



**Auditor of State  
Betty Montgomery**



**AMANDA TOWNSHIP  
ALLEN COUNTY**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Amanda Township  
Allen County  
1190 Mills Road  
Lima, Ohio 45806

To the Board of Trustees:

We have audited the accompanying financial statements of Amanda Township, Allen County, (the Township), as of and for the years ended December 31, 2003 and 2002. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit 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. The Township's financial transactions were processed using the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Government because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe that our audit provides a reasonable basis for our opinion.

As described 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, 2003 and 2002, 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 19, 2004 on our consideration of the Government'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 audit.

This report is intended solely for the information and use of the Board of Trustees and other officials authorized to receive this report under Section 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

May 19, 2004

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2003**

	Governmental Fund Types			Totals
	General	Special Revenue	Debt Service	(Memorandum Only)
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$28,886	\$43,438		\$72,324
Licenses, Permits, and Fees	3,474	5,894		9,368
Intergovernmental	38,448	72,118		110,566
Earnings on Investments	26	66		92
Miscellaneous	2,186	2,200		4,386
<b>Total Cash Receipts</b>	<b>73,020</b>	<b>123,716</b>		<b>196,736</b>
<b>Cash Disbursements:</b>				
Current:				
General Government	60,691			60,691
Public Safety		34,048		34,048
Public Works		89,189		89,189
Health	2,000	9,493		11,493
Capital Outlay		958		958
Debt Service:				
Redemption of Principal			5,782	5,782
Interest and Other Fiscal Charges			1,394	1,394
<b>Total Cash Disbursements</b>	<b>62,691</b>	<b>133,688</b>	<b>7,176</b>	<b>203,555</b>
<b>Total Receipts Over/(Under) Disbursements</b>	<b>10,329</b>	<b>(9,972)</b>	<b>(7,176)</b>	<b>(6,819)</b>
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers-In		3,060	7,176	10,236
Transfers-Out	(10,236)			(10,236)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>(10,236)</b>	<b>3,060</b>	<b>7,176</b>	<b>0</b>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements And Other Financing Disbursements	93	(6,912)		(6,819)
Fund Cash Balance, January 1	(4,621)	18,848	658	14,885
<b>Fund Cash Balance, December 31</b>	<b>(\$4,528)</b>	<b>\$11,936</b>	<b>\$658</b>	<b>\$8,066</b>
Reserve for Encumbrances, December 31	\$0	\$1,321	\$0	\$1,321

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

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH  
DISBURSEMENTS AND CHANGES IN FUND CASH BALANCE  
NONEXPENDABLE TRUST FUND  
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2003**

	<b>Fiduciary Fund</b>
	<b>Nonexpendable Trust</b>
<b>Operating Cash Receipts:</b>	
Earnings on Investments	\$169
<b>Operating Cash Disbursements:</b>	
Current:	
Purchased Services	126
Operating Income	43
Fund Cash Balance, January 1	3,372
<b>Fund Cash Balance, December 31</b>	<b>\$3,415</b>

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



**AMANDA TOWNSHIP  
ALLEN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2002**

	Governmental Fund Types			Totals
	General	Special Revenue	Debt Service	(Memorandum Only)
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$29,628	\$44,567		\$74,195
Licenses, Permits, and Fees	2,655	7,620		10,275
Intergovernmental	39,124	64,646		103,770
Earnings on Investments	148	267		415
Miscellaneous	520	4,933		5,453
Total Cash Receipts	<u>72,075</u>	<u>122,033</u>		<u>194,108</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	67,770			67,770
Public Safety		11,903		11,903
Public Works		101,713		101,713
Health	1,759	14,785		16,544
Capital Outlay		9,833		9,833
Debt Service:				
Redemption of Principal			5,473	5,473
Interest and Other Fiscal Charges			1,682	1,682
Total Cash Disbursements	<u>69,529</u>	<u>138,234</u>	<u>7,155</u>	<u>214,918</u>
Total Receipts Over/(Under) Disbursements	<u>2,546</u>	<u>(16,201)</u>	<u>(7,155)</u>	<u>(20,810)</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Sale of Fixed Assets	7,000			7,000
Transfers-In		12,500	7,155	19,655
Transfers-Out	(19,655)			(19,655)
Total Other Financing Receipts/(Disbursements)	<u>(12,655)</u>	<u>12,500</u>	<u>7,155</u>	<u>7,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements And Other Financing Disbursements	(10,109)	(3,701)	0	(13,810)
Fund Cash Balance, January 1	<u>5,488</u>	<u>22,549</u>	<u>658</u>	<u>28,695</u>
<b>Fund Cash Balance, December 31</b>	<u><u>(\$4,621)</u></u>	<u><u>\$18,848</u></u>	<u><u>\$658</u></u>	<u><u>\$14,885</u></u>

