amount of \$53.34, \$101.95, and \$18.16 for the General fund, Road and Bridge fund and the Special Levy Fire fund, respectively. Receipts were also recorded net of fees for 2015 in the amount of \$63.11, \$120.70, and \$21.73 for the General fund, the Road and Bridge fund and the Special Levy Fire fund, respectively.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We agreed the amounts paid from the U.S. Department of Homeland Security - Federal Emergency Management Agency to the Township during 2015 and 2014 to supporting documentation. We also agreed a memo entry receipt and supporting documentation related to a loan that funded a settlement with a bank to acquire interest in specific property during 2015. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. From the prior agreed-upon procedures documentation, we noted the following notes outstanding as of December 31, 2013. These amounts did not agree to the Townships January 1, 2014 balances on the summary we used in step 3. The Ohio Public Works Commission loans were excluded, and the John Deere 6105 Cab Tractor and Tiger Mower had a beginning balance \$1,982.95 lower than the prior year agreed-upon procedures documentation.

Issue	Principal outstanding as of December 31, 2013:
Ohio Public Works Commission (CG62M)	\$362,692.50
Ohio Public Works Commission (CG17N)	\$87,500.00
John Deere 6105 Cab Tractor and Tiger Mower	\$68,455.55

2. We inquired of management, and scanned the Revenue Ledger Report and Payment Register Detail Report for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. The Township had debt activity in 2015 and 2014. The Township had new debt in 2015, which was noted by management, and on the summary, but overstated by \$21,919.38.
3. We obtained a summary of notes for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedules to debt service fund and road and bridge fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Township made the payments. We found no exceptions.
4. For the new debt issued during 2015, we inspected the debt legislation, noting the Township debt was to fund a settlement with a bank to acquire interest in specific property. We scanned the Receipt Detail Report and Payment Register Report and noted the Township recorded the memo receipt of the debt and payment to fund the settlement in December 2015.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Wage Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions except in 2015, the three Trustees were overpaid \$244.15 each, and the Fiscal Officer was overpaid \$671.65 due to the change in total amount of *Amended Official Certificate of Estimated Resources*, which crossed salary thresholds. The amounts were repaid via payroll reduction in the respective full amounts prior to the date of this report.
 - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and minute record or as required by statute. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files and minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Departments and funds to which the check should be charged
 - d. Retirement system participation and payroll withholding
 - e. Federal, State & Local income tax withholding authorization and withholding
 - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2015. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 15, 2016	December 31, 2015	\$2,224.09	\$2,224.09
State income taxes	January 15, 2016	December 31, 2015	\$251.67	\$251.67
OPERS retirement	February 1, 2016	December 31, 2015	\$2,103.35	\$2,103.35

4. For the pay periods ended April 2, 2015 and May 30, 2014, we recomputed the allocation of the Boards' salaries to the General and Road and Bridge Fund per the Wage Detail Report. We found no exceptions.
5. For the pay periods described in the preceding step, we traced the Boards' salary for time or services performed to supporting certifications the Revised Code requires. We found no exceptions.
6. We inquired of management and scanned the Payment Register Detail Report for the years ended December 31, 2015 and 2014 to determine if township employees and/or trustees were reimbursed for out-of-pocket insurance premiums. We noted no such reimbursements.

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2015 and ten from the year ended 2014 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Status Report for the General, Gasoline Tax and Special Levy-Fire funds for the years ended December 31, 2015 and 2014. The amounts agreed.

2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether, for the General, Gasoline Tax and Special Levy-Fire funds, the Trustees appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2015 and 2014 for the following funds: General fund, Gasoline Tax fund and Special Levy-Fire fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status report except for in 2015, in the General fund, the Appropriation Status Report reported \$125,000 more than appropriation resolutions adopted by the Trustees by year end.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Gasoline Tax and Special Levy-Fire funds for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2015 and 2014 for the General fund, Gasoline Tax fund and Special Levy-Fire fund, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations except for in 2015, we noted the General fund disbursements exceeded total appropriations in the amount of \$122,071.52, due to an appropriation resolution not being approved prior to year end, which is contrary to Ohio Code Section 5705.41(B).
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipt Register Report for evidence of new restricted receipts requiring a new fund during December 31, 2015 and 2014. We also inquired of management regarding whether the Township received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Township to establish a new fund.
7. We scanned the 2015 and 2014 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers exceeding \$0 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Status Reports to determine whether the Township elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Township did not establish these reserves.
9. We scanned the Cash Summary by Fund Report for the years ended December 31, 2015 and 2014 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no funds having a negative cash fund balance.

Compliance – Contracts & Expenditures

We inquired of management and scanned the Payment Register Detail Report for the years ended December 31, 2015 and 2014 to determine if the township proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project \$15,000-\$45,000) or to construct or reconstruct township roads (cost of project \$5,000-\$15,000/per mile) for which Ohio Rev. Code Section 5575.01 requires the county engineer to complete a force account project assessment form (i.e., cost estimate). We identified one project requiring the county engineer to complete force account cost estimates for certain line items of the project. The Township obtained the force account project assessment forms.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires townships to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Township filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions noted.
2. We inquired of the fiscal officer and/or scanned the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the fiscal officer obtain the training required by Ohio Rev. Code Section 507.12 and 733.81. Fiscal Officer obtained the required training.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Township's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance the Auditor of State, and others within the Township, and is not intended to be, and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.
May 2, 2016



Dave Yost • Auditor of State

TRUMBULL TOWNSHIP

ASHTABULA 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
AUGUST 2, 2016**