



**Auditor of State  
Betty Montgomery**



PEBBLE TOWNSHIP  
PIKE COUNTY

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Pebble Township  
Pike County  
21932 State Route 772  
Waverly, Ohio 45690

To the Board of Township Trustees:

We have audited the accompanying financial statements of Pebble Township, Pike 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 described in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Pebble Township, Pike 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 June 24, 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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Pebble Township  
Pike County  
Independent Accountants' Report  
Page 2

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 § 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

June 24, 2004

**PEBBLE TOWNSHIP  
PIKE COUNTY**

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

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$17,861	\$89,919	\$107,780
Intergovernmental	20,566	160,139	180,705
Earnings on Investments	499	998	1,497
Other Revenue	136	4,700	4,836
	<u>39,062</u>	<u>255,756</u>	<u>294,818</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
General Government	46,885	22,211	69,096
Public Safety		10,873	10,873
Public Works		84,851	84,851
Health		17,016	17,016
Debt Service:			
Redemption of Principal		65,452	65,452
Interest and Fiscal Charges		2,882	2,882
Capital Outlay		53,384	53,384
	<u>46,885</u>	<u>256,669</u>	<u>303,554</u>
<b>Total Cash Disbursements</b>			
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(7,823)</u>	<u>(913)</u>	<u>(8,736)</u>
<b>Other Financing Receipts:</b>			
Proceeds from Sale of Public Debt:			
Sale of Notes		46,511	46,511
	<u>0</u>	<u>46,511</u>	<u>46,511</u>
<b>Total Other Financing Receipts</b>			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	(7,823)	45,598	37,775
Fund Cash Balances, January 1	<u>16,061</u>	<u>64,892</u>	<u>80,953</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$8,238</b></u>	<u><b>\$110,490</b></u>	<u><b>\$118,728</b></u>

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

PEBBLE TOWNSHIP  
PIKE COUNTY

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

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$15,932	\$80,476	\$96,408
Intergovernmental	34,125	75,247	109,372
Earnings on Investments	428	805	1,233
Other Revenue	13	2,283	2,296
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	50,498	158,811	209,309
<b>Cash Disbursements:</b>			
Current:			
General Government	42,567	4,426	46,993
Public Safety		18,737	18,737
Public Works		71,570	71,570
Health		15,131	15,131
Debt Service:			
Redemption of Principal		90,964	90,964
Interest and Fiscal Charges		4,361	4,361
Capital Outlay	469	14,731	15,200
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	43,036	219,920	262,956
Total Cash Receipts Over/(Under) Cash Disbursements	<hr/>	<hr/>	<hr/>
	7,462	(61,109)	(53,647)
<b>Other Financing Receipts:</b>			
Proceeds from Sale of Public Debt:			
Sale of Notes		58,862	58,862
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts	0	58,862	58,862
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	7,462	(2,247)	5,215
Fund Cash Balances, January 1	8,599	67,139	75,738
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$16,061</u></b>	<b><u>\$64,892</u></b>	<b><u>\$80,953</u></b>

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



**PEBBLE TOWNSHIP  
PIKE COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Pebble Township, Pike 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, and fire protection.

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**

The Township had one checking account during the audit period.

**D. Fund Accounting**

The Township uses fund accounting to segregate cash that is 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:

Fire Special Levy Fund - This fund receives property tax money to purchase fire equipment and provide fire protection service to residents of the Township.

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

**PEBBLE TOWNSHIP  
PIKE COUNTY**

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

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

**E. Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and 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. Encumbrances outstanding at year end are canceled and re-appropriated in the subsequent year. The Township did not encumber all commitments 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.

**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:

	<u>2003</u>	<u>2002</u>
Demand deposits	<u>\$118,728</u>	<u>\$80,953</u>

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

**PEBBLE TOWNSHIP  
PIKE COUNTY**

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

**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	\$39,152	\$39,062	(\$90)
Special Revenue	250,443	302,267	51,824
Total	\$289,595	\$341,329	\$51,734

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$55,023	\$46,885	\$8,138
Special Revenue	220,249	256,669	(36,420)
Total	\$275,272	\$303,554	(\$28,282)

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$38,058	\$50,498	\$12,440
Special Revenue	183,522	217,673	34,151
Total	\$221,580	\$268,171	\$46,591

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$46,657	\$43,036	\$3,621
Special Revenue	250,660	219,920	30,740
Total	\$297,317	\$262,956	\$34,361

The Township had expenditures in excess of appropriations in the Fire Fund and FEMA Fund at December 31, 2003 and the Fire Fund at December 31, 2002.

**PEBBLE TOWNSHIP  
PIKE 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.

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:

<u>General Obligation Notes</u>	<u>Principal</u>	<u>Interest Rate</u>
Fire Truck	\$31,511	4.50%
Jaws of Life Equipment	11,515	4.00%
Total	<u>\$43,026</u>	

The fire truck note was for a new fire truck purchased in 1999. The original note was for \$100,000. The Jaws of Life Equipment note was for life rescue equipment purchased in 2003. The original note was for \$15,015. The notes are collateralized solely by the Township's taxing authority.

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

<u>Year Ending December 31:</u>	<u>Fire Truck Note</u>	<u>Jaws of Life Equipment</u>
2004	<u>\$32,944</u>	<u>\$12,131</u>

**6. RETIREMENT SYSTEMS**

The Township's elected officials and employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS are 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.

