

***DELAWARE TOWNSHIP  
DELAWARE COUNTY, OHIO***

***AUDIT REPORT***

***FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006***

***Charles E. Harris and Associates, Inc.***  
**Certified Public Accountants and Government Consultants**





# Mary Taylor, CPA

Auditor of State

Board of Trustees  
Delaware Township  
2590 Liberty Road  
Delaware, Ohio 43015

We have reviewed the *Report of Independent Accountants* of Delaware Township, Delaware County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2006 through December 31, 2007. 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. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Report of Independent Accountants* on your financial statements. While the Auditor of State 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 *Report of Independent Accountants* also includes an opinion on the financial statements using the regulatory format the Auditor of State 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. Delaware Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA  
Auditor of State

October 9, 2008

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**DELAWARE TOWNSHIP  
DELAWARE COUNTY, OHIO  
Audit Report  
For the Years Ended December 31, 2007 and 2006**

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***Charles E. Harris & Associates, Inc.***  
***Certified Public Accountants***

**REPORT OF INDEPENDENT ACCOUNTANTS**

Delaware Township  
Delaware County  
489 Curve Road  
Delaware, Ohio 43015

To the Board of Trustees:

We have audited the accompanying financial statements of Delaware Township, Delaware County (the Township), as of and for the years ended December 31, 2007 and 2006. 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 that 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, 2007 and 2006. Instead of the combined funds the accompanying financial statements present for 2007 and 2006, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2007 and 2006. 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, 2007 and 2006, 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, 2007 and 2006, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Township, as of December 31, 2007 and 2006, and its cash receipts and disbursements and changes in fund cash balances 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, 2007 and 2006. The Township 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 August 15, 2008, 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 do not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal controls 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.

***Charles E. Harris & Associates, Inc.***

August 15, 2008

**DELAWARE TOWNSHIP  
DELAWARE COUNTY  
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
For the Year Ended December 31, 2007**

	<u>Governmental Fund Types</u>			(Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Receipts:</b>				
Property and Other Local Taxes	\$ 143,646	\$ 57,095	\$ -	\$ 200,741
Licenses, permits and fees	18,414	-	-	18,414
Intergovernmental	130,226	88,979	-	219,205
Earnings on Investments	31,498	5,589	-	37,087
Miscellaneous	6,807	-	-	6,807
<b>Total Receipts</b>	<b>330,591</b>	<b>151,663</b>	<b>-</b>	<b>482,254</b>
<b>Disbursements:</b>				
<b>Current:</b>				
General Government	166,220	-	-	166,220
Public Works	-	138,406	-	138,406
Conservation-Recreation	43,131	-	-	43,131
<b>Total Cash Disbursements</b>	<b>209,351</b>	<b>138,406</b>	<b>-</b>	<b>347,757</b>
<b>Excess of Receipts Over/(Under) Disbursements</b>	<b>121,240</b>	<b>13,257</b>	<b>-</b>	<b>134,497</b>
<b>Fund Balance January 1, 2007</b>	<b>542,580</b>	<b>155,894</b>	<b>9,376</b>	<b>707,850</b>
<b>Fund Balance December 31, 2007</b>	<b>\$ 663,820</b>	<b>\$ 169,151</b>	<b>\$ 9,376</b>	<b>\$ 842,347</b>

See accompanying Notes to the Financial Statements.



**DELAWARE TOWNSHIP  
DELAWARE COUNTY  
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
For the Year Ended December 31, 2006**

	<u>Governmental Fund Types</u>			(Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Receipts:</b>				
Property and Other Local Taxes	\$ 134,809	\$ 54,341	\$ -	\$ 189,150
Licenses, permits and fees	20,187	-	-	20,187
Intergovernmental	44,296	93,194	-	137,490
Earnings on Investments	25,808	5,563	-	31,371
Miscellaneous	1,796	-	-	1,796
<b>Total Receipts</b>	<b>226,896</b>	<b>153,098</b>	<b>-</b>	<b>379,994</b>
<b>Disbursements:</b>				
<b>Current:</b>				
General Government	149,145	-	-	149,145
Public Works	-	124,126	-	124,126
Conservation-Recreation	31,423	-	-	31,423
<b>Total Cash Disbursements</b>	<b>180,568</b>	<b>124,126</b>	<b>-</b>	<b>304,694</b>
<b>Excess of Receipts Over/(Under) Disbursements</b>	<b>46,328</b>	<b>28,972</b>	<b>-</b>	<b>75,300</b>
<b>Fund Balance January 1, 2006</b>	<b>496,252</b>	<b>126,922</b>	<b>9,376</b>	<b>632,550</b>
<b>Fund Balance December 31, 2006</b>	<b>\$ 542,580</b>	<b>\$ 155,894</b>	<b>\$ 9,376</b>	<b>\$ 707,850</b>

See accompanying Notes to the Financial Statements.

**DELAWARE TOWNSHIP**  
**DELAWARE COUNTY, OHIO**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2007 and 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

Delaware Township, Delaware County, Ohio (the Township) is a body corporate and politic established for the purpose of exercising 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 government services, road and bridge maintenance, and parks and recreation maintenance. The Township contracts with the Tri-Township Fire District to provide fire services and the Delaware County Emergency Services to provide ambulance services.