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

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH  
DISBURSEMENTS, AND CHANGES IN FUND CASH BALANCE  
NONEXPENDABLE TRUST FUND  
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2002**

	<b>Fiduciary Fund</b>
	<b>Nonexpendable Trust</b>
<b>Operating Cash Receipts:</b>	
Earnings on Investments	\$169
<b>Operating Cash Disbursements:</b>	
Current:	
Purchased Services	66
Operating Income/(Loss)	103
Fund Cash Balance, January 1	3,269
<b>Fund Cash Balance, December 31</b>	<b>\$3,372</b>

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

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Amanda Township, Allen County, (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, fire protection and emergency medical services. The Township contracts with the Elida Community Fire Company and the Spencerville Invincible Fire Company to provide fire services and Elida Community Fire Company and the Spencerville Ambulance Service to provide ambulance services.

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

**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**

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts.

Certificates of deposit are valued at cost. Money market mutual funds (including STAR Ohio) are recorded at share values reported by the mutual fund.

**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.

**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.

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(Continued)**

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

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

*Fire Fund* - This fund receives property tax money for fire protection and ambulance service within the Township.

**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 significant Debt Service Funds:

**Debt Service Fund** – This fund receives fund transfers and accounts for the payment of the Land Mortgage and the Dump Truck loan.

**4. Fiduciary Funds (Trust and Agency Funds)**

These funds are used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in an agency capacity. The Township had the following significant fiduciary funds:

**Maurer Cemetery Bequest Fund** – This fund is a Nonexpendable Trust Fund to provide for the decoration of specific graves.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund (except certain agency funds) 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 funds as required.

A summary of 2003 and 2002 budgetary activity appears in Note 3.

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(Continued)**

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

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as 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.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Township maintains a cash and investments 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:

	2003	2002
Demand deposits	\$8,381	\$14,797
Certificates of deposit	3,100	3,100
Total deposits	11,481	17,897
STAR Ohio		360
Total deposits and investments	\$11,481	\$18,257

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

**Investments:** Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$82,112	\$73,020	(\$9,092)
Special Revenue	133,962	126,776	(7,186)
Debt Service	0	7,176	7,176
Fiduciary	273	169	(104)
Total	\$216,347	\$207,141	(\$9,206)

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$82,112	\$72,927	\$9,185
Special Revenue	133,962	135,009	(1,047)
Debt Service		7,176	(7,176)
Fiduciary		126	(126)
Total	<u>\$216,074</u>	<u>\$215,238</u>	<u>\$836</u>

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$93,423	\$79,075	(\$14,348)
Special Revenue	131,476	134,533	3,057
Debt Service	13,000	7,155	(5,845)
Fiduciary		169	169
Total	<u>\$237,899</u>	<u>\$220,932</u>	<u>(\$16,967)</u>

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$102,730	\$89,184	\$13,546
Special Revenue	152,706	138,234	14,472
Debt Service	13,648	7,155	6,493
Fiduciary	3,269	66	3,203
Total	<u>\$272,353</u>	<u>\$234,639</u>	<u>\$37,714</u>

Contrary to Ohio law, the Township did not obtain a reduced certificate during 2002 for the General Fund, Gasoline Tax Fund, and the Debt Service Fund when the budgeted receipts were greater than the actual receipts and actual resources were less than the current level of appropriations. Current appropriations exceeded actual resources in the General Fund by \$16,847, Gasoline Tax Fund by \$2,686, and the Debt Service Fund by \$5,835.

