

Huntington Township
Brown County, Ohio

Regular Audit

For the Years Ended December 31, 2010 and 2009
Fiscal Years Audited Under GAGAS: 2010 and 2009



Balestra, Harr & Scherer, CPAs, Inc.

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Dave Yost • Auditor of State

Board of Trustees
Huntington Township
2164 State Route 763
Aberdeen, Ohio 45101

We have reviewed the *Independent Auditor's Report* of Huntington Township, Brown County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period January 1, 2009 through December 31, 2010. 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 *Independent Auditor's Report* 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 *Independent Auditor's Report* 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. Huntington Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

May 11, 2011

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Brown County
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Independent Auditor's Report

Huntington Township
Brown County
2164 State Route 763
Aberdeen, Ohio 45101

To the Board of Trustees:

We have audited the accompanying financial statements of Huntington Township, Brown County, Ohio (the Township), as of and for the years ended December 31, 2010 and 2009. 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.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. 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 GAAP presentation requirements. The Auditor of State permits, but does not require Townships to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. 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, 2010 and 2009 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, 2010 and 2009, 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 and reserves for encumbrances of Huntington Township, Brown County, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

Huntington Township
Brown County
Independent Auditors' Report
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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 April 25, 2011, 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.



Balestra, Harr & Scherer, CPAs, Inc.

April 25, 2011

**HUNTINGTON 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, 2010**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
Cash Receipts:				
Property Taxes	\$ 43,741	\$ 134,261	\$ -	\$ 178,002
Intergovernmental	26,610	124,692	-	151,302
Charges for Services	-	61,439	-	61,439
Licenses, Permits, and Fees	-	3,400	-	3,400
Earnings on Investments	335	631	21	987
Miscellaneous	1,487	7,440	-	8,927
	<u>72,173</u>	<u>331,863</u>	<u>21</u>	<u>404,057</u>
Cash Disbursements:				
Current:				
General Government	69,555	-	-	69,555
Public Safety	-	162,019	-	162,019
Public Works	-	84,976	-	84,976
Health	-	10,952	9	10,961
Debt Service:				
Redemption of Principal	-	24,074	-	24,074
Interest and Fiscal Charges	-	1,243	-	1,243
	<u>69,555</u>	<u>283,264</u>	<u>9</u>	<u>352,828</u>
Total Cash Receipts Over/(Under) Cash Disbursements	2,618	48,599	12	51,229
Fund Cash Balances, January 1	<u>9,247</u>	<u>276,753</u>	<u>2,205</u>	<u>288,205</u>
Fund Cash Balances, December 31	<u><u>\$ 11,865</u></u>	<u><u>\$ 325,352</u></u>	<u><u>\$ 2,217</u></u>	<u><u>\$ 339,434</u></u>

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

**HUNTINGTON TOWNSHIP
BROWN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
Cash Receipts:				
Property Taxes	\$ 42,200	\$ 129,427	\$ -	\$ 171,627
Intergovernmental	24,668	118,599	-	143,267
Charges for Services	-	60,042	-	60,042
Fines, Licenses, and Permits	-	4,100	-	4,100
Earnings on Investments	564	1,184	42	1,790
Miscellaneous	-	17,901	-	17,901
Total Cash Receipts	<u>67,432</u>	<u>331,253</u>	<u>42</u>	<u>398,727</u>
Cash Disbursements:				
Current:				
General Government	74,805	-	-	74,805
Public Safety	-	136,376	-	136,376
Public Works	-	64,869	-	64,869
Health	-	7,200	21	7,221
Capital Outlay	-	199,647	-	199,647
Debt Service:				
Redemption of Principal	-	22,796	-	22,796
Interest and Fiscal Charges	-	2,263	-	2,263
Total Cash Disbursements	<u>74,805</u>	<u>433,151</u>	<u>21</u>	<u>507,977</u>
Total Cash Receipts Over/(Under) Cash Disbursements	(7,373)	(101,898)	21	(109,250)
Fund Cash Balances, January 1	<u>16,620</u>	<u>378,651</u>	<u>2,184</u>	<u>397,455</u>
Fund Cash Balances, December 31	<u>\$ 9,247</u>	<u>\$ 276,753</u>	<u>\$ 2,205</u>	<u>\$ 288,205</u>
Reserve for Encumbrances, December 31	<u>\$ 21,436</u>	<u>\$ 271,948</u>	<u>\$ 222</u>	<u>\$ 293,606</u>

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

Huntington Township
Brown County, Ohio
Notes to the Financial Statements
For the Years Ended December 31, 2010 and 2009

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Huntington Township, Brown County (the Township), as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides general governmental services, road and bridge maintenance, cemetery maintenance, fire protection, and emergency medical services.

