



Dave Yost • Auditor of State

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2015	3
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2014	4
Notes to the Financial Statements	5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	11
Schedule of Findings	13
Summary Schedule of Prior Audit Findings (Prepared by Management)	16

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Springcreek Township
Miami County
1600 Stockham Drive
Piqua, Ohio 45356

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Springcreek Township, Miami County, (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 Springcreek Township, Miami County 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 March 1, 2017, 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

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Property and Other Local Taxes	\$144,981	\$69,670	\$214,651
Charges for Services		40,136	40,136
Intergovernmental	61,087	114,353	175,440
Earnings on Investments	667		667
Special Assessments	24	4,650	4,674
Miscellaneous		1,399	1,399
Total Cash Receipts	<u>206,759</u>	<u>230,208</u>	<u>436,967</u>
Cash Disbursements:			
Current:			
General Government	156,870		156,870
Public Safety	398	123,409	123,807
Public Works		121,922	121,922
Health	5,951		5,951
Total Cash Disbursements	<u>163,219</u>	<u>245,331</u>	<u>408,550</u>
Net Change in Fund Cash Balances	43,540	(15,123)	28,417
Fund Cash Balances, January 1	<u>222,126</u>	<u>464,136</u>	<u>686,262</u>
Fund Cash Balances, December 31:			
Restricted		414,490	414,490
Committed		34,523	34,523
Unassigned	<u>265,666</u>		<u>265,666</u>
Fund Cash Balances, December 31	<u>\$265,666</u>	<u>\$449,013</u>	<u>\$714,679</u>

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

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Property and Other Local Taxes	\$139,026	\$66,877	\$205,903
Charges for Services		40,331	40,331
Intergovernmental	47,683	113,254	160,937
Earnings on Investments	325		325
Special Assessments	598	3,933	4,531
Total Cash Receipts	<u>187,632</u>	<u>224,395</u>	<u>412,027</u>
Cash Disbursements:			
Current:			
General Government	134,918		134,918
Public Safety	6,011	150,701	156,712
Public Works		147,901	147,901
Capital Outlay	98		98
Total Cash Disbursements	<u>141,027</u>	<u>298,602</u>	<u>439,629</u>
Excess of Receipts Over (Under) Disbursements	46,605	(74,207)	(27,602)
Other Financing Receipts (Disbursements):			
Other Financing Sources	111		111
Net Change in Fund Cash Balances	46,716	(74,207)	(27,491)
Fund Cash Balances, January 1	<u>175,410</u>	<u>538,343</u>	<u>713,753</u>
Fund Cash Balances, December 31:			
Restricted		397,745	397,745
Committed		66,391	66,391
Assigned	141,519		141,519
Unassigned	80,607		80,607
Fund Cash Balances, December 31	<u>\$222,126</u>	<u>\$464,136</u>	<u>\$686,262</u>

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

**SPRINGCREEK TOWNSHIP
MIAMI 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 Springcreek Township, Miami 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. The Township contracts with the City of Piqua and Fletcher Volunteer Firemen's Association to provide fire protection and ambulance services.

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

The Township's funds are deposited in a checking and savings account.

D. Fund Accounting

The Township uses fund accounting to segregate cash that is 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.

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:

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

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

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fire District Fund – This fund receives property tax money for fire protection services. It also receives charges for services for emergency medical services provided by the City of Piqua. .

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. Unencumbered appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

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.

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

2. EQUITY IN POOLED DEPOSITS

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

	<u>2015</u>	<u>2014</u>
Demand deposits	<u>\$714,679</u>	<u>\$686,262</u>

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

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending 2015 and 2014 follows:

2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$196,841	\$206,759	\$9,918
Special Revenue	220,815	230,208	9,393
Total	\$417,656	\$436,967	\$19,311

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$338,360	\$163,219	\$175,141
Special Revenue	326,174	245,331	80,843
Total	\$664,534	\$408,550	\$255,984

2014 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$205,276	\$187,743	(\$17,533)
Special Revenue	218,914	224,395	5,481
Total	\$424,190	\$412,138	(\$12,052)

2014 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$336,156	\$141,027	\$195,129
Special Revenue	581,417	298,602	282,815
Total	\$917,573	\$439,629	\$477,944

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.

