

**GRANVILLE TOWNSHIP**  
**LICKING COUNTY**  
**REGULAR AUDIT**  
**JANUARY 1, 2014 – DECEMBER 31, 2015**







# Dave Yost • Auditor of State

Board of Trustees  
Granville Township  
PO Box 315  
Granville, Ohio 43023

We have reviewed the *Independent Auditor's Report* of Granville Township, Licking County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2014 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Granville Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

June 6, 2016

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**GRANVILLE TOWNSHIP  
LICKING COUNTY**

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## INDEPENDENT AUDITOR'S REPORT

Granville Township  
Licking County  
P.O. Box 315  
Granville, Ohio 43023

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 Granville Township, Licking 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.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
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Granville Township  
Licking County  
Independent Auditor's Report

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 Granville Township, Licking 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 April 11, 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.

*Wilson, Shuman & Snow, Inc.*

April 11, 2016  
Newark, Ohio

**GRANVILLE TOWNSHIP  
LICKING COUNTY**

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

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$28,946	\$2,387,510	\$0	\$2,416,456
Charges for Services	0	378,391	0	378,391
Licenses, Permits and Fees	21,945	309,433	0	331,378
Intergovernmental	192,141	464,358	0	656,499
Earnings on Investments	22,667	2,457	0	25,124
Other	27,215	147,548	0	174,763
<i>Total Cash Receipts</i>	<u>292,914</u>	<u>3,689,697</u>	<u>0</u>	<u>3,982,611</u>
<b>Cash Disbursements</b>				
Current:				
General Government	215,610	55,735	0	271,345
Public Safety	0	1,675,397	0	1,675,397
Public Works	499	745,972	0	746,471
Health	25,325	110,053	0	135,378
Conservation-Recreation	9,458	0	0	9,458
Capital Outlay	25,576	1,109,756	0	1,135,332
Debt Service:				
Principal Retirement	0	15,000	0	15,000
Interest and Fiscal Charges	0	450	0	450
<i>Total Cash Disbursements</i>	<u>276,468</u>	<u>3,712,363</u>	<u>0</u>	<u>3,988,831</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>16,446</u>	<u>(22,666)</u>	<u>0</u>	<u>(6,220)</u>
<b>Other Financing Receipts (Disbursements)</b>				
Sale of Capital Assets	0	19,288	0	19,288
Transfers In	917,981	0	175,000	1,092,981
Transfers Out	0	(175,000)	(917,981)	(1,092,981)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>917,981</u>	<u>(155,712)</u>	<u>(742,981)</u>	<u>19,288</u>
<i>Net Change in Fund Cash Balances</i>	934,427	(178,378)	(742,981)	13,068
<i>Fund Cash Balances, January 1</i>	<u>654,268</u>	<u>8,564,983</u>	<u>2,583,148</u>	<u>11,802,399</u>
<b><i>Fund Cash Balances, December 31</i></b>	<b><u>\$1,588,695</u></b>	<b><u>\$8,386,605</u></b>	<b><u>\$1,840,167</u></b>	<b><u>\$11,815,467</u></b>
<b>Fund Cash Balances, December 31</b>				
Nonspendable	\$0	\$176,758	\$0	\$176,758
Restricted	0	8,209,847	1,840,167	10,050,014
Assigned	710,838	0	0	710,838
Unassigned	877,857	0	0	877,857
<b><i>Fund Cash Balances, December 31</i></b>	<b><u>\$1,588,695</u></b>	<b><u>\$8,386,605</u></b>	<b><u>\$1,840,167</u></b>	<b><u>\$11,815,467</u></b>

