



Dave Yost • Auditor of State

TRURO TOWNSHIP
FRANKLIN COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Truro Township
Franklin County
6900 East Main Street
Reynoldsburg, Ohio 43068

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Truro Township, Franklin County, Ohio (the Township) as of and for the years ended December 31, 2015 and 2014.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2015 and 2014, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Truro Township, Franklin County, Ohio, as of December 31, 2015 and 2014, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2016 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

July 27, 2016

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General	Special Revenue	Debt Service	Permanent	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 78,583	\$ 5,986,249	\$ -	\$ -	\$ 6,064,832
Charges for Services	-	911,352	-	-	911,352
Licenses, Permits and Fees	8,990	7,873	-	-	16,863
Intergovernmental	49,651	925,598	-	-	975,249
Earnings on Investments	5,234	26	-	171	5,431
Miscellaneous	1,184	43,476	-	-	44,660
<i>Total Cash Receipts</i>	<u>143,642</u>	<u>7,874,574</u>	<u>-</u>	<u>171</u>	<u>8,018,387</u>
Cash Disbursements					
Current:					
General Government	105,482	-	-	-	105,482
Public Safety	-	6,977,332	-	-	6,977,332
Public Works	-	100,600	-	-	100,600
Health	-	23,851	-	-	23,851
Debt Service:					
Principal Retirement	-	-	83,000	-	83,000
Interest and Fiscal Charges	-	57,183	63,309	-	120,492
<i>Total Cash Disbursements</i>	<u>105,482</u>	<u>7,158,966</u>	<u>146,309</u>	<u>-</u>	<u>7,410,757</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>38,160</u>	<u>715,608</u>	<u>(146,309)</u>	<u>171</u>	<u>607,630</u>
<i>Fund Cash Balances, January 1</i>	<u>174,485</u>	<u>4,265,737</u>	<u>146,309</u>	<u>65,779</u>	<u>4,652,310</u>
Fund Cash Balances, December 31					
Nonspendable	-	-	-	65,000	65,000
Restricted	-	4,981,345	-	950	4,982,295
Unassigned (Deficit)	212,645	-	-	-	212,645
<i>Fund Cash Balances, December 31</i>	<u>\$ 212,645</u>	<u>\$ 4,981,345</u>	<u>\$ -</u>	<u>\$ 65,950</u>	<u>\$ 5,259,940</u>

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

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	General	Special Revenue	Debt Service	Permanent	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 80,105	\$ 6,063,857	\$ -	\$ -	\$ 6,143,962
Charges for Services	-	805,329	-	-	805,329
Licenses, Permits and Fees	-	7,242	-	-	7,242
Intergovernmental	43,098	933,689	-	-	976,787
Earnings on Investments	5,361	526	-	778	6,665
Miscellaneous	4,210	62,220	-	-	66,430
<i>Total Cash Receipts</i>	<u>132,774</u>	<u>7,872,863</u>	<u>-</u>	<u>778</u>	<u>8,006,415</u>
Cash Disbursements					
Current:					
General Government	149,897	-	-	-	149,897
Public Safety	-	6,817,030	-	-	6,817,030
Public Works	-	102,208	-	-	102,208
Health	-	11,760	-	-	11,760
Debt Service:					
Principal Retirement	-	80,000	-	-	80,000
Interest and Fiscal Charges	-	108,826	-	-	108,826
<i>Total Cash Disbursements</i>	<u>149,897</u>	<u>7,119,824</u>	<u>-</u>	<u>-</u>	<u>7,269,721</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(17,123)</u>	<u>753,039</u>	<u>-</u>	<u>778</u>	<u>736,694</u>
<i>Fund Cash Balances, January 1</i>	<u>191,608</u>	<u>3,512,698</u>	<u>146,309</u>	<u>65,001</u>	<u>3,915,616</u>
Fund Cash Balances, December 31					
Nonspendable	-	-	-	65,000	65,000
Restricted	-	4,265,737	146,309	779	4,412,825
Unassigned (Deficit)	174,485	-	-	-	174,485
<i>Fund Cash Balances, December 31</i>	<u>\$ 174,485</u>	<u>\$ 4,265,737</u>	<u>\$ 146,309</u>	<u>\$ 65,779</u>	<u>\$ 4,652,310</u>

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

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014**

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 Truro Township, Franklin 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 emergency medical services.

The Township participates in the Ohio Plan Risk Management, Inc. (OPRM) public entity risk pool. OPRM is an unincorporated non-profit association providing a formalized, jointly administered, self-insurance risk management program and other administrative services to member Ohio governments. Note 7 to the financial statements provides additional information for this entity.

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

B. Accounting Basis

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

C. Deposits and Investments

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

Money market mutual funds are recorded at share values per the mutual funds report.

D. Fund Accounting

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

1. General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

Fire District Fund - This fund receives property tax money and other intergovernmental revenue for maintaining and operating the Township's fire department.

3. Debt Service Funds

This fund accounts for and reports financial resources that are restricted to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

Bond Retirement Fund - This fund was used to receive monies to pay on the lease purchase agreement to construct a new fire house.

4. Permanent Funds

This fund accounts for and reports resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the Township's programs (for the benefit of the Township and its citizenry). The Township had the following significant permanent fund:

Silent Home Cemetery Bequest Fund – This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Township's cemetery.

E. Budgetary Process

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

1. Appropriations

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

2. Estimated Resources

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

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

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 reappropriated in the subsequent year.

