

**HOMER TOWNSHIP
MORGAN COUNTY
Regular Audit
December 31, 2005 and 2004**



**Auditor of State
Betty Montgomery**

Board of Trustees
Homer Township
9577 South Wrightstown Road
Amesville, Ohio 45711

We have reviewed the *Independent Accountants' Report* of Homer Township, Morgan County, prepared by Perry and Associates, CPA's, A.C. for the audit period January 1, 2004 through December 31, 2005. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State's Office (AOS). Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Accountants' Report* on your financial statements. While the AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Accountants' Report* also includes an opinion on the financial statements using the regulatory format the AOS permits.

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. Homer Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

August 24, 2006

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**HOMER TOWNSHIP
MORGAN COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT

June 28, 2006

Homer Township
Morgan County
9577 South Wrightstown Road
Amesville, OH 45711

To the Board of Trustees:

We have audited the accompanying financial statements of Homer Township, Morgan County, Ohio, (the Township) as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

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

Revisions to GAAP would require the Township to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2005 and 2004. Instead of the combined funds the accompanying financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately beginning in 2004. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Township has elected not to reformat its statements. Since the Township does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits.

Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2005 and 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2005 and 2004 or their changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Homer Township, Morgan County, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. The Government has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2006, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Respectfully Submitted,

Perry and Associates
Certified Public Accountants, A.C.

**HOMER TOWNSHIP
MORGAN 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, 2005**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service Projects</u>	<u>Fiduciary Funds</u>	
Cash Receipts:					
Local Taxes	\$47,636	\$26,983			\$74,619
Intergovernmental	16,060	140,645	9,823		166,528
Earnings on Investments	1,273			103	1,376
Total Cash Receipts	<u>64,969</u>	<u>167,628</u>	<u>9,823</u>	<u>103</u>	<u>242,523</u>
Cash Disbursements:					
Current:					
General Government	48,821				48,821
Public Safety		11,300			11,300
Public Works		102,827			102,827
Health	8,518			11	8,529
Human Services		8,640			8,640
Debt Service:					
Redemption of Principal/Interest			6,448		6,448
Interest and Fiscal Charges			3,380		3,380
Total Cash Disbursements	<u>57,339</u>	<u>122,767</u>	<u>9,828</u>	<u>11</u>	<u>189,945</u>
Total Cash Receipts Over/(Under) Disbursements	<u>7,630</u>	<u>44,861</u>	<u>(5)</u>	<u>92</u>	<u>52,578</u>
Other Financing Receipts and (Disbursements):					
Sale of Fixed Assets	600				600
Transfers-In		8,607			8,607
Transfers-Out		(8,607)			(8,607)
Total Other Financing Receipts/(Disbursements)	<u>600</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>600</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	8,230	44,861	(5)	92	53,178
Fund Cash Balances, January 1	<u>1,230</u>	<u>15,434</u>	<u>5</u>	<u>3,186</u>	<u>19,855</u>
Fund Cash Balances, December 31	<u>\$9,460</u>	<u>\$60,295</u>	<u>\$0</u>	<u>\$3,278</u>	<u>73,033</u>

