



**Auditor of State
Betty Montgomery**

**CHESTER TOWNSHIP
MEIGS COUNTY**

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Chester Township
Meigs County
P.O. Box 46
Chester, Ohio 45720

To the Board of Township Trustees:

We have audited the accompanying financial statements of Chester Township, Meigs County, Ohio (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 conduct the audit of the Township 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 Section 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code Sections 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 discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the combined fund cash balances of Chester Township, Meigs County, 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 July 20, 2004 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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Chester Township
Meigs County
Independent Accountants' Report
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This report is intended solely for the information and use of management, the Board of Township 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

July 20, 2004

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Nonexpendable Trust	
Cash Receipts:				
Local Taxes	\$24,186	\$56,214	\$	\$80,400
Intergovernmental	31,211	257,439		288,650
Licenses, Permits, and Fees		1,650		1,650
Earnings on Investments	176	351	192	719
Miscellaneous	4,071	50,194		54,265
Total Cash Receipts	59,644	365,848	192	425,684
Cash Disbursements:				
Current:				
General Government	59,923	4,417		64,340
Public Safety	300			300
Public Works		310,917		310,917
Health		29,910		29,910
Human Services		20		20
Debt Service:				
Redemption of Principal		60,000		60,000
Interest and Fiscal Charges		151		151
Total Cash Disbursements	60,223	405,415	0	465,638
Total Cash Receipts Over/(Under) Cash Disbursements	(579)	(39,567)	192	(39,954)
Other Financing Receipts/(Disbursements):				
Proceeds from Sale of Public Debt:				
Sale of Notes		60,000		60,000
Total Other Financing Receipts/(Disbursements)	0	60,000	0	60,000
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(579)	20,433	192	20,046
Fund Cash Balances, January 1	18,409	89,080	3,192	110,681
Fund Cash Balances, December 31	\$17,830	\$109,513	\$3,384	\$130,727

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

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Nonexpendable Trust	
Cash Receipts:				
Local Taxes	\$21,433	\$50,731	\$	\$72,164
Intergovernmental	41,649	80,766		122,415
Licenses, Permits, and Fees		1,950		1,950
Earnings on Investments	435	768	192	1,395
Miscellaneous	3,631	6,517		10,148
Total Cash Receipts	67,148	140,732	192	208,072
Cash Disbursements:				
Current:				
General Government	60,162			60,162
Public Safety	300			300
Public Works		109,554		109,554
Health		24,418		24,418
Human Services		4		4
Debt Service:				
Interest and Fiscal Charges		12		12
Other			1,153	1,153
Capital Outlay		18,480		18,480
Total Cash Disbursements	60,462	152,468	1,153	214,083
Total Cash Receipts Over/(Under) Cash Disbursements	6,686	(11,736)	(961)	(6,011)
Other Financing Receipts/(Disbursements):				
Proceeds from Sale of Public Debt:				
Sale of Notes		12,012		12,012
Total Other Financing Receipts/(Disbursements)	0	12,012	0	12,012
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	6,686	276	(961)	6,001
Fund Cash Balances, January 1	11,723	88,804	4,153	104,680
Fund Cash Balances, December 31	\$18,409	\$89,080	\$3,192	\$110,681

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

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Chester Township, Meigs 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 and cemetery maintenance. The Township contracts with the Chester Fire Department and the Bashan Fire Department to provide fire 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

Certificates of deposit are valued at cost.

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:

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

Cemetery Fund - This fund receives tax money from levies to maintain the Township's cemeteries.

FEMA Fund - This fund received money from the Federal Emergency Management

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Fiduciary Fund (Trust Fund)

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

Cemetery Bequest Fund – This fund receives interest on a certificate of deposit in the amount of \$3,000.

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 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 commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Township did not encumber all commitments as required by Ohio Law.

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

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.

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

2. EQUITY IN POOLED CASH

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

	2003	2002
Demand deposits	\$127,727	\$107,681
Certificates of deposit	3,000	3,000
Total deposits	\$130,727	\$110,681

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

3. BUDGETARY ACTIVITY

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

2003 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$56,049	\$59,644	\$3,595
Special Revenue	420,625	425,848	5,223
Nonexpendable Trust	192	192	0
Total	\$476,866	\$485,684	\$8,818

2003 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$74,458	\$60,223	\$14,235
Special Revenue	476,546	405,415	71,131
Nonexpendable Trust	392	0	392
Total	\$551,396	\$465,638	\$85,758

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$50,645	\$67,148	\$16,503
Special Revenue	125,768	152,744	26,976
Nonexpendable Trust	192	192	0
Total	\$176,605	\$220,084	\$43,479

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$62,369	\$60,462	\$1,907
Special Revenue	214,946	152,468	62,478
Nonexpendable Trust	1,497	1,153	344
Total	\$278,812	\$214,083	\$64,729

Appropriations exceeded the total estimated resources at December 31, 2003 in the Motor Vehicle License Tax Fund, Gasoline Tax Fund, and Road and Bridge Fund by \$7,511, \$14,631, and \$4,700, respectively. Appropriations exceeded total estimated resources at December 31, 2002 in the Cemetery Bequest Fund by \$152.

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 Township 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.

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, 2003 was as follows:

	Principal	Interest Rate
Tractor Lease	\$3,996	7.9%
Total	\$3,996	

The Township entered into a lease agreement with John Deere Credit, in 2002, for the purchase of a tractor. The original lease amount was for \$12,012 for 3 years, with annual payments of \$4,323. The lease is secured solely by the tractor itself. At the end of the lease agreement, the Township has the option to assume ownership of the tractor at no additional expense.