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio Townships. Note 7 to the financial statements provides additional information for this entity.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

C. Cash and Deposits

The Township deposits all available funds in an interest earning checking account and certificates of deposit at a local commercial bank.

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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose 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 to pay for constructing, maintaining, and repairing Township roads.

Motor Vehicle License Tax Fund – This fund receives motor vehicle license tax money to construct, maintain, and repair Township roads.

Huntington Township
Brown County, Ohio
Notes to the Financial Statements
For the Years Ended December 31, 2010 and 2009
(Continued)

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

Cemetery Fund – This fund receives property tax money, fees for the opening and closing of graves, and sale of lots for maintaining the cemeteries.

Fire Fund & EMS Levy Fund – This fund receives property tax money and grants for fire protection and emergency medical services of Township residents.

Life Squad Fund – This fund receives charges for services for emergency medical services.

3. Permanent Funds

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Township's programs. The Township had the following permanent funds:

Seeks Trust Fund and Brookover Trust Fund - These funds receive interest earned on the nonexpendable corpus from trust agreements. The earnings are used for the general maintenance and upkeep of the township's cemetery.

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 or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end December 31, 2009 were carried over, and need not be re-appropriated. Encumbrances outstanding at year end December 31, 2010 were canceled, and reappropriated in the subsequent year.

A summary of 2010 and 2009 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Huntington Township
Brown County, Ohio
Notes to the Financial Statements
For the Years Ended December 31, 2010 and 2009
(Continued)

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2010	2009
Demand Deposits	\$ 325,022	\$ 270,933
Certificates of Deposit	14,412	17,272
Total Deposits	\$ 339,434	\$ 288,205

Deposits: Deposits are either insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution for its public deposits.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2010 and 2009 follows:

2010 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 73,328	\$ 72,173	\$ (1,155)
Special Revenue	334,294	331,863	(2,431)
Permanent	42	21	(21)
Total	\$ 407,664	\$ 404,057	\$ (3,607)

2010 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 82,576	\$ 69,555	\$ 13,021
Special Revenue	611,045	283,264	327,781
Permanent	247	9	238
Total	\$ 693,868	\$ 352,828	\$ 341,040

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 79,931	\$ 67,432	\$ (12,499)
Special Revenue	353,161	331,253	(21,908)
Permanent	73	42	(31)
Total	\$ 433,165	\$ 398,727	\$ (34,438)

Huntington Township
Brown County, Ohio
Notes to the Financial Statements
For the Years Ended December 31, 2010 and 2009
(Continued)

3. BUDGETARY ACTIVITY (Continued)

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 96,552	\$ 96,241	\$ 311
Special Revenue	722,930	705,099	\$ 17,831
Permanent	257	243	\$ 14
Total	\$ 819,739	\$ 801,583	\$ 18,156

See Note 8 for details of material noncompliance with Ohio Budgetary Laws.

4. DEBT

Debt outstanding at December 31, 2010 was as follows:

	Principal	Interest Rate
Fire House Improvement Note	\$ 9,354	5.70%
Tractor Installment Purchase	5,912	0.00%
Total	\$ 15,266	

The Fire House Improvement Note was issued in 2001 to finance the improvement of the fire house. The loan is collateralized by 1.8975 acres of real estate plus improvements located in Huntington Township. The tractor installment purchase was entered into in 2008.

The 2008 Fire Truck Loan was issued on April 23, 2007 for a five year period. The loan was collateralized by the fire truck.

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

	Fire House Improvement Note	Tractor Installment Purchase
Year ending December 31: 2011	\$ 9,832	\$ 5,912
	\$ 9,832	\$ 5,912

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Huntington Township
Brown County, Ohio
Notes to the Financial Statements
For the Years Ended December 31, 2010 and 2009
(Continued)

5. PROPERTY TAX (Continued)

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 SYSTEM

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

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2010.

7. RISK MANAGEMENT

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of OTARMA and provides underwriting, claims, loss control, risk management, and reinsurance services for OTARMA. OTARMA is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. 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 and Property Coverage

APEEP provides OTARMA with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2009, OTARMA retained \$350,000 for casualty claims and \$150,000 for property claims.