**HOMER TOWNSHIP
MORGAN 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, 2004**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service Projects</u>	<u>Fiduciary Funds</u>	
Cash Receipts:					
Local Taxes	\$43,972	\$32,606			\$76,578
Intergovernmental	13,219	69,334	9,234		91,787
Earnings on Investments	591	206		36	833
Total Cash Receipts	<u>57,782</u>	<u>102,146</u>	<u>9,234</u>	<u>36</u>	<u>169,198</u>
Cash Disbursements:					
Current:					
General Government	61,861				61,861
Public Safety	330	11,271			11,601
Public Works		91,206			91,206
Health	7,269				7,269
Human Services		2,200			2,200
Miscellaneous				15	15
Redemption of Principal/Interest			8,948		8,948
Interest and Fiscal Charges			286		286
Capital Outlay		50,214			50,214
Total Cash Disbursements	<u>69,460</u>	<u>154,891</u>	<u>9,234</u>	<u>15</u>	<u>233,600</u>
Total Cash Receipts Over/(Under) Disbursements	<u>(11,678)</u>	<u>(52,745)</u>	<u>0</u>	<u>21</u>	<u>(64,402)</u>
Other Financing Receipts and (Disbursements):					
Note Proceeds		50,214			50,214
Sale of Fixed Assets	1,600				1,600
Transfers-In	3,064	3,064			6,128
Transfers-Out	(3,064)	(3,064)			(6,128)
Total Other Financing Receipts/(Disbursements)	<u>1,600</u>	<u>50,214</u>	<u>0</u>	<u>0</u>	<u>51,814</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>(10,078)</u>	<u>(2,531)</u>	<u>0</u>	<u>21</u>	<u>(12,588)</u>
Fund Cash Balances, January 1	<u>11,308</u>	<u>17,965</u>	<u>5</u>	<u>3,165</u>	<u>32,443</u>
Fund Cash Balances, December 31	<u>\$1,230</u>	<u>\$15,434</u>	<u>\$5</u>	<u>\$3,186</u>	<u>\$19,855</u>

**HOMER TOWNSHIP
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Homer Township, Morgan 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 general governmental services, including road and bridge maintenance (public works), cemetery maintenance (health), fire protection and emergency medical services (public safety). The Township contracts with the Village of Chesterhill, Village of Corning, Village of Jackson, Malta & McConnelsville Volunteer Fire Department and the Ames-Bern Amesville Volunteer Fighters, Inc. to provide fire protection and emergency medical 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

The certificate of deposit is valued at cost. The Township Clerk invests all available funds of the Township in an interest-bearing checking account.

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.

**HOMER TOWNSHIP
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Township has the following significant Special Revenue Funds:

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

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

Federal Emergency Management Agency – (FEMA) Fund – This fund received money from the Federal and State Emergency Management Agencies to provide flood damage relief.

3. Debt Service Funds

The debt service fund is used to accumulate resources for the payment of note indebtedness. The Township has the following Debt Service Fund:

General Note Retirement Fund – This fund receives property tax revenue to pay principal and interest due on the general obligation note.

4. Fiduciary Funds (Trust Funds)

These funds are used to account for resources restricted by legally binding trust agreements. The Township has the following significant Fiduciary Funds:

Nolan Cemetery Bequest Fund – This Nonexpendable Trust Fund receives interest from a certificate of deposit to pay for the cost of maintaining the Township's cemetery.

**HOMER TOWNSHIP
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(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. Unencumbered appropriations lapse at year-end.

2. Special Revenue Funds

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 carried over, and need not be reappropriated in the subsequent year.

A summary of 2005 and 2004 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 is not reflected as a liability under Township's basis of accounting.

**HOMER TOWNSHIP
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

2. EQUITY IN POOLED CASH

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

	2005	2004
Demand deposits	\$ 70,033	\$ 16,855
Certificate of Deposits	3,000	3,000
Total Deposits	\$ 73,033	\$ 19,855

Deposits are insured by the Federal Deposit Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2005 and 2004 follows:

2005 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$61,627	\$65,569	\$3,942
Special Revenue	164,548	176,235	11,687
Debt Service	9,828	9,823	(5)
Fiduciary	155	103	(52)
Total	\$236,158	\$251,730	\$15,572

2005 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$62,857	\$57,339	\$5,518
Special Revenue	179,982	131,374	48,608
Capital Project	9,828	9,828	0
Fiduciary	342	11	331
Total	\$253,009	\$198,552	\$54,457

**HOMER TOWNSHIP
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

2004 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$61,691	\$62,446	\$755
Special Revenue	142,069	155,424	13,355
Capital Projects	9,623	9,234	(389)
Fiduciary	69	36	(33)
Total	<u>\$213,452</u>	<u>\$227,140</u>	<u>\$13,688</u>

