

**LETART TOWNSHIP  
MEIGS COUNTY**

**AUDIT REPORT**

**JANUARY 1, 2018 - DECEMBER 31, 2019**



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Board of Trustees  
Letart Township  
49115 Manual Rd  
Racine, OH 45771

We have reviewed the *Independent Auditor's Report* of Letart Township, Meigs County, prepared by Wilson, Phillips & Agin, CPA's, Inc., for the audit period January 1, 2018 through December 31, 2019. 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.

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

September 24, 2020

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**LETART TOWNSHIP  
MEIGS COUNTY  
JANUARY 1, 2018 - DECEMBER 31, 2019**

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**WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT**

Letart Township  
Meigs County  
49115 Manuel Road  
Racine, Ohio 45771

To the Township Trustees:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type and related notes of the Letart Township, Meigs County, as of and for the years ended December 31, 2019 and 2018.

**Management's Responsibility For the Financial Statements**

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 2 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States, to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis permitted is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Letart Township, Meigs County as of December 31, 2019 and 2018, or changes in financial position thereof for the years then ended.

#### **Basis for Qualified Opinion on Regulatory Basis of Accounting**

The Township did not adjust the 2013 or 2012 financial statements to reflect the findings for adjustments.

Contrary to the Ohio Revised Code, the Township allocated trustees' salaries to restricted funds without certifying hours spent providing these services to the Township. The Township has declined to adjust its financial statements or accounting records. Had these expenditures been debited to the General Fund, the net effect would be a decrease in the General Fund cash balance at December 31, 2013 of \$34,648 and increases in the Gasoline Tax Fund and the Road & Bridge Fund cash fund balances of \$24,702 and \$9,946, respectively.

#### **Qualified Opinion on Regulatory Basis of Accounting**

In our opinion, except for the effects of the matter discussed in the *Basis for Qualified Opinion on Regulatory Basis of Accounting* paragraph, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Letart Township, Meigs County as of December 31, 2019 and 2018, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

#### **Emphasis of Matter**

As discussed in Note 12 to the 2019 financial statements, during 2020, the impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated April 9, 2020, on our consideration of Letart 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. That report describes the scope of our internal control testing over financial reporting and compliance and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
April 9, 2020



**LETART TOWNSHIP  
MEIGS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Permanent	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$ 27,451	\$ 78,134	\$ -	\$ 105,585
Licenses, Permits and Fees	2,000	13,101	-	15,101
Intergovernmental	19,564	121,440	-	141,004
Earnings on Investments	201	84	9	294
Miscellaneous	11,222	9,530	-	20,752
<b>Total Cash Receipts</b>	60,438	222,289	9	282,736
<b>Cash Disbursements:</b>				
Current:				
General Government	67,120	9,916	-	77,036
Public Safety	-	46,032	-	46,032
Public Works	-	141,429	-	141,429
Health	-	54,489	2,451	56,940
Human Services	-	1,190	-	1,190
Capital Outlay	-	16,298	-	16,298
Debt Service:				
Principal Retirement	4,611	9,167	-	13,778
Interest and Fiscal Charges	133	114	-	247
<b>Total Cash Disbursements</b>	71,864	278,635	2,451	352,950
<b>Excess of Receipts Over (Under) Disbursements</b>	(11,426)	(56,346)	(2,442)	(70,214)
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	1,292	-	1,292
Transfers Out	(1,292)	-	-	(1,292)
Advances In	-	645	-	645
Advances Out	(645)	-	-	(645)
Other Financing Uses	(1,240)	-	-	(1,240)
<b>Total Other Financing Receipts (Disbursements)</b>	(3,177)	1,937	-	(1,240)
<b>Net Change in Fund Cash Balance</b>	(14,603)	(54,409)	(2,442)	(71,454)
<b>Fund Cash Balances, January 1</b>	12,522	76,317	46,174	135,013
<b>Fund Cash Balances, December 31</b>				
Nonspendable	-	-	43,357	43,357
Restricted	-	17,947	375	18,322
Committed	-	3,961	-	3,961
Unassigned (Deficit)	(2,081)	-	-	(2,081)
<b>Fund Cash Balances, December 31</b>	\$ (2,081)	\$ 21,908	\$ 43,732	\$ 63,559

See notes to financial statements.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**1. REPORTING ENTITY**

**Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of Letart Township, Meigs County, (the Township) as a body corporate and politic. A publically-elected three-member Board of Trustees directs the Township. The Township provides general governmental services, road and bridge maintenance, cemetery maintenance, and fire protection. The Township contracts with the Village of Racine to provide fire protection services.