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

**GRANVILLE TOWNSHIP  
LICKING COUNTY**

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

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$28,072	\$3,352,546	\$0	\$3,380,618
Charges for Services	0	374,955	0	374,955
Licenses, Permits and Fees	11,924	297,678	0	309,602
Intergovernmental	37,284	874,853	0	912,137
Earnings on Investments	18,345	2,413	0	20,758
Other	186,727	148,643	0	335,370
<i>Total Cash Receipts</i>	<u>282,352</u>	<u>5,051,088</u>	<u>0</u>	<u>5,333,440</u>
<b>Cash Disbursements</b>				
Current:				
General Government	175,356	222,744	0	398,100
Public Safety	0	1,542,944	0	1,542,944
Public Works	908	676,509	0	677,417
Health	26,294	117,089	0	143,383
Conservation-Recreation	5,723	0	0	5,723
Capital Outlay	250,463	2,911,820	0	3,162,283
Debt Service:				
Principal Retirement	0	15,000	0	15,000
Interest and Fiscal Charges	0	900	0	900
<i>Total Cash Disbursements</i>	<u>458,744</u>	<u>5,487,006</u>	<u>0</u>	<u>5,945,750</u>
<i>Excess of Receipts Under Disbursements</i>	<u>(176,392)</u>	<u>(435,918)</u>	<u>0</u>	<u>(612,310)</u>
<b>Other Financing Receipts (Disbursements)</b>				
Sale of Capital Assets	0	3,694	60,000	63,694
Transfers In	76,391	0	615,000	691,391
Transfers Out	(500,000)	(191,391)	0	(691,391)
Other Financing Sources	98	84	0	182
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(423,511)</u>	<u>(187,613)</u>	<u>675,000</u>	<u>63,876</u>
<i>Net Change in Fund Cash Balances</i>	<u>(599,903)</u>	<u>(623,531)</u>	<u>675,000</u>	<u>(548,434)</u>
<i>Fund Cash Balances, January 1</i>	<u>1,254,171</u>	<u>9,188,514</u>	<u>1,908,148</u>	<u>12,350,833</u>
<b><i>Fund Cash Balances, December 31</i></b>	<b><u>\$654,268</u></b>	<b><u>\$8,564,983</u></b>	<b><u>\$2,583,148</u></b>	<b><u>\$11,802,399</u></b>
<b>Fund Cash Balances, December 31</b>				
Nonspendable	\$0	\$176,758	\$0	\$176,758
Restricted	0	8,388,225	2,583,148	10,971,373
Unassigned	654,268	0	0	654,268
<b><i>Fund Cash Balances, December 31</i></b>	<b><u>\$654,268</u></b>	<b><u>\$8,564,983</u></b>	<b><u>\$2,583,148</u></b>	<b><u>\$11,802,399</u></b>

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

**GRANVILLE TOWNSHIP  
LICKING 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 Granville Township, Licking 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, fire and emergency medical services and cemetery maintenance. Police protection is provided by the Licking County Sheriff.

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 (including STAR Ohio and STAR Plus) are recorded at share values 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 reports all financial resources except those required to be accounted for in another fund.

**GRANVILLE TOWNSHIP  
LICKING 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 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:

Road District Fund - This fund receives taxes and intergovernmental money for constructing, maintaining, and repairing Township roads and bridges.

Fire Fund – This fund receives taxes and intergovernmental money for the purpose of providing fire and emergency ambulance protection to the community and contracted Townships.

**3. Capital Project Funds**

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.. The Township had the following significant capital project fund:

Fire Capital Project Reserve Fund – This fund receives transfers from the Fire Fund setting aside funds for future fire department related capital projects in accordance with Ohio Revised Code Section 5705.13(C).

Firehouse Capital Project Reserve Fund – This fund received transfers from the General Fund setting aside funds for a future firehouse in accordance with Ohio Revised Code Section 5705.13(C). This fund was rescinded by the Board of Township Trustees with the funds returned to the General Fund in 2015.

**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.

**GRANVILLE TOWNSHIP  
LICKING 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 carried over, and need not be reappropriated.

A summary of 2015 and 2014 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.

**G. 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.

**H. 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.

**GRANVILLE TOWNSHIP  
LICKING COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Fund Balance (Continued)**

**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.

**2. EQUITY IN POOLED DEPOSITS**

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:

	<u>2015</u>	<u>2014</u>
Demand deposits	\$383,021	\$343,275
STAR Ohio and STAR Plus	<u>11,432,446</u>	<u>11,459,124</u>
Total deposits and investments	<u><u>\$11,815,467</u></u>	<u><u>\$11,802,399</u></u>

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

**Investments:** The investment in STAR Ohio and STAR Plus is not evidenced by securities that exist in physical or book-entry form.