2004 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$73,541	\$72,524	\$1,017
Special Revenue	159,493	157,955	1,538
Capital Projects	9,626	9,234	392
Fiduciary	3,316	234	3,082
Total	<u>\$245,976</u>	<u>\$239,947</u>	<u>\$6,029</u>

4. DEBT

Debt outstanding at December 31, 2005 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Promissory Note	<u>\$43,765.30</u>	4.75 %

The promissory note for the tractor was issued in 2004 for \$50,213.85. The Township makes monthly payment on the note. The note is backed by the full faith and credit of the Township.

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

Year ending December 31:	<u>Promissory Notes</u>
2006	\$ 9,828.12
2007	9,828.12
2008	9,828.12
2009	9,828.12
2010	<u>9,828.12</u>
Total	<u>\$ 49,140.60</u>

**HOMER TOWNSHIP
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

5. 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.

6. RETIREMENT SYSTEMS

The Township's elected officials and employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multi-employer plan. This plan provides retirement benefits, including post retirement 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 2005 and 2004, members of PERS contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2005.

7. RISK MANAGEMENT

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.

**HOMER TOWNSHIP
MORGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004
(Continued)**

7. RISK MANAGEMENT (Continued)

Risk Pool Membership (Continued)

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 are reinsured with APEEP 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 in any one occurrence. The Travelers Indemnity Company reinsures losses exceeding \$100,000 up to \$500,000,000 per occurrence. 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, 2004 and 2003 (the latest information available):

<u>Casualty Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$30,687,203	\$27,792,223
Liabilities	(13,640,962)	(11,791,300)
Retained earnings	<u>\$17,046,241</u>	<u>\$16,000,923</u>

<u>Property Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$7,799,073	\$6,791,060
Liabilities	(753,906)	(750,956)
Retained earnings	<u>\$7,045,167</u>	<u>\$6,040,104</u>

Perry & Associates
Certified Public Accountants, A.C.

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

June 28, 2006

Homer Township
Morgan County
9577 South Wrightstown Road
Amesville, OH 45711

To the Board of Trustees:

We have audited the financial statements of Homer Township, Morgan County, (the Township) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated June 28, 2006, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Township's management dated June 28, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Homer Township
Morgan County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2005-001 and 2005-002. In a separate letter to the Township's management dated June 28, 2006, we reported matters related to noncompliance we deemed immaterial.

We intend this report solely for the information and use of management and Township Trustees. It is not intended for anyone other than these specified parties.

Perry and Associates
Certified Public Accountants, A.C.

**HOMER TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2005 AND 2004**

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

FINDING NUMBER 2005-001

Noncompliance Citation

Ohio Rev. Code § 5705.39 provides that the total appropriations from each fund shall not exceed the total estimated revenue. No appropriation measure shall become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate.

The Village had appropriations in excess of estimated resources during 2005 in the Fire Equipment Fund and the FEMA Fund and during 2004 in the General Fund, MVL Fund, Road and Bridge Fund and FEMA Fund.

We recommend the Township monitor receipts and request increased or reduced certificates as necessary. Further, we recommend the Township not appropriate more than the total estimated resources as certified.

Management's Response – We did not receive a response from officials to this finding.

**HOMER TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2005 AND 2004**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2003-001	ORC § 505.24 - Formal resolution to allow clerk to pay salaries from specified funds.	Yes	N/A
2003-002	ORC § 5705.36 – Certification from Co. Auditor for estimated resources.	Yes	N/A
2003-003	ORC § 5705.39 – Appropriations exceed total estimated revenues.	No	Not Corrected – Repeated as Finding 2005-001



**Auditor of State
Betty Montgomery**

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HOMER TOWNSHIP

MORGAN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 5, 2006**