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA) public entity risk pool. Note 6 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.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary and fiduciary fund types which are organized on a fund type basis.

**B. Fund Accounting**

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

**General Fund**

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds**

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

**Gasoline Tax Fund** – This fund receives gasoline tax monies to pay for constructing, maintaining, and repairing Township roads.

**Road & Bridge Fund** – This fund receives property tax monies to pay for constructing, maintaining, and repairing Township roads and bridges.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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

**Permanent Funds**

These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Cemetery Endowment Fund** – This fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery.

**C. Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code 117-2-03(D). 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code 117-2-03(D) permit.

**D. Budgetary Process**

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

**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 Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**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 approve estimated resources.

**Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2019 appear in Note 3.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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

**E. Deposits and Investments**

The Township's accounting basis includes investment as assets. This basis does not record disbursement for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**F. Capital Assets**

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

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**H. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Nonspendable**

The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Committed**

Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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

**Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 46,991	\$ 60,438	\$ 13,447
Special Revenue	179,256	223,581	44,325
Permanent	-	9	9
Total	\$ 226,247	\$ 284,028	\$ 57,781

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ -	\$ 74,396	\$ (74,396)
Special Revenue	-	278,635	(278,635)
Permanent	-	2,451	(2,451)
Total	\$ -	\$ 355,482	\$ (355,482)

Contrary to ORC 5705.41(D), the Township made expenditures prior to certification.

Contrary to ORC 5705.38(A), the Township did not file appropriations with the county auditor.

Contrary to ORC 5705.41(B), all funds had expenditures exceeding appropriations.

**4. EQUITY IN POOLED CASH**

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

	2019
Demand deposits	\$ 19,415
Certificates of deposit	44,144
Total Deposits	\$ 63,559

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

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**5. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Township Trustees. 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.

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

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**6. RISK MANAGEMENT**

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2019</u>
Cash and investments	\$35,207,320
Actuarial liabilities	10,519,942

**7. DEFINED BENEFIT PENSION PLANS**

The Township's full-time employees belong to the Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple employer plan. The Ohio Revised Code prescribes the plan benefits, which include postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2019, OPERS members contributed 10.0% of their gross wages and the Township contributed an amount equal to 14.0% of participant's gross salaries. The Township has paid all contributions required through December 31, 2019.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**8. POSTEMPLOYMENT BENEFITS**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2019.

**9. DEBT**

Debt outstanding at December 31, 2019 was as follows:

	Principal	Interest rate
Backhoe Loan	\$ 36,976	3%
Total	\$ 36,976	

The Township obtained a bank loan during 2017 to finance the purchase of a new backhoe to be used at the cemetery. The backhoe collateralized the loan. This loan will be paid in monthly installments over 5 years with interest at 7%.

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

Year Ended December 31	Backhoe Loan
2020	15,300
2021	15,300
2022	7,650
Total	\$ 38,250

**10. PUBLIC ENTITY RISK POOL**

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio local governments. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims exceeding the member's deductible.

**11. CONTINGENT LIABILITIES**

The Township may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Township's financial condition.