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

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

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

5. RETIREMENT SYSTEM

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

The Ohio Revised Code also prescribes contribution rates. For 2015 and 2014, OPERS members contributed 10% of their gross salaries while the Township contributed to OPERS an amount equal to 14% of the members' gross salaries. The Township has paid all contributions required through December 31, 2015.

6. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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

Springcreek Township
Miami County
1600 Stockham Drive
Piqua, Ohio 45356

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 the cash balances, receipts, and disbursements by fund type of Springcreek Township, Miami County, (the Township) as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated March 1, 2017, 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses and a significant deficiency.

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 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. We consider findings 2015-001 and 2015-002 described in the accompanying schedule of findings to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2015-003 described in the accompanying schedule of findings to be a significant deficiency.

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*.

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.



Dave Yost
Auditor of State
Columbus, Ohio

March 1, 2017

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2015 AND 2014**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2015-001

MATERIAL WEAKNESS – FINANCIAL STATEMENT ERRORS

The Township's 2015 and 2014 financial statements contained various errors. The Township's financial statements and records were adjusted to correct the following revenue posting errors:

- In 2014, General Fund property tax receipts in the amount of \$10,727 were incorrectly posted as miscellaneous receipts.
- In 2015 and 2014, General Fund intergovernmental receipts (homestead and rollback) in the amounts that should have been \$19,768 and \$19,626, respectively, were incorrectly posted as property tax receipts in the General Fund. Additionally, homestead and rollback receipts were not allocated properly, which led to revenue and fund balance errors in the General Fund in the amount of \$4,111 (overstated) and \$1,797 (understated) for 2015 and 2014, respectively.
- In 2015 and 2014, Road & Bridge Fund intergovernmental receipts (homestead and rollback) in the amounts that should have been \$3,591 and \$3,580, respectively were incorrectly posted as property tax receipts in the Road & Bridge Fund. Additionally, homestead and rollback receipts were not allocated properly, which led to revenue and fund balance errors in the Road and Bridge Fund in the amount of \$2,079 (understated) and \$606 (understated) for 2015 and 2014, respectively.
- In 2015 and 2014, Fire District Fund intergovernmental receipts (homestead and rollback) in the amounts that should have been \$6,574 and \$6,482, respectively were incorrectly posted as property tax receipts in the Fire District Fund. Additionally, homestead and rollback receipts were not allocated properly, which led to revenue and fund balance errors in the Fire District Fund in the amount of \$2,032 (understated) and \$2,403 (overstated) for 2015 and 2014, respectively.
- In 2015, Gasoline Tax intergovernmental receipts in the amount of \$5,059 were incorrectly posted as intergovernmental receipts in the Motor Vehicle License Tax Fund.
- In 2014, the Township posted an EMS charges for services receipt in the amount of \$1,226 to the General Fund as other financing sources rather than the Fire District Fund as charges for services.

Failure to properly record and classify on the financial statements revenues and expenditures could lead to misleading financial statement information and financial statement adjustments.

The Township should implement procedures to record transactions correctly. To assist in this process, the Township should also utilize the Uniform Accounting Network chart of accounts to determine proper classifications for receipts.

Officials' Response: We did not receive a response from Officials to this finding.