The Township's management believes these financial statements included in this report represent all of the funds of the Township over which the Township has the ability to exercise direct operating control.

B. BASIS OF ACCOUNTING

The Township prepares its financial statements following 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.)

The statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. CASH

Investments are included in the fund cash balances. Accordingly, purchases of investments are not recorded as disbursements and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposits are valued at cost.

D. FUND ACCOUNTING

The Township maintains its accounting records in accordance with the principles of "Fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of

**DELAWARE TOWNSHIP**  
**DELAWARE COUNTY, OHIO**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2007 and 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. FUND ACCOUNTING - (Continued)

specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity, which stands separate from the activities reported in other funds. The restrictions associated with each class of funds are as follows:

Governmental Fund Types:

General Fund: The general operating fund of the Township. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

Special Revenue Funds: These funds are used to account for proceeds from special sources (other than from trusts or for capital projects) that are restricted to expenditures for specific purposes. The Township has the following significant Special Revenue funds:

- *Road District Fund* – This fund receives tax revenue levied for constructing, maintaining and repairing the Township roads and bridges.
- *Gasoline Tax Fund* – This fund receives gasoline tax money for constructing, maintaining and repairing Township roads.
- *Cemetery Fund* – This fund receives fees for cemetery services.

E. BUDGETARY PROCESS

A budget of estimated cash receipts and disbursements is prepared by the Clerk, approved by the Township Board of Trustees, and submitted to the county auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

1. Estimated Resources

The county auditor calculates the estimated revenues available to the Township. He prepares a certificate of estimated resources based upon this calculation and upon the other financial information supplied in the budget sent by the Township. The certificate is approved by the county budget commission and sent to the Township Clerk by September 1.

**DELAWARE TOWNSHIP**  
**DELAWARE COUNTY, OHIO**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2007 and 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. BUDGETARY PROCESS - (Continued)

1. Estimated Resources - (Continued)

Prior to December 31, the Township must revise its budget so that the total budgeted expenditures for a fund will not exceed the amount of estimated resources stated in the certificate of estimated resources. The revised budget serves as the basis for the annual appropriation measure.

On or about January 1, the Clerk sends the county auditor a certificate which includes the actual unencumbered balances from the preceding year. The county auditor prepares an amended certificate, submits it to the county budget commission for approval. This amended certificate may be further amended during the year if projected revenue increases or the Clerk identifies decreases in revenue.

Budgeted receipts, as shown in Note 4, do not include the unencumbered fund balances as of January 1, 2006 and 2007. However, those fund balances are available for appropriation.

2. Appropriations

A temporary appropriation measure to control cash expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by March 31 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

3. Encumbrances

The Township is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The sum of expenditures and encumbrances may not exceed appropriated totals at any level of budgetary control. The legal level of control is the fund, function and object level.

Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding year without being re-appropriated.

**DELAWARE TOWNSHIP  
DELAWARE COUNTY, OHIO  
Notes to the Financial Statements  
For the Years Ended December 31, 2007 and 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. PROPERTY, PLANT AND EQUIPMENT

Acquisitions of property, plant and equipment are recorded as capital outlay 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 CASH EQUIVALENTS

The Township maintains a cash and investment 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>2007</u>	<u>2006</u>
Demand Deposits	\$ 619,325	\$ 282,585
Certificates of Deposit	223,022	425,265
Total Deposits	<u>\$ 842,347</u>	<u>\$ 707,850</u>

Deposits: Deposits are either (1) insured by the Federal Deposit Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

3. PROPERTY TAXES

Real property taxes are levied on assessed values, which equal 35% of appraised value. The county auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 2004.

Real property taxes become a lien on all non-exempt real property located in the county on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

**DELAWARE TOWNSHIP  
DELAWARE COUNTY, OHIO  
Notes to the Financial Statements  
For the Years Ended December 31, 2007 and 2006**

3. PROPERTY TAXES – (continued)

The State Board of Tax Equalization adjusts the tax rates for inflation. Real property owners' tax bills are further reduced by homestead and rollback deductions when applicable. The amount of these homestead and rollback reductions is reimbursed to the Township by the State of Ohio. The amounts reimbursed by the State of Ohio are reflected in the accompanying financial statements as intergovernmental receipts.

Public utilities are also taxed on personal and real property located within the Township.

Tangible personal property tax is assessed on the property owners, who must file a list of such property to the County by each April 30, assess tangible personal property tax.

The County Treasurer collects property tax on behalf of all taxing authorities within the county. The County Auditor periodically remits to the taxing authorities their portions of the taxes collected.

4. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2007 and 2006 follows:

<b>2007 Budgeted vs Actual Budgetary Basis Expenditures</b>			
<u>Funds</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 535,289	\$ 209,351	\$ 325,938
Special Revenue	205,000	138,406	66,594
<b>Total</b>	<b><u>\$ 740,289</u></b>	<b><u>\$ 347,757</u></b>	<b><u>\$ 392,532</u></b>

<b>2006 Budgeted vs Actual Budgetary Basis Expenditures</b>			
<u>Funds</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 548,764	\$ 180,568	\$ 368,196
Special Revenue	235,500	124,126	111,374
<b>Total</b>	<b><u>\$ 784,264</u></b>	<b><u>\$ 304,694</u></b>	<b><u>\$ 479,570</u></b>

**DELAWARE TOWNSHIP  
DELAWARE COUNTY, OHIO  
Notes to the Financial Statements  
For the Years Ended December 31, 2007 and 2006**

4. BUDGETARY ACTIVITY – (Continued)

2007 Budgeted vs Actual Receipts			
Funds	Budgeted Receipts	Actual Receipts	Variance
General	\$ 248,182	\$ 330,591	\$ 82,409
Special Revenue	146,112	151,663	5,551
<b>Total</b>	<b>\$ 394,294</b>	<b>\$ 482,254</b>	<b>\$ 87,960</b>

2006 Budgeted vs Actual Receipts			
Funds	Budgeted Receipts	Actual Receipts	Variance
General	\$ 209,701	\$ 226,896	\$ 17,195
Special Revenue	123,423	153,098	29,675
<b>Total</b>	<b>\$ 333,124</b>	<b>\$ 379,994</b>	<b>\$ 46,870</b>

5. RETIREMENT SYSTEM

Employees of the Township belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a state operated, 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 prescribed by the Ohio Revised Code. OPERS members contributed 9% and 9.5% and of their gross pay while the Township contributed an amount equal to 13.70% and 13.85% of covered payroll in 2006 and 2007, respectively. The Township paid all required contributions through 2007.

6. RISK MANAGEMENT

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Settled Claims have not exceeded this commercial coverage in any of the last three years. There have been no significant reductions in insurance coverage from last year.

**DELAWARE TOWNSHIP**  
**DELAWARE COUNTY, OHIO**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2007 and 2006**

6. RISK MANAGEMENT- (continued)

The Township also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

7. CONTINGENT LIABILITES/SUBSEQUENT EVENTS

Management believes there are no pending claims or lawsuits.



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Fax - (216) 436-2411

***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Delaware Township  
Delaware County  
489 Curve Road  
Delaware, Ohio 43015

To the Board of Trustees:

We have audited the financial statements of Delaware Township, Delaware County, Ohio, (the Township) as and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated August 15, 2008, wherein we noted the Township follows 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting practices prescribed or permitted by the Auditor of State of Ohio such that there is more than a remote likelihood that a misstatement of the Township's financial statements that is more than inconsequential will not be prevented or detected by the Township's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Township's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

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, grant agreements and other matters, 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 several instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2007-001 and 2007-002.

The Township's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Township's responses and, accordingly, we express no opinion on them.

We noted other matters that we have reported to management of the Township in a separate letter dated August 15, 2008.

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

***Charles E. Harris & Associates, Inc.***

August 15, 2008

**DELAWARE TOWNSHIP  
DELAWARE COUNTY, OHIO  
Schedule of Audit Findings  
For the Years Ended December 31, 2007 and 2006**

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

Finding Number: 2007-001 – Noncompliance Citation

Ohio Revised Code Section 5705.39 states, in part, that "... The total appropriations from each fund shall not exceed the total of the estimated resources available for expenditure there from, as certified by the budget commission..." This section also provides that no appropriation measure shall become effective until the Township obtains the County Auditor's certificate that total appropriations from each fund do not exceed the total official estimate or amended official estimate when amending estimated resources. Contrary to this requirement, the following funds had total appropriations in excess of estimated resources plus carryover balances for 2006:

Fund	Estimated Resources	Appropriations	Variance
Special Revenue-Gasoline Tax	\$ 132,205	\$ 144,500	\$ (12,295)

We recommend the Township monitor estimated resources versus appropriations as necessary to comply with budgetary requirements.

Management indicated they will monitor budgetary information more regularly to comply with the Ohio Revised Code.

Finding Number: 2007-002 – Noncompliance Citation

Ohio Revised Code Section 5705.41 (B) states that no subdivision shall make any expenditure of money unless it has been appropriated as provided in such chapter. Furthermore, Ohio Administrative Code 117-2-02 states that all local public offices should integrate the budgetary accounts, at the legal level of control which is the object level for all funds. In 2007, the following fund had total expenditures plus encumbrances in excess of appropriations:

Fund	Appropriations	Expenditures Plus Encumbrances	Variance
Special Revenue Fund-Street	\$ 500	\$ 11,548	\$ (11,048)

We recommend the Township monitor appropriations and expenditures plus encumbrances regularly and amend appropriations as necessary to avoid overspending.

Management agrees and will monitor expenditures compared to appropriations to comply with Ohio Revised Code requirements.

DELAWARE TOWNSHIP  
DELAWARE COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2007 and 2006

The prior audit report, for the years ending December 31, 2005 and 2004, reported no material citations or recommendations.



**Mary Taylor, CPA**  
Auditor of State

**DELAWARE TOWNSHIP**

**DELAWARE 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  
NOVEMBER 6, 2008**