



**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2009



Mary Taylor, CPA
Auditor of State

MILLCREEK TOWNSHIP
WILLIAMS COUNTY

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Mary Taylor, CPA
Auditor of State

Millcreek Township
Williams County
16365 County Road 20
Alvordton, Ohio 43501-9718

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 24, 2010

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Millcreek Township
Williams County
16365 County Road 20
Alvordton, Ohio 43501-9718

To the Board of Trustees:

We have audited the accompanying financial statements of Millcreek Township, Williams County, (the Township) as of and for the years ended December 31, 2009 and 2008. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require townships to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Millcreek Township, Williams County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2010, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

August 24, 2010

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>			<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property and Other Local Taxes	\$12,479	\$40,772		\$53,251
Intergovernmental	46,609	99,685	\$10,000	156,294
Earnings on Investments	301	95		396
Miscellaneous	3,556			3,556
Total Cash Receipts	<u>62,945</u>	<u>140,552</u>	<u>10,000</u>	<u>213,497</u>
Cash Disbursements:				
Current:				
General Government	54,549			54,549
Public Safety	1,369	7,972		9,341
Public Works		89,987		89,987
Health	7,669			7,669
Capital Outlay	10,737	25,903	10,000	46,640
Debt Service:				
Redemption of Principal		27,925		27,925
Interest and Other Fiscal Charges		5,309		5,309
Total Cash Disbursements	<u>74,324</u>	<u>157,096</u>	<u>\$10,000</u>	<u>241,420</u>
Total Cash Disbursements Over Cash Receipts	<u>(11,379)</u>	<u>(16,544)</u>		<u>(27,923)</u>
Other Financing Receipts				
Sale of Fixed Assets	<u>8,586</u>			<u>8,586</u>
Excess of Cash Disbursements Over Cash Receipts and Other Financing Receipts	(2,793)	(16,544)		(19,337)
Fund Cash Balances, January 1	<u>102,456</u>	<u>58,800</u>		<u>161,256</u>
Fund Cash Balances, December 31	<u>\$99,663</u>	<u>\$42,256</u>		<u>\$141,919</u>

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

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Governmental Fund Types</u>			<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property and Other Local Taxes	\$22,265	\$39,082		\$61,347
Intergovernmental	51,312	105,090	\$200,984	357,386
Earnings on Investments	2,653	1,057		3,710
Miscellaneous	1,884			1,884
Total Cash Receipts	<u>78,114</u>	<u>145,229</u>	<u>200,984</u>	<u>424,327</u>
Cash Disbursements:				
Current:				
General Government	64,824			64,824
Public Safety	1,790	14,994		16,784
Public Works		99,885		99,885
Health	6,679			6,679
Capital Outlay	14,934	35,551	200,984	251,469
Debt Service:				
Redemption of Principal	29,715	21,562		51,277
Interest and Other Fiscal Charges	1,203	4,764		5,967
Total Cash Disbursements	<u>119,145</u>	<u>176,756</u>	<u>\$200,984</u>	<u>496,885</u>
Total Cash Disbursements over Cash Receipts	<u>(41,031)</u>	<u>(31,527)</u>		<u>(72,558)</u>
Other Financing Receipts				
Other Financing Source - See Note 8	<u>106,601</u>			<u>106,601</u>
Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements	65,570	(31,527)		34,043
Fund Cash Balances, January 1	<u>36,886</u>	<u>90,327</u>		<u>127,213</u>
Fund Cash Balances, December 31	<u>\$102,456</u>	<u>\$58,800</u>		<u>\$161,256</u>

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

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

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 Millcreek Township, Williams 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, and fire protection 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 the Auditor of State prescribes or permits. 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 Auditor of State prescribes or permits.

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.

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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

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

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

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

Fire Fund – This fund receives property tax money for providing fire protection services and maintaining fire apparatuses and to purchase fire equipment for the Township.

3. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Funds:

Federal Emergency Management Agency (FEMA) Grant Fund - The Township received a grant from the Federal Emergency Management Association for fire equipment.

Community Development Block Grant (CDBG) Grant Fund – The Township received a grant from Williams CDBG program for the purchase of a Church for a community center.

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, 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 also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. The Township did not use the encumbrance method of accounting.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

F. 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.

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

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:

	2009	2008
Demand deposits	\$141,919	\$161,256

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

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$75,000	\$71,531	(\$3,469)
Special Revenue	135,191	140,552	5,361
Capital Projects	10,000	10,000	
Total	\$220,191	\$222,083	\$1,892

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$180,067	\$74,324	\$105,743
Special Revenue	191,383	157,096	34,287
Capital Projects	10,000	10,000	
Total	\$381,450	\$241,420	\$140,030

2008 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$136,822	\$184,715	\$47,893
Special Revenue	169,030	145,229	(23,801)
Capital Projects	200,984	200,984	
Total	\$506,836	\$530,928	\$24,092

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

3. Budgetary Activity (Continued)

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$187,041	\$119,145	\$67,896
Debt Service	246,024	176,756	69,268
Capital Projects	200,984	200,984	
Total	\$634,049	\$496,885	\$137,164

Contrary to Ohio law, certain grants received by the Township were not recorded in separate funds.

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.

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.

5. Debt

Debt outstanding at December 31, 2009 was as follows:

	Principal	Interest Rate
Tractor Lease	\$9,866	5.35%
International Truck Lease	57,053	5.2%
Total	\$66,919	

The Township entered into a lease purchase agreement during 2007 with John Deere Credit, Inc. to acquire a tractor. The original agreement was for \$18,209 over four years, with quarterly payments of \$1,309.

The Township entered into a lease purchase agreement during 2007 with Navistar Financial Corporation to acquire a truck. The original agreement was for \$95,616 over five years, with quarterly payments of \$5,600.