The aforementioned casualty and property reinsurance agreement does 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 to the generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2009 and 2008:

Huntington Township
Brown County, Ohio
Notes to the Financial Statements
For the Years Ended December 31, 2010 and 2009
(Continued)

7. RISK MANAGEMENT (Continued)

	<u>2009</u>	<u>2008</u>
Assets	\$ 38,982,088	\$ 40,737,740
Liabilities	<u>(12,880,766)</u>	<u>(12,981,818)</u>
Retained Earnings	<u>\$ 26,101,322</u>	<u>\$ 27,755,922</u>

At December 31, 2009 and 2008, respectively, the liabilities above include approximately \$12.0 and \$12.1 million of estimated incurred claims payable. The assets above also include approximately \$11.5 and \$10.9 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2009 and 2008, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$7,800.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership. The Township's contributions to OTARMA for the past three years are as follows:

Contributions to OTARMA	
2008	\$ 3,165
2009	\$ 3,041
2010	\$ 3,902

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

8. COMPLIANCE

Contrary to Ohio Law, the Township over estimated receipts and appropriated more than available for appropriation.



Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Huntington Township
Brown County
2164 State Route 763
Aberdeen, Ohio 45101

To the Board of Trustees:

We have audited the financial statements of Huntington Township, Brown County, Ohio, (the Township) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated April 25, 2011, 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 as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and timely corrected. We consider finding 2010-002 described in the accompanying schedule of findings to be a material weakness.

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 an instance of noncompliance or other matters that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2010-001.

Huntington Township
Brown County
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

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 intend this report solely for the information and use of management, the Board of Trustees, and others within the Township. We intend it for no one other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.
April 25, 2011

**HUNTINGTON TOWNSHIP
BROWN COUNTY
DECEMBER 31, 2010 AND 2009
SCHEDULE OF FINDINGS**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING 2010-001

Noncompliance Citation

Ohio Rev. Code, Section 5705.36(A), provides in part that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency. Actual receipts were less than estimated receipts and the deficiency reduced available resources below the level of current appropriations:

Fund	Available Resources (Beginning Fund Balance plus Actual Receipts)	Appropriations	Variance
2010			
General Fund	\$ 81,422	\$ 82,576	\$ (1,154)
Gasoline Tax Fund	156,252	157,822	(1,570)
Cemetery Fund	25,487	26,187	(700)
Life Squad Fund	129,531	130,231	(700)
2009			
General Fund	\$ 84,053	\$ 96,552	\$ (12,499)
Motor Vehicle License Tax Fund	27,531	28,421	(890)
Gasoline Tax Fund	185,096	189,117	(4,021)
Cemetery Fund	24,647	28,329	(3,682)
Fire District Fund	225,480	237,795	(12,315)

Over estimating receipts could result in spending more funds than received. When it is determined receipts are going to be less than originally estimated, an amended certificate should be obtained and appropriations reduced, if necessary.

Client's response:

The Township will try to watch this and file an amended certificate.

**HUNTINGTON TOWNSHIP
BROWN COUNTY
DECEMBER 31, 2010 AND 2009
SCHEDULE OF FINDINGS**

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

FINDING 2010-002

Material Weakness

The following significant transactions were not posted to the correct transaction line-item account and were reported improperly on the annual financial report financial statements:

Fund	Item	Amount	Financial Statement Transaction Line-item Reported	Corrected Financial Statement Transaction Line-Item
2009				
Special Revenue - Fire & EMS Levy Fund	Ambulance	\$ 132,962	Public Safety	Capital Outlay
Special Revenue - Gasoline Tax Fund	Road Re-surfacing	\$ 66,685	Public Works	Capital Outlay

Failure to properly post transactions resulted in transactions be inaccurately classified in the annual report. The reclassifications were made to the accompanying financial statements to the significant items. The Township should review the chart of accounts in the *Ohio Township Handbook* to assure that items are being posted to the proper account codes.

Client's response:

The Fiscal Officer will find out which expenditures should be classified as capital outlay and record in the proper account code in the future.

**HUNTINGTON TOWNSHIP
BROWN COUNTY
DECEMBER 31, 2010 AND 2009**

SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2008-001	ORC Section 5705.36 (A) – appropriations exceeding available resources	No	Reissued as 2010-001
2008-002	Material Weakness – improper reporting	No	Reissued as 2010-002

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Dave Yost • Auditor of State

HUNTINGTON TOWNSHIP

BROWN 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
MAY 24, 2011**