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

5. DEBT (Continued)

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

	<u>Tractor Lease</u>
Year ending December 31:	
2004	<u>\$4,323</u>
Total	<u><u>\$4,323</u></u>

6. RETIREMENT SYSTEMS

The Township's employees, as well as the Township Clerk and the Board of Township Trustees, belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a 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. PERS members contributed 8.5% of their wages. The Township contributed an amount equal to 13.55% of PERS 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 Government belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio local governments. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

OTARMA retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000 from the General Reinsurance Corporation.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

7. RISK MANAGEMENT (Continued)

Property Coverage

OTARMA retains property risks, including automobile physical damage, up to \$100,000 on any specific loss with an annual aggregate of \$1,250,000 for 2002. There is no aggregate for 2003 and future accident years. Beginning in 2003, OTARMA retains property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsures losses exceeding \$100,000. APEEP's Guarantee Fund pays losses and loss adjustment expenses exceeding operating contributions.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective township.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

<u>Casualty Coverage</u>	<u>2003</u>	<u>2002</u>
Assets	\$27,792,223	\$23,757,036
Liabilities	<u>(11,791,300)</u>	<u>(9,197,512)</u>
Retained earnings	<u>\$16,000,923</u>	<u>\$14,559,524</u>

<u>Property Coverage</u>	<u>2003</u>	<u>2002</u>
Assets	\$6,791,060	\$6,596,996
Liabilities	<u>(750,956)</u>	<u>(1,204,326)</u>
Retained earnings	<u>\$6,040,104</u>	<u>\$5,392,670</u>

8. CONTINGENT LIABILITIES

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



Auditor of State Betty Montgomery

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

Chester Township
Meigs County
P.O. Box 46
Chester, Ohio 45720

To the Board of Township Trustees:

We have audited the accompanying financial statements of Chester Township, Meigs County, Ohio (the Township), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated July 20, 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 and 2003-002. We also noted a certain immaterial instance of noncompliance that we have reported to management in a separate letter dated July 20, 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings as item 2003-003.

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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. 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. However, we do not believe the reportable condition described above is a material weakness. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management in a separate letter dated July 20, 2004.

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



Betty Montgomery
Auditor of State

July 20, 2004

**CHESTER TOWNSHIP
MEIGS COUNTY**

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

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2003-001

Noncompliance Citation

Ohio Rev. Code Section 5705.39 states that total appropriations from each fund shall not exceed the total estimated resources.

Appropriations exceeded the total estimated resources at December 31, 2003 in the Motor Vehicle License Tax Fund, Gasoline Tax Fund, and Road and Bridge Fund by \$7,511, \$14,631, and \$4,700, respectively. Appropriations exceeded total estimated resources at December 31, 2002 in the Cemetery Bequest Fund by \$152. This could result in deficit fund balances.

We recommend the Township monitor budgetary data to ensure that total appropriations from each fund do not exceed the total estimated resources.

FINDING NUMBER 2003-002

Noncompliance Citation

Ohio Revised Code Section 5705.41(D) states there is to be no contracts involving the expenditure of money to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract had been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriated fund free from any previous encumbrances.

The following exceptions to this basic requirement are provided by statute:

Then and Now Certificate: This exception provides that, if the fiscal officer can certify that both at the time that the contract or order was made and at the time that he is completing his certification, 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 taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal liability on the part of the subdivision or taxing district.

If the amount involved is less than \$1,000 dollars (which was increased to \$3,000 on April 7, 2003), the Village Clerk-Treasurer may authorize payment through a "then and now" certificate without affirmation of the Village Council, if such expenditure is otherwise valid.

The Township Clerk did not certify the amounts required to meet the expenditures prior to obligation and no corresponding "then and now" certificate was completed for 19% of the disbursement transactions tested in 2003, and 13% tested in 2002. This could lead to obligations being entered into when there is not sufficient funds available to cover the transaction.

We recommend the Board of Trustees implement procedures to ensure the Township Clerk has the opportunity to certify the availability of funds prior to incurring an obligation.

**CHESTER TOWNSHIP
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2003 AND 2002
(Continued)**

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

FINDING NUMBER 2003-003

Reportable Condition

The Township did not properly classify all receipts, such as Intergovernmental and Tax receipts. Manufactured Home Tax and Public Utility Deregulation receipts were posted as Miscellaneous. In addition, reimbursement of receipts from the Federal Emergency Management Agency (FEMA) Fund to other funds was posted as General Government expenditures in the FEMA Fund and as Intergovernmental receipts in the Motor Vehicle License Tax, Gasoline Tax, Cemetery and Road and Bridge Funds. Finally, the proceeds of a note were posted as Intergovernmental receipts. Appropriate adjustments and/or reclassifications have been made to the accompanying audited financial statements.

We recommend the Township carefully review all receipts and credited to the proper funds and line items. The Township Clerk should utilize the UAN chart of accounts, as well as the Township Handbook, to determine proper posting of receipts to the UAN system.

**CHESTER TOWNSHIP
MEIGS 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>Explain:</i>
2001-01	Ohio Rev. Code Section 5705.41(D)- Disbursements were not properly encumbered.	No	Not Corrected; Repeated as Finding 2003-002
2001-02	Reportable Condition- There were numerous posting errors of receipts.	No	Not Corrected; Repeated as Finding 2003-003
2001-03	Finding for Recovery- Trustee was reimbursed an amount greater than the average premium paid by the Township under the policies it procures.	Yes	Fully Corrected and Repaid



**Auditor of State
Betty Montgomery**

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CHESTER TOWNSHIP

MEIGS 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
AUGUST 26, 2004**