**GRANVILLE TOWNSHIP  
LICKING 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	\$1,008,822	\$1,210,895	\$202,073
Special Revenue	3,465,205	3,708,985	243,780
Capital Projects	175,000	175,000	0
Total	\$4,649,027	\$5,094,880	\$445,853

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$550,649	\$279,035	\$271,614
Special Revenue	8,446,233	3,908,891	4,537,342
Capital Projects	2,715,581	1,115,530	1,600,051
Total	\$11,712,463	\$5,303,456	\$6,409,007

2014 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$252,262	\$358,841	\$106,579
Special Revenue	4,517,871	5,054,866	536,995
Capital Projects	175,000	675,000	500,000
Total	\$4,945,133	\$6,088,707	\$1,143,574

2014 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,464,723	\$979,223	\$485,500
Special Revenue	12,947,724	5,720,476	7,227,248
Capital Projects	1,665,167	0	1,665,167
Total	\$16,077,614	\$6,699,699	\$9,377,915

**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.

**GRANVILLE TOWNSHIP  
LICKING COUNTY**

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

**5. 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 2015 and 2014, the Township participants and the Township contributed the following percentages based on their gross salaries:

<b>Retirement Rates</b>	<b>Year</b>	<b>Member Rate</b>	<b>Employer Rate</b>
OP&F – full time firefighters	2005- June 30, 2013	10%	24%
OP&F- full time firefighters	July 1, 2013- June 30, 2014	10.75%	24%
OP&F- full time firefighters	July 1, 2014- June 30, 2015	11.5%	24%
OP& F-full time firefighters	July 1, 2015- June 30, 2016	12.25%	24%
OPERS – Local	2008-2015	10%	14%

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.

**7. INTERFUND TRANSFERS**

The Township reported the following transfers at December 31, 2015:

Transfer from the Capital Projects Fund to the General Fund	\$917,981
Transfer from the Special Revenue Fund to the Capital Projects Fund	<u>175,000</u>
Total	<u>\$1,092,981</u>

The purpose of the transfer of \$917,981 from the Capital Projects Fund to the General Fund was to return the original source of money based on the Township not electing to proceed with the construction of a firehouse in accordance with the provisions of Ohio Revised Code Section 5705.13(C). The transfer of \$175,000 from the Special Revenue Fund to the Capital Projects Fund is to fund the Fire Capital Projects Reserve Fund established pursuant to Ohio Revised Code Section 5705.13(C).

**GRANVILLE TOWNSHIP  
LICKING COUNTY**

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

**7. INTERFUND TRANSFERS (Continued)**

The Township reported the following transfers at December 31, 2014:

Transfer from the General Fund to the Capital Projects Fund	\$500,000
Transfer from the Special Revenue Fund to the Capital Projects Fund	115,000
Transfer from the Special Revenue Fund to the General Fund	<u>76,391</u>
 Total	 <u>\$691,391</u>

The purpose of the transfer of \$500,000 from the General Fund to the Capital Projects Fund was fund the Firehouse Capital Projects Reserve Fund in accordance with the provisions of Ohio Revised Code Section 5705.13(C). The transfer of \$115,000 from the Special Revenue Fund to the Capital Projects Fund is to fund the Fire Capital Projects Reserve Fund established pursuant to Ohio Revised Code Section 5705.13(C). The transfer of \$76,391 from the Special Revenue Fund to the General Fund followed the requirements of Ohio Revised Code Section 5709.75(E) which allows any unencumbered money remaining in the township public improvement tax increment equivalent fund (or an account of that fund) upon dissolution of the account or fund, shall be transferred to the General Fund of the Township.

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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**

Granville Township  
Licking County  
P.O. Box 315  
Granville, Ohio 43023

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 Granville Township, Licking 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 April 11, 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 opinion 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.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
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FAX (740) 345-5635

***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.

*Wilson, Shuman & Snow, Inc.*

April 11, 2016  
Newark, Ohio

**GRANVILLE TOWNSHIP  
LICKING COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2013-01	Ohio Revised Code Section 5705.39 – Appropriations Exceeding Estimated Resources	Yes	Not Applicable.

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# Dave Yost • Auditor of State

**GRANVILLE TOWNSHIP**

**LICKING 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  
JUNE 16, 2016**