



**MARLBORO TOWNSHIP
STARK COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001-2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**MARLBORO TOWNSHIP
STARK COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Marlboro Township
Stark County
7344 Edison Street
Hartville, Ohio 44632

To the Board of Trustees:

We have audited the accompanying financial statements of Marlboro Township, Stark County, Ohio, (the Township) as of and for the years ended December 31, 2001 and 2000. 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 audits.

We conducted our audits 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Township as of December 31, 2001 and 2000, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2002 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

May 21, 2002

**MARLBORO TOWNSHIP
STARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES AND NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Non-Expendable Trust	
Cash Receipts:						
Local Taxes	\$34,007	\$435,409	\$68,023	\$0	\$0	\$537,439
Intergovernmental	122,283	137,263	8,415	0	0	267,961
Special Assessments	0	5,819	0	0	0	5,819
Licenses, Permits, and Fees	7,153	0	0	0	0	7,153
Fines, Forfeitures, and Penalties	3,624	314	0	0	0	3,938
Earnings on Investments	11,005	1,130	0	0	1,615	13,750
Other	13,288	17,530	0	0	0	30,818
Total Cash Receipts	191,360	597,465	76,438	0	1,615	866,878
Cash Disbursements:						
Current:						
General Government	133,535	0	0	0	0	133,535
Public Safety	650	306,138	0	0	0	306,788
Public Works	0	245,095	0	0	0	245,095
Health	15,956	0	0	0	0	15,956
Conservation - Recreation	600	0	0	0	0	600
Miscellaneous	0	0	0	0	1,280	1,280
Debt Service:						
Redemption of Principal	0	0	54,714	0	0	54,714
Interest and Fiscal Charges	0	0	9,432	0	0	9,432
Total Cash Disbursements	150,741	551,233	64,146	0	1,280	767,400
Total Cash Receipts Over Cash Disbursements	40,619	46,232	12,292	0	335	99,478
Other Financing Receipts and (Disbursements):						
Transfers-In	0	11,800	0	29,344	0	41,144
Transfers-Out	(41,144)	0	0	0	0	(41,144)
Total Other Financing Receipts/(Disbursements)	(41,144)	11,800	0	29,344	0	0
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(525)	58,032	12,292	29,344	335	99,478
Fund Cash Balances, January 1	226,011	200,032	32,290	(29,434)	76,912	505,811
Fund Cash Balances, December 31	\$225,486	\$258,064	\$44,582	(\$90)	\$77,247	\$605,289
Reserves for Encumbrances, December 31	\$0	\$27,041	\$0	\$0	\$0	\$27,041

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

**MARLBORO TOWNSHIP
STARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES AND NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Non-Expendable Trust	
Cash Receipts:						
Local Taxes	\$28,178	\$399,472	\$57,647	\$0	\$0	\$485,297
Intergovernmental	207,021	111,431	6,730	0	0	325,182
Charges for Services	0	150	0	0	0	150
Licenses, Permits, and Fees	4,156	0	0	0	0	4,156
Fines, Forfeitures, and Penalties	2,027	3,293	0	0	0	5,320
Earnings on Investments	15,472	2,983	0	0	4,756	23,211
Other	18,395	6,578	0	0	0	24,973
Total Cash Receipts	275,249	523,907	64,377	0	4,756	868,289
Cash Disbursements:						
Current:						
General Government	124,655	0	0	0	0	124,655
Public Safety	625	249,094	0	0	0	249,719
Public Works	20,000	265,255	0	0	0	285,255
Health	14,734	0	0	0	0	14,734
Miscellaneous	0	0	0	0	1,280	1,280
Debt Service:						
Redemption of Principal	0	0	54,715	0	0	54,715
Interest and Fiscal Charges	0	0	12,766	0	0	12,766
Capital Outlay	0	3,746	0	8,451	0	12,197
Total Cash Disbursements	160,014	518,095	67,481	8,451	1,280	755,321
Total Cash Receipts Over/(Under) Cash Disbursements	115,235	5,812	(3,104)	(8,451)	3,476	112,968
Other Financing Receipts and (Disbursements):						
Transfers-In	0	8,310	0	0	0	8,310
Transfers-Out	(8,310)	0	0	0	0	(8,310)
Total Other Financing Receipts/(Disbursements)	(8,310)	8,310	0	0	0	0
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	106,925	14,122	(3,104)	(8,451)	3,476	112,968
Fund Cash Balances, January 1	119,086	185,910	35,394	(20,983)	73,436	392,843
Fund Cash Balances, December 31	\$226,011	\$200,032	\$32,290	(\$29,434)	\$76,912	\$505,811
Reserves for Encumbrances, December 31	\$0	\$3,092	\$0	\$0	\$0	\$3,092