Contrary to Ohio law, the Township did not obtain a reduced certificate during 2003 for the General Fund, Motor Vehicle License Tax Fund, and the Gasoline Tax Fund when the budgeted receipts were greater than the actual receipts and actual resources were less than the current level of appropriations. Current appropriations exceeded actual resources in the General Fund by \$11,679, Motor Vehicle License Tax Fund by \$1,556, and the Gasoline Tax Fund by \$1,448.

Contrary to Ohio law, the Township, during 2003, had actual expenditures exceed appropriations in the Fire District Fund by \$13,366, the Debt Service Fund by \$7,176, and the Nonexpendable Trust Fund by \$126.

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(Continued)**

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by 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 payment, the first half is due December 31. The second half payment is due the following June 20.

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, 2003 was as follows:

	Principal	Interest Rate
Land Mortgage	\$6,120	1.875%
Dump Truck Loan	19,626	5%
Total	\$25,746	

The Land Mortgage is for land adjacent to the township hall. It was issued during 1997 and is payable in semi-annual payments. Interest is variable and changes on September first of every year. During 2003, the interest rate was 1.875%. The interest cannot change more than 2% each year and the maximum percentage is 10.95%.

The Dump Truck Loan was originally issued during 1996 for the purchase of a new dump truck, payable in semi-annual installments resulting in a five year maturity. During 1998, the township refinanced this note for \$38,676, with a new term of semi-annual payments of \$2,471 and a new maturity date of March 27, 2008.

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

	Land Mortgage	Dump Truck Loan	Total
Year ending December 31:			
2004	\$2,270	\$4,943	\$7,213
2005	2,270	4,943	7,213
2006	1,771	4,943	6,714
2007		4,943	4,943
2008		2,381	2,381
Total	\$6,311	\$22,153	\$28,464

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(Continued)**

**6. RETIREMENT SYSTEM**

The Township's elected officials and other employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is cost-sharing, multiple-employer plan. This plan provides 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 2003 and 2002, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2003 and 2002. The Township has paid all contributions required through December 31, 2003.

**7. RISK MANAGEMENT**

**Risk Pool Membership**

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association with approximately 600 governmental entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverage, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages. Effective September 1, 2002, the Plan retains 5% of the premium and losses on the first \$500,000 casualty treaty (up to \$25,000 of a loss) and 5% of the first \$1,000,000 property treaty (up to \$50,000 of a loss). The Plan also participates in a loss corridor in its first \$500,000 casualty reinsurance. The corridor includes losses paid between 55% and 65% of premiums earned under this treaty. (Reinsurance coverage would resume after a paid loss ratio of 65% is exceeded.) The individual members are only responsible for their self-retention (deductible) amounts, which vary from member to member.





## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Amanda Township  
Allen County  
1190 Mills Road  
Lima, Ohio 45806

To the Board of Trustees:

We have audited the financial statements of the Amanda Township, Allen County, (the "Township"), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated May 19, 2004, wherein we noted that the Township's financial transactions were processed using the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to conduct the audit of the Township because the Auditor of State designed, developed, implemented, and, as requested, operates UAN. 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 *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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2003-001 to 2003-004. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated May 19, 2004.

#### Internal Control Over Financial Reporting

In planning and performing our audit, 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 and that we have reported to management in a separate dated May 19, 2004.

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Amanda Township  
Allen County  
Independent Accountants' Report on Compliance and on Internal Control  
Required by *Governmental Auditing Standards*  
Page 2

This report is intended solely for the information and use of the management and 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

May 19, 2004

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2003 AND 2002**

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

**FINDING NUMBER 2003-001**

**Ohio Rev. Code Section 5705.10** requires all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose is to be paid into a special fund for such purpose. The Motor Vehicle License Tax Fund was established to account for the Township's share of monies levied under Ohio Rev. Code Sections 4504.15 and 4504.16 by the County or for monies under Ohio Rev. Code Section 4504.18 by the Township.

During 2002, \$4,295 of Motor Vehicle License Tax revenues were credited to the General Fund rather than the Motor Vehicle License Tax Fund. The accompanying financial statements have been adjusted to correct the posting of this receipt and the Township has posted the correction to the accounting records.