**12. SUBSEQUENT EVENTS**

The United State and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**LETART TOWNSHIP  
MEIGS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Permanent	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$ 32,447	\$ 94,340	\$ -	\$ 126,787
Licenses, Permits and Fees	2,000	17,751	-	19,751
Intergovernmental	19,949	117,197	-	137,146
Earnings on Investments	139	34	794	967
Miscellaneous	429	4,320	-	4,749
<b>Total Cash Receipts</b>	54,964	233,642	794	289,400
<b>Cash Disbursements:</b>				
Current:				
General Government	50,994	12,930	-	63,924
Public Safety	-	55,058	-	55,058
Public Works	-	121,661	-	121,661
Health	-	49,023	1,641	50,664
Capital Outlay	-	11,310	-	11,310
Debt Service:				
Principal Retirement	9,588	23,061	-	32,649
Interest and Fiscal Charges	1,469	3,243	-	4,712
<b>Total Cash Disbursements</b>	62,051	276,286	1,641	339,978
<b>Excess of Receipts Over (Under) Disbursements</b>	(7,087)	(42,644)	(847)	(50,578)
<b>Other Financing Receipts (Disbursements)</b>				
Other Financing Sources	3,322	6,182	-	9,504
Other Financing Uses	(1,194)	-	-	(1,194)
<b>Total Other Financing Receipts (Disbursements)</b>	2,128	6,182	-	8,310
<b>Net Change in Fund Cash Balance</b>	(4,959)	(36,462)	(847)	(42,268)
<b>Fund Cash Balances, January 1</b>	17,481	112,779	47,021	177,281
<b>Fund Cash Balances, December 31</b>				
Nonspendable	-	-	43,357	43,357
Restricted	-	49,719	2,817	52,536
Committed	-	26,598	-	26,598
Assigned	199	-	-	199
Unassigned (Deficit)	12,323	-	-	12,323
<b>Fund Cash Balances, December 31</b>	\$ 12,522	\$ 76,317	\$ 46,174	\$ 135,013

See notes to financial statements.



**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**1. REPORTING ENTITY**

**Description of the Entity**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

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**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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

**Permanent Funds**

These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

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**C. Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code 117-2-03(D). 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code 117-2-03(D) permit.

**D. Budgetary Process**

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

**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 Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**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 approve estimated resources.

**Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2018 appear in Note 3.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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

**E. Deposits and Investments**

The Township's accounting basis includes investment as assets. This basis does not record disbursement for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**F. Capital Assets**

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

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**H. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Nonspendable**

The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Committed**

Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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

**Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 51,076	\$ 58,286	\$ 7,210
Special Revenue	178,411	239,824	61,413
Permanent	-	794	794
Total	<u>\$ 229,487</u>	<u>\$ 298,904</u>	<u>\$ 69,417</u>

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ -	\$ 63,444	\$ (63,444)
Special Revenue	-	276,286	(276,286)
Permanent	-	1,641	(1,641)
Total	<u>\$ -</u>	<u>\$ 341,371</u>	<u>\$ (341,371)</u>

Contrary to ORC 5705.41(D), the Township made expenditures prior to certification.

Contrary to ORC 5705.38(A), the Township did not file appropriations with the county auditor.

Contrary to ORC 5705.41(B), all funds had expenditures exceeding appropriations.

**4. EQUITY IN POOLED CASH**

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

	2018
Demand deposits	\$ 90,869
Certificates of deposit	44,144
Total Deposits	<u>\$ 135,013</u>

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

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**5. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Township Trustees. 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.

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

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**6. RISK MANAGEMENT**

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2018</u>
Cash and investments	\$33,097,416
Actuarial liabilities	7,874,610

**7. DEFINED BENEFIT PENSION PLANS**

The Township's full-time employees belong to the Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple employer plan. The Ohio Revised Code prescribes the plan benefits, which include postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2018, OPERS members contributed 10.0% of their gross wages and the Township contributed an amount equal to 14.0% of participant's gross salaries. The Township has paid all contributions required through December 31, 2018.

**8. POSTEMPLOYMENT BENEFITS**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits.

**LETART TOWNSHIP  
MEIGS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**9. DEBT**

Debt outstanding at December 31, 2018 was as follows:

	Principal	Interest rate
Backhoe Loan	\$ 50,754	7%
Total	\$ 50,754	

The Township obtained a bank loan during 2017 to finance the purchase of a new backhoe to be used at the cemetery. The backhoe collateralized the loan. This loan will be paid in monthly installments over 5 years with interest at 7%.

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

Year Ended December 31	Backhoe Loan
2019	15,300
2020	15,300
2021	15,300
2022	7,650
Total	\$ 53,550

**10. PUBLIC ENTITY RISK POOL**

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio local governments. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims exceeding the member's deductible.

**11. CONTINGENT LIABILITIES**

The Township may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Township's financial condition.

**WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701**

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

Letart Township  
Meigs County  
49115 Manuel Road  
Racine, Ohio 45771

To the Township Trustees:

We have audited, in accordance with auditing standards general accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Letart Township, Meigs County as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated April 9, 2020, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered Letart Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

*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 internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Township's financial statements. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider Findings 2019-002, 2019-004 and 2019-005 described in the accompanying schedule of findings to be material weaknesses.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider to be material weaknesses. We consider Findings 2019-002, 2019-004 and 2019-005 to be material weaknesses.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Letart 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, opining on compliance was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed three instances of noncompliance or other matters we must report under *Government Auditing Standards* described in the accompanying Schedule of Findings as items 2019-001, 2019-003 and 2019-005.

***Entity's Response to Finding***

The Township's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the Township's response and, accordingly, we express no opinion on it.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
April 9, 2020



**LETART TOWNSHIP  
MEIGS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018**

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

**FINDING NUMBER 2019-001**

**Noncompliance**

Ohio Rev. Code § 5705.41 (D) (1) prohibits a subdivision or taxing authority from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in §§ 5705.41 (D) (1) and 5705.41 (D) (3), respectively, of the Ohio Revised Code.

1. "Then and Now" Certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Township can authorize the drawing of a warrant for the payment of the amount due. The Township has thirty days from receipt of the "then and now" certificate to approve payment by ordinance or resolution.
2. Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Township.
3. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
4. Super Blanket Certificate – The Township may also make expenditures and contracts for any amount from a specific line item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to exceed beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The Fiscal Officer did not certify the availability of funds prior to purchase commitments for 37% of the expenditures tested in 2019 and 2018, and there was no evidence the Township followed the aforementioned exceptions.

**LETART TOWNSHIP  
MEIGS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018**

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

**FINDING NUMBER 2019-001 (CONTINUED)**

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, we recommend the Fiscal Officer certify that the funds are or will be available prior to an obligation being incurred by the Township. When prior certification is not possible, "then and now" certification should be used.

We recommend the Fiscal Officer certify purchases to which § 5705.41 (D) applies. The Fiscal Officer should sign the certification at the time the Township incurs a commitment, and only when the requirements of Ohio Revised Code § 5705.41 (D) are satisfied. The Fiscal Officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

**Client Response:** The Fiscal Officer has advised the Trustees and employee that all purchases must be approved by fiscal officer prior to purchase. The Fiscal Officer will certify the availability of the funds prior to purchase. In emergencies where prior approval may not be able to get achieved, the Fiscal Officer will utilize "Then and Now" certificates.

**FINDING NUMBER 2019-002**

**Material Weakness**

All local offices should maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

The Ohio Township Handbook provides suggested account classifications. These accounts classify receipts by fund and source (taxes or charges for services, for example) and classify disbursements by fund, program (general government, for example) or object (personal services, for example). Using these classifications will provide the Township with information required to monitor compliance with the budget, and prepare annual reports in the format required by the Auditor of State.

As a result of audit procedures, errors were noted that required reclassification to the financial statements as follows which have been made to the financial statements and accounting records:

**LETART TOWNSHIP  
MEIGS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018**

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

**FINDING NUMBER 2019-002 (CONTINUED)**

The following is related to 2018:

- An adjustment was made to record \$686, \$366 and \$520 as Intergovernmental Revenue in the Road & Bridge Fund, Cemetery Levy Fund and Fire Levy Fund, respectively and to reduce Property and Other Local Taxes in the General Fund for incorrect posting of Rollback monies.
- A reclassification was made in the amount of \$572 to Intergovernmental Revenue from Property and Other Local taxes in the General fund for incorrect posting of Rollback monies.
- A reclassification was made in the amount of \$2,000 to Licenses, Permits and Fees from Other Financing Sources for the incorrect posting of permit fees in the General Fund.
- A reclassification in the amount of \$121 was made to increase Principal Retirement and decrease Interest and Other Fiscal Charges to properly state debt paid in the General Fund.
- A reclassification in the amounts of \$4,269 and \$672 were made to increase Principal Retirement and Interest and Other Fiscal Charges and decrease Public Safety by \$2,441 and Public Works by \$2,500 in the Gasoline Tax Fund to properly state debt paid.
- A reclassification in the amounts of \$6,357 and \$1,884 were made to increase Principal Retirement and Interest and Other Fiscal Charges and decrease Public Works by \$6,830 and Capital Outlay by \$1,411 in the Road & Bridge Fund to properly state debt paid.
- A reclassification in the amounts of \$4,305 and \$370 were made to increase Principal Retirement and Interest and Other Fiscal Charges and decrease Health by \$2,221 and Capital Outlay by \$2,454 in the Cemetery Fund to properly state debt paid.
- A reclassification in the amounts of \$8,130 and \$317 were made to increase Principal Retirement and Interest and Other Fiscal Charges and decrease Health by \$708 and Capital Outlay by \$7,739 in the Cemetery Levy Fund to properly state debt paid.
- Fund Balances reclassifications were as follows: \$199 to Assigned from Unassigned in the General Fund for encumbrances, \$26,598 from Restricted to Committed for Road & Bridge Fund, and \$2,817 from Nonspendable to Restricted in the Permanent Fund for earnings.