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

**MARLBORO TOWNSHIP
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Marlboro Township, Stark County, Ohio, (the Township) is a body corporate and politic established 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 provides road and bridge maintenance, cemetery maintenance, and police protection. The Township contracts with the Marlboro Volunteer Fire Department to provide fire services and emergency medical services.

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

The Township is associated with certain organizations which are defined as Jointly Governed Organizations under Governmental Accounting Standards Board (GASB) Statement No. 14, *Reporting Entity*. These organizations are presented in Notes 8 and 9.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized 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 prescribed or permitted by the Auditor of State.

C. Cash and Investments

The Township maintains a general checking account and an overnight repurchase agreement. Repurchase agreements are valued at cost.

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 disbursements, respectively.

D. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**MARLBORO TOWNSHIP
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

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

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

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

3. Debt Service Fund

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township had the following Debt Service Fund:

General Bond Retirement Fund – This fund accounts for the debt service requirements associated with construction of the Township Hall. Construction was completed during 1999.

4. Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township had the following Capital Projects Fund:

Township Hall Construction Fund - The Township obtained approval from residents to build a new Township Hall.

5. Fiduciary Fund (Trust Fund)

This fund is used to account for resources restricted by a legally binding trust agreement. The Township had the following fiduciary fund:

Taylor Trust Fund – This non-expendable trust fund was established to maintain the activity of the Taylor Trust Fund. This fund was established in 1875 to provide relief to needy township residents at Christmas.

**MARLBORO TOWNSHIP
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. 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 also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. The Township did not encumber all commitments required by Ohio law. The budgetary presentations have been adjusted to include material items that should have been encumbered.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Accumulated Leave

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

**MARLBORO TOWNSHIP
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2001	2000
Demand deposits	\$32,289	\$37,811
Repurchase agreement	573,000	468,000
Total deposits and investments	\$605,289	\$505,811

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

Investments: The repurchase agreement is an overnight sweep account reported at cost. The Township's financial institution transfers securities to the Township's agent to collateralize repurchase agreements.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$132,391	\$191,360	\$58,969
Special Revenue	586,120	609,265	23,145
Debt Service	74,436	76,438	2,002
Capital Projects	0	29,344	29,344
Non-Expendable Trust	4,400	1,615	(2,785)
Total	\$797,347	\$908,022	\$110,675

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$287,300	\$191,885	\$95,415
Special Revenue	787,640	578,274	209,366
Debt Service	106,725	64,146	42,579
Capital Projects	0	0	0
Non-Expendable Trust	81,312	1,280	80,032
Total	\$1,262,977	\$835,585	\$427,392

**MARLBORO TOWNSHIP
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$177,558	\$275,249	\$97,691
Special Revenue	515,012	527,217	12,205
Debt Service	60,850	64,377	3,527
Capital Projects	0	0	0
Non-Expendable Trust	3,500	4,756	1,256
Total	\$756,920	\$871,599	\$114,679

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$265,256	\$163,324	\$101,932
Special Revenue	704,016	521,187	182,829
Debt Service	96,244	67,481	28,763
Capital Projects	9,077	8,451	626
Non-Expendable Trust	76,936	1,280	75,656
Total	\$1,151,529	\$761,723	\$389,806

Contrary to Ohio Rev. Code Section 5705.41(D), certain expenditures were not properly certified.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

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.