A summary of 2015 and 2014 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the General Fund report all fund balances as *assigned* unless they are restricted or committed. In the General Fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fund Balance (Continued)

5. Unassigned (Continued)

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. 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.

H. 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 DEPOSITS AND INVESTMENTS

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

	2015	2014
Demand deposits	\$4,993,005	\$4,383,093
Certificates of deposit	65,000	65,000
Total deposits	5,058,005	4,448,093
Money market mutual fund	201,935	204,217
Total investments	201,935	204,217
Total deposits and investments	\$5,259,940	\$4,652,310

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

Investments: Investments in mutual funds are not evidenced by securities that exist in physical or book-entry form.

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2015 and 2014 follows:

2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$128,969	\$143,642	\$14,673
Special Revenue	7,885,534	7,874,574	(10,960)
Permanent	0	171	171
Total	\$8,014,503	\$8,018,387	\$3,884

2014 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$130,533	\$132,774	\$2,241
Special Revenue	7,985,828	7,872,863	(112,965)
Permanent	1,200	778	(422)
Total	\$8,117,561	\$8,006,415	(\$111,146)

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$125,699	\$105,482	\$20,217
Special Revenue	7,982,436	7,158,966	823,470
Debt Service	146,309	146,309	0
Permanent	0	0	0
Total	\$8,254,444	\$7,410,757	\$843,687

2014 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$280,630	\$149,897	\$130,733
Special Revenue	8,075,626	7,119,824	955,802
Permanent	0	0	0
Total	\$8,356,256	\$7,269,721	\$1,086,535

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax 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. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

4. PROPERTY TAX (Continued).

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30. Tangible personal property tax is being phased out – the assessment percentage for all property including inventory has been reduced to zero.

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

5. LEASE PURCHASE AGREEMENT

The Board of Trustees declared its intent to construct and equip a new fire house for the Township. Ohio Revised Code 505.267 (and expanded 505.37) allows townships to enter into lease purchase agreements with respect to fire and police protection. To fund the fire house construction, the Township went through Ohio Township Association Leasing, LLC (OTAL). OTAL issued \$3,345,000 in Certificates of Participation in May 2005. The Certificates are not debt of the Township. Under the terms of the lease, the Township will lease the project from OTAL for an annual payment equal to the principal payment due on OTAL's Certificates debt schedule. The Township will also make semi-annual payments equal to the interest payments on OTAL's Certificates debt schedule. The payments are subject to annual appropriation by the Township. The debt schedule is for 30 years ending December 31, 2035. At the conclusion of the 30 year Renewable Lease Purchase Agreement, the Township obtains ownership of the fire house, the grounds, and any facility equipment.

The lease payments, including interest, are scheduled as follows:

Year ending December 31:	Principal due on 12-1	Interest due on 6-1	Yearly Total
2016	\$86,000	\$115,683	\$201,683
2017	89,000	112,243	201,243
2018	93,000	108,683	201,683
2019	96,000	104,963	200,963
2020	101,000	100,931	201,931
2021-2025	571,000	436,149	1,007,149
2026-2030	711,000	297,675	1,008,675
2031-2035	884,000	122,805	1,006,805
Total	<u>\$2,631,000</u>	<u>\$1,399,132</u>	<u>\$4,030,132</u>

6. RETIREMENT SYSTEMS

The Township's certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2014, OP&F participants contributed 10.75 percent of their wages (Effective July 1, 2014, OP&F rate changed to 11.5 percent participant contribution and effective July 1, 2015, OP&F rate changed to 12.25 percent participant contribution).

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

6. RETIREMENT SYSTEMS (Continued)

For 2015 and 2014, the Township contributed to OP&F an amount equal to 24 percent of full-time fire fighters' wages. For 2015 and 2014, OPERS members contributed 10 percent of their gross salaries and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2015.

7. RISK MANAGEMENT

The Township is exposed to various risks or property and casualty losses and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

Risk Pool Membership

The Township belongs to the Ohio Plan Risk Management, Inc. (OPRM) – formerly known as 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 coverage to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs 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 retains 50% (effective November 1, 2012) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2014 the plan lowered its retention to 47% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change continues to be a good reinsurance structure given current market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 783 and 774 members as of December 31, 2014 and 2013 respectively (the latest information available).

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. There has not been a significant reduction in coverage from the prior year.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2014 and 2013 (the latest information available).

**TRURO TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

7. RISK MANAGEMENT (Continued)

	<u>2014</u>	<u>2013</u>
Assets	\$14,830,185	\$13,774,304
Liabilities	\$8,942,504	\$7,968,395
Members' Equity	<u>\$5,887,681</u>	<u>\$5,805,909</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org

8. SUBSEQUENT EVENTS

On March 22, 2016 Truro Township sold the firehouse at 3015 Brice Road for \$125,000. The sale was approved by the Board of Trustees on January 6, 2016.



Dave Yost • Auditor of State

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

Truro Township
Franklin County
6900 East Main Street
Reynoldsburg, Ohio 43068

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Truro Township, Franklin County, Ohio, (the Township) as of and for the year ended December 31, 2015 and 2014, and the related notes to the financial statements, and have issued our report thereon dated July 27, 2016 wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

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 combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Township's financial statements. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

88 East Broad Street, Tenth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-3402 or 800-443-9275 Fax: 614-728-7199

www.ohioauditor.gov

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

July 27, 2016



Dave Yost • Auditor of State

TRURO TOWNSHIP

FRANKLIN 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 18, 2016**