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

5. Debt (Continued)

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

Year ending December 31:	<u>Tractor Lease</u>	<u>Truck Lease</u>
2010	\$5,234	\$16,800
2009	5,234	22,400
2010		22,400
Total	<u>\$10,468</u>	<u>\$61,600</u>

6. Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2009.

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.

8. Village of Alvordton

The Village of Alvordton, located within the Township, voted to dissolve operations in 2007. In 2008, after all obligations were paid, the Village turned over \$106,601 to the Township.

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Mary Taylor, CPA

Auditor of State

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

Millcreek Township
Williams County
16365 County Road 20
Alvordton, Ohio 43501-9718

To the Board of Trustees:

We have audited the financial statements of Millcreek Township, Williams County, (the Township) as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated August 24, 2010, wherein we noted the Township prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider findings 2009-002 and 2009-003 described in the accompanying schedule of findings to be material weaknesses.

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, providing an opinion 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 instances of noncompliance we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2009-001 and 2009-002.

We also noted certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated August 24, 2010.

We intend this report solely for the information and use of management, the audit committee, Board of Trustees and others within the Township. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

August 24, 2010

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2009 AND 2008**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2009-001

Noncompliance Citation

Ohio Revised Code §5705.41(D)(1) states no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached certificate of the fiscal officer of the subdivision that the amount required for the order or contract has been lawfully appropriated for such purpose and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that a Fiscal Officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" Certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Township can authorize the drawing of a warrant for the payment of the amount due. The Township has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Township.

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. . This certification may, but need not, be limited to a specific vendor. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

None of the transactions tested were not certified by the Fiscal Officer at the time the commitments were incurred and there was no evidence the Township followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Certification is not only required by Ohio law statute but is a key control in the disbursement process to help assure that purchase commitments receive prior approval and to help reduce the possibility of the Township funds being over expended or exceeding budgetary spending limitations as set by the Board of Trustees.

To improve controls over disbursements, we recommend the Township disbursements receive prior certification of the Fiscal Officer and the Board of Trustees periodically review the expenditures made to ensure they are within the appropriations adopted by the Board of Trustees, certified by the Fiscal Officer and recorded against appropriations.

FINDING NUMBER 2009-002

Noncompliance Citation – Material Weakness

Ohio Revised Code § 5705.09(F) states that each subdivision shall establish a special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose.

Auditor of State Bulletin 96-012 specifically directs that monies received from the Federal Emergency Management Agency (FEMA) are to be accounted for in a separate fund.

The Township received grant monies from FEMA in the amount of \$200,984 in 2008, and \$2,506 in 2009 and Community Development Development Block Grant (CDBG) monies of \$10,000 through Williams County in 2009. These grant monies were not recorded in separate funds, but in the General Fund. This could result in grant monies being used for purposes other than those stipulated in the grant agreement.

Adjustments were made to the financial statements to establish separate funds to account for FEMA grant monies in 2008 and the CDBG grant monies in 2009.

We recommend the Township review Auditor of State Bulletin 96-012 for more information on recording such grant activity.

FINDING NUMBER 2009-003

Material Weaknesses - Financial Reporting

As a result of the audit procedures performed, the following errors were noted in the financial statements that required audit adjustments:

1. In 2008 prior audit adjustments were posted as other financing uses in the General Fund (\$13,333) and other financing sources in the Gasoline Tax Fund (\$12,387), the Road and Bridge Fund (\$87), and the Fire Levy Fund (\$859). These amounts should have been recorded as memorandum entries and not included as other financing sources and uses.
2. Income Tax Receipts (\$9,521) and other miscellaneous revenues (\$1,884) received in 2008 related to the discontinued operations of the Village of Alfordton were recorded as other financing sources in the General Fund. Income tax and other miscellaneous revenues were moved to properly reflect the amounts collected. In 2009, there were similar errors in the General Fund, Income tax revenue (\$500), Auction proceeds (\$8,586), and other miscellaneous revenue (\$3,556) were posted as other financing sources.

3. Debt service expenditures made from the General Fund (\$30,918 in 2008) and Special Revenue Funds (\$26,326 in 2008 and \$33,234 in 2009) were posted as capital outlay and public works, respectively, instead categorizing them as debt service payments.
4. Rollback and homestead, utility and personal property reimbursement revenues were posted as property and other local taxes in the General Fund (\$1,250 in 2008 and \$839 in 2009) and Special Revenue Funds (\$856 in 2008 and \$1,483 in 2009) instead of intergovernmental revenue.

Sound financial reporting is the responsibility of the Fiscal Officer and the Board of Trustees and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. To ensure the Township's financial statements and notes to the statements are complete and accurate, the Township should adopt policies and procedures, including a final review of the statements and notes by the Fiscal Officer and the Trustees, to identify and correct errors and omissions. In addition, the Fiscal Officer should also review the workbook for Township cash basis Annual Financial Report.

Officials' Response:

We did not receive a response from Officials to the findings reported above.

**MILLCREEK TOWNSHIP
WILLIAMS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009 AND 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2007-001	Ohio Revised Code § 5705.41(D)(1), disbursements not properly certified	No	Not Corrected – Reissued as Finding 2009-001 in this report
2007-002	Accounting Records – Significant Deficiency, no Review of Financial Records by Management	No	Not Corrected - Reissued as Finding 2009-003 in this report.
2007-003	Ohio Revised Code § 505.24(C), Trustees salary paid from funds other than the General Fund without Documentation	Yes	



Mary Taylor, CPA
Auditor of State

MILLCREEK TOWNSHIP

WILLIAMS 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
SEPTEMBER 9, 2010**