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

**MARLBORO TOWNSHIP
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

5. DEBT

Debt outstanding at December 31, 2001 was as follows:

	Principal	Interest Rate
1998 - Township Building Bond	\$164,143	4.59%

The Township Building Bond was issued to finance the cost of constructing, furnishing, equipping and improving a township building and its site. Construction was completed during 1999. Township residents approved a tax levy on November 4, 1997, to pay for the principal and interest of this note.

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

	Township Building Bond
Year ending December 31:	
2002	\$62,248
2003	59,737
2004	57,225
Total	\$179,210

6. RETIREMENT SYSTEM

All Township employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13%, effective July 1, 2000 through December 31, 2000. The Township has paid all contributions required through December 31, 2001.

7. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

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

The Township also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

**MARLBORO TOWNSHIP
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

8. STARK COUNCIL OF GOVERNMENTS

The Stark Council of Governments (SCOG) is a jointly governed organization. SCOG is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by its membership, including Stark County, and other cities, villages, and townships. The membership elects a nine member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and performs accounting and finance related activities. Continued existence of the SCOG is not dependent on the Township's continued participation nor does the Township have an equity interest in the SCOG. SCOG is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit or burden to the Township. Complete financial statements may be obtained from the Stark Council of Governments, P.O. Box 21451, Canton, Ohio 44701-1451.

9. STARK COUNTY REGIONAL PLANNING COMMISSION

The Township participates in the Stark County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among Stark County, and other cities, villages, and townships. The principle aim of the Commission is to provide comprehensive planning, both long-term and short-term, dealing with the economic and physical environment of Stark County. The Board exercises total authority over the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The Township has no financial responsibility for any of the Commission's liabilities. Complete financial statements can be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

10. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

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**STATE OF OHIO
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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Marlboro Township
Stark County
7344 Edison Street
Hartville, Ohio 44632

To the Board of Trustees:

We have audited the accompanying financial statements of Marlboro Township, Stark County, Ohio, (the Township) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated May 21, 2002. We conducted our audits 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.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 audits and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2001-41276-001.

We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated May 21, 2002.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated May 21, 2002.

Marlboro Township
Stark County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

This report is intended solely for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a cursive "Petro".

Jim Petro
Auditor of State

May 21, 2002

**MARLBORO TOWNSHIP
STARK COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2001 AND 2000**

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

FINDING NUMBER 2001-41276-001

Ohio Rev. Code Section 5705.41(D) requires that no subdivision or taxing unit make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section also provides for two "exceptions" to the above requirements:

- A. Then and Now Certificates - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the Township Trustees may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- B. If the amount involved is less than \$1,000, the Township Clerk may authorize payment through a Then and Now Certificate without affirmation of Township Trustees.

During 2001 and 2000, 21 out of 60 (35%) of the expenditures tested were not certified by the Township Clerk prior to incurring the commitment. It was also found that neither of the two exceptions above were utilized for the items found to be in non-compliance. The Township Clerk should inform all Township employees of the requirements of Ohio Rev. Code Section 5705.41(D). The Township should implement the use of so called Then and Now Certificates and blanket certificates as further permitted by Ohio Rev. Code Section 5705.41.

**MARLBORO TOWNSHIP
STARK COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2001 AND 2000**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1999-41276-001	Ohio Rev. Code Section 5705.41(D) , failure to certify funds	No	Not corrected. See Schedule of Findings Number 2001-41276-001.
1999-41276-002	Ohio Rev. Code Section 5705.10 , money paid into fund must be used for the purpose the fund was established	No	Partially correct. The issue is reflected within the management letter.
1999-41276-003	Ohio Rev. Code Section 5705.36 , A certain fund's estimated receipts were not submitted to the County Auditor.	Yes	Finding no longer valid. Estimated receipts were properly certified with the County Auditor.
1999-41276-004	Ohio Rev. Code Section 135.21 , all interest shall be credited to where the principal belongs	Yes	Finding no longer valid. Interest was properly allocated.
1999-41276-005	Certain revenues were improperly classified.	No	Not corrected. However, the current year comment was placed in the management letter.
1999-41276-006	Monthly bank reconciliations revealed several deficiencies	Yes	Finding no longer valid. Reconciliations were performed timely and accurately



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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MARLBORO TOWNSHIP

STARK 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
JULY 2, 2002**