The Township should monitor the receipt and expenditure of monies into various funds and refer to the Township chart of accounts when there is a question of appropriate fund or account coding.

**FINDING NUMBER 2003-002**

**Ohio Rev. Code Section 5705.36** allows all subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources.

A reduced amended certificate must be obtained if the amount of the deficiency will reduce available resources below the current level of appropriation.

The Township did not obtain a reduced certificate during 2002 for the General Fund, Gasoline Tax Fund, and the Debt Service Fund when the budgeted receipts were greater than the actual receipts and actual resources were less than the current level of appropriations. Current appropriations exceeded actual resources in the General Fund by \$16,847, Gasoline Tax Fund by \$2,686, and the Debt Service Fund by \$5,835.

Contrary to Ohio law, the Township did not obtain a reduced certificate during 2003 for the General Fund, Motor Vehicle License Tax Fund, and the Gasoline Tax Fund when the budgeted receipts were greater than the actual receipts and actual resources were less than the current level of appropriations. Current appropriations exceeded actual resources in the General Fund by \$11,679, Motor Vehicle License Tax Fund by \$1,556, and the Gasoline Tax Fund by \$1,448.

The Township should develop procedures for actively monitoring the budget versus actual amounts.

<p style="text-align: center;"><b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b></p>
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**FINDING NUMBER 2003-003**

**Ohio Rev. Code Section 5705.41(B)** states that no subdivision or taxing unit is to expend money unless it has been appropriated.

There were three occurrences during 2003 in which actual fund expenditures exceeded the approved appropriations. The occurrences were in the Fire District Fund (\$13,366), Debt Service Fund (\$7,176) and the Nonexpendable Trust Fund (\$126). In addition, during 2003 the Township did not appropriate for transfers out (at the legal level of control) in the General Fund; however, transfers were made from the General Fund.

The Township should develop procedures for actively monitoring the budget versus actual amounts.

**FINDING NUMBER 2003-004**

**Ohio Rev. Code Section 5705.41(D)** states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Further, contracts and orders for expenditures lacking prior certificate should be considered null and void. If no certificate is issued at the time the contract or order is entered into, the fiscal officer may later certify that there were funds properly appropriated and in the treasury or in the process of collection and such funds are free from previous encumbrance both at the time the contract or order was entered into and at the time of payment. After certifying this, the fiscal officer may proceed to pay for such order or contract. If the amount involved is over \$1,000 (\$3,000 after April 7, 2003), the taxing authority must approve of such payment within 30 days of the date of the fiscal officer's certification.

50% of the transactions tested were not properly certified by the fiscal officer during the audit period. Then and now certifications were not obtained for these transactions.

The Township should review Ohio Rev. Code Section 5705.41(D) and implement procedures for certification of funds.

**AMANDA TOWNSHIP  
ALLEN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2003 AND 2002**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i><b>Explain:</b></i>
2001-001	ORC Sec. 507.09 (A) & (D) - Overpayment of Salary	Yes	Finding repaid through reduced salary during 2002
2001-002	ORC Sec. 507.09 (A) & (D) - Overpayment of Salary	Yes	Finding repaid through reduced salary during 2002
2001-003	ORC Sec. 507.09 (A) & (D) - Overpayment of Salary	Yes	Finding repaid through reduced salary during 2002
2001-004	ORC Sec. 507.09 (A) & (D) - Overpayment of Salary	Yes	Finding repaid through reduced salary during 2002
2001-005	ORC Sec. 5705.10 – Incorrect posting of revenues	No	The Clerk was posting MVLT receipts to the General Fund during 2002 & 2003
2001-006	ORC Sec. 5549.21 - Did not follow bidding requirements	No longer valid	During the current audit period, the Township did not purchase items or make contracts that required bidding
2001-007	ORC Sec. 5705.41(D) - Certification of funds	No	Partially corrected; the Clerk is utilizing “Then & Now” certifications but only sparingly.

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**Auditor of State  
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**AMANDA TOWNSHIP**

**ALLEN 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 22, 2004**