**PEBBLE TOWNSHIP  
PIKE COUNTY**

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

**7. RISK POOL MEMBERSHIP**

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. 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.

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 for losses and loss adjustment expenses should they exceed 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 government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and report 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	(11,791,300)	(9,197,512)
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	( 750,956)	(1,204,326)
Retained earnings	<u>\$ 6,040,104</u>	<u>\$ 5,392,670</u>

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**Auditor of State  
Betty Montgomery**

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

Pebble Township  
Pike County  
21932 State Route 772  
Waverly, Ohio 45690

To the Board of Township Trustees:

We have audited the accompanying financial statements of Pebble Township, Scioto County, Ohio (the Township), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated June 24, 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 through 2003-004. We also noted a certain immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated June 24, 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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township, in a separate letter dated June 24, 2004.

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Pebble Township  
Pike County  
Independent Accountants' Report on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of management and the Board of Township 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

June 24, 2004



**PEBBLE TOWNSHIP  
PIKE COUNTY**

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

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2003-001**

**Finding for Recovery**

Ohio Rev. Code § 505.24 provides that in a Township having a budget of more than two hundred fifty thousand dollars but not more than five hundred thousand dollars, the compensation for 2003 for a Trustee elected or appointed after December 8, 2000 is to be \$37.62 per day, not to exceed 200 days per year. Township Trustee, John Stephens, is serving a term from January 1, 2002 to December 31, 2005. The statutory salary was \$7,524 (\$37.62 x 200) for the Township Trustee for January 1, 2003 through December 31, 2003 based on the certificate of estimated resources. John Stephens received compensation of \$7,650 during 2003. This resulted in an overpayment for 2003 in the amount of \$126.00

Salary allowed for period January 1, 2003 – December 31, 2003 Budget: \$370,547	\$7,524.00
Amount Paid	\$7,650.00
Overpayment	\$ 126.00

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a finding for recovery for public money illegally expended is hereby issued against John Stephens, Township Trustee, Margaret Williams, Township Clerk, and the Ohio Township Association Risk Management Authority, their bonding company, jointly and severally in the amount of one hundred twenty-six dollars (\$126.00), in favor of the General Fund of Pebble Township.

**FINDING NUMBER 2003-002**

**Finding for Recovery**

Ohio Rev. Code § 505.24 provides that in a Township having a budget of more than two hundred fifty thousand dollars but not more than five hundred thousand dollars, the compensation for 2003 for a Trustee elected or appointed after December 8, 2000 is to be \$37.62 per day, not to exceed 200 days per year. Township Trustee, Clarence Lawson, is serving a term from January 1, 2002 to December 31, 2005. The statutory salary was \$7,524 (\$37.62 x 200) for the Township Trustee for January 1, 2003 through December 31, 2003 based on the certificate of estimated resources. Clarence Lawson received compensation of \$7,650 during 2003. This resulted in an overpayment for 2003 in the amount of \$126.00

Salary allowed for period January 1, 2003 – December 31, 2003 Budget: \$370,547	\$7,524.00
Amount Paid	\$7,650.00
Overpayment	\$ 126.00

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a finding for recovery for public money illegally expended is hereby issued against Clarence Lawson, Township Trustee, Margaret Williams, Township Clerk, and the Ohio Township Association Risk Management Authority, their bonding company, jointly and severally in the amount of one hundred twenty-six dollars (\$126.00), in favor of the General Fund of Pebble Township.

**PEBBLE TOWNSHIP  
PIKE COUNTY**

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

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2003-003**

**Noncompliance Citation**

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

- A. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that, both at the time that the contract or order was made and at the time she is completing her certification, a sufficient sum was appropriated and free of any previous encumbrances, the Board of Trustees may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate, if such expenditure is otherwise valid.
  
- B. If the amount involved is less than \$1,000 dollars (which was increased to \$3,000 on April 7, 2003), the fiscal officer may authorize it to be paid without the affirmation of the taxing authority, upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful.

"Then and now" certificates were not utilized and for 24% of the disbursements tested, funds were not certified as available to meet commitments until after the commitment was made.

We recommend that no orders involving the expenditure of money be made unless the Township Clerk has issued a certificate that the amount required has been lawfully appropriated and is in the treasury or in the process of collection.

**FINDING NUMBER 2003-004**

**Noncompliance Citation**

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

Expenditures exceeded appropriations in the Fire Fund by \$36,802 (28%), and in the FEMA Fund by \$24,603 (no appropriations) at December 31, 2003. Expenditures exceeded appropriations in the Fire Fund by \$7,075 (6%) at December 31, 2002.

The Township Clerk should deny payment requests exceeding appropriations. The Township Clerk may request the Trustees to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary.

**PEBBLE TOWNSHIP  
PIKE 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; <b><i>Explain:</i></b>
2001-40766-001	Ohio Rev. Code Section 5705.41(D), failure to certify funds	No	Not Corrected, reissued as Finding Number 2003-003.
2001-40766-002	Ohio Rev. Code Section 5705.41(B), expenditures exceeded appropriations	No	Not Corrected, reissued in Finding 2003-004.
2001-40766-003	Estimated receipts exceeded actual receipts	No	Not Corrected, reissued in Management Letter.





**Auditor of State  
Betty Montgomery**

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800-282-0370

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**PEBBLE TOWNSHIP**

**PIKE 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 10, 2004**