FINDING NUMBER 2015-002

MATERIAL WEAKNESS – FUND BALANCE CLASSIFICATIONS

The Township prepared its annual financial statements in accordance with the accounting practices the Auditor of State prescribes or permits. The Township's 2014 and 2015 annual financial statements were adjusted for the following errors related to fund balance reporting:

**FINDING NUMBER 2015-002
(Continued)**

- Governmental Accounting Standards Board (GASB) Statement 54, paragraph 16 (GASB Codification 1800.176) states, in part, that an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance. The Township failed to properly classify the amount by which appropriations exceeded estimated receipts for the subsequent year in the amount of \$141,519 on the 2014 financial statements. This amount should have been classified as assigned fund balance rather than unassigned fund balance in the General Fund.
- GASB Statement 54, paragraph 10 (GASB Codification 1800.170) states, in part, that amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority should be reported as committed fund balance. Auditor of State Bulletin 2011-004 identifies that because the funding for the Road and Bridge fund is derived from inside millage, the source of the constraint is considered to be imposed by the Trustees and not externally restricted by the voters and therefore, should be reported as committed fund balance. The Township failed to properly classify the 2015 and 2014 fund balances of \$34,523 and \$66,391 respectively, at year end in the Road and Bridge Fund. The amounts should have been classified as committed rather than restricted.
- GASB Statement 54, paragraph 17 (GASB Codification 1800.177) states, in part, unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The Township originally incorrectly classified its general fund balance as committed for 2015 and 2014. The adjusted amounts that should have been classified as unassigned in the General Fund were \$265,666 and \$80,607 for 2015 and 2014, respectively.

Failure to properly classify fund balances could lead to misstated financial statements and misleading financial statement information.

The Township should perform a review of all Township funds and determine proper reporting of fund balances in accordance with GASB Statement 54 and Auditor of State Bulletin 2011-004 requirements.

Officials' Response: We did not receive a response from Officials to this finding.

FINDING NUMBER 2015-003

SIGNIFICANT DEFICIENCY – BANK RECONCILIATIONS

Cash is the asset most susceptible to theft and misappropriation. Monthly reconciliations between the bank and the accounting system provide a reasonable assurance that all receipts and expenditures have been posted to the Township's accounting system. Additionally, monthly reconciliations provide the Township with a picture of the Township's total financial position at month end.

FINDING NUMBER 2015-003
(Continued)

The Township prepared bank reconciliations that did not properly reconcile bank balance to system balance throughout 2014 and 2015. As of December 31, 2014, the true unreconciled variance was \$8,554. As of December 31, 2015, the true unreconciled variance was \$7,904. At year-end 2014 and 2015, the system balance was greater than the bank balance. A portion of these variances was caused by a fund balance adjustment that was made to the accounting system (Gasoline Tax Fund) in the amount of \$4,565 on December 29, 2014. This adjustment had previously been entered into the system as part of the previous audit adjustments on October 24, 2014. The accompanying financial statements were adjusted for the fund balance adjustment that was erroneously posted twice, but the accompanying financial statements were not adjusted for the remaining differences. As of December 2016, the Township's bank balances were reconciled to the accounting system.

Failure to properly reconcile bank balances to accounting system balances on a monthly basis could lead to management decisions made on incorrect information and possible errors and irregularities occurring and not being detected in a timely manner.

The Township should implement procedures to verify that monthly bank reconciliations are performed properly. If there are unreconciled variances or unsupported reconciling items, the Township should immediately determine the cause of the variance so that any errors or irregularities can be corrected in a timely manner. Additionally, independent detailed reviews should be performed of monthly bank reconciliations as means of verifying their accuracy. Fund balance adjustments should not be performed unless the adjustment can be adequately supported.

Officials' Response: We did not receive a response from Officials to this finding.

**SPRINGCREEK TOWNSHIP
MIAMI COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2015 AND 2014**

Finding Number	Finding Summary	Status	Additional Information
2013-001	Significant Deficiency – Bank Reconciliations	Not corrected	Repeated as Finding 2015-003
2013-002	Noncompliance - Ohio Revised Code Section 5705.10 (D) – Lighting Special Assessments	Not corrected for 2014, corrected for 2015	Repeated as management letter citation
2013-003	Noncompliance/Material Weakness - Ohio Admin Code Section 117-2 and 117-2-02(A) – Financial Statement Errors	Not corrected	Repeated as material weaknesses in Findings 2015-001 and 2015-002



Dave Yost • Auditor of State

SPRINGCREEK TOWNSHIP

MIAMI 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
MAY 4, 2017**