The following is related to 2019:

- An adjustment was made to record \$1,464, \$625 and \$661 as Intergovernmental Revenue in the Road & Bridge Fund, Cemetery Levy Fund and Fire Levy Fund, respectively and to reduce Property and Other Local Taxes in the General Fund for incorrect posting of Rollback monies.
- A reclassification was made in the amount of \$1,614 to Intergovernmental Revenue from Property and Other Local taxes in the General fund for incorrect posting of Rollback monies.
- A reclassification was made in the amount of \$2,000 to Licenses, Permits and Fees from Other Financing Sources for the incorrect posting of permit fees in the General Fund.
- A reclassification in the amount of \$4,319 and \$887 was made to decrease Principal Retirement and Interest and Other Fiscal Charges and increase General Government by \$5,206 to properly state debt paid in the General Fund.
- A reclassification in the amounts of \$2,105 and \$15 were made to increase Principal Retirement and Interest and Other Fiscal Charges and decrease Public Works by \$2,120 in the Gasoline Tax Fund to properly state debt paid.

**LETART TOWNSHIP  
MEIGS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018**

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

**FINDING NUMBER 2019-002 (CONTINUED)**

- A reclassification in the amounts of \$1,156 was made to increase Principal Retirement and decrease Capital Outlay by \$1,156 in the Road & Bridge Fund to properly state debt paid.
- A reclassification in the amounts of \$2,969 and \$53 were made to increase Principal Retirement and Interest and Other Fiscal Charges and decrease Capital Outlay by \$3,022 in the Cemetery Fund to properly state debt paid.
- A reclassification in the amounts of \$2,604 and \$53 were made to increase Principal Retirement and Interest and Other Fiscal Charges and decrease Capital Outlay by \$2,657 in the Cemetery Levy Fund to properly state debt paid.
- Fund Balances reclassifications were as follows: \$3,961 from Restricted to Committed for Road & Bridge Fund, and \$375 from Nonspendable to Restricted in the Permanent Fund for earnings.

The audited financial statements and the Township's UAN accounting system have been adjusted for the issues noted above.

The Fiscal Officer should review the Township handbook for guidance to ensure financial statements are complete and accurate. The Fiscal Officer should also review Auditor of State Bulletin 2011-004 for Statement No. 54 of the Governmental Accounting Standards Board (GASB) for proper reporting of fund balances on the financial statements [see GASB Cod. 1800.165 and 1800.166].

**Client Response:** The Fiscal Officer will review the handbook to ensure financial statements are complete and accurate as well as reviewing AOS Bulletin 2011-04 for fund balance classifications.

**FINDING NUMBER 2019-003**

**Noncompliance**

Ohio Rev. Code § 5705.38(A) requires that on or about the first day of each fiscal year, an appropriation measure is to be passed. Ohio Rev. Code § 5705.41(B) prohibits subdivisions or taxing authorities from expending money unless it has been appropriated,

The Township's minute record documents approval of 2018 and 2019 appropriations, however, no appropriation measures could be found in the Township records and they were not filed with the County Auditor's office. This results in appropriations being considered \$0 due to no evidence existing to support the appropriation amounts approved by the Board.

With no appropriation measures being filed with the County Auditor, all expenditures in all funds have exceeded the appropriations which is in violation of 5705.41(B).

The Fiscal Officer should, after approval of appropriations in the minutes, take that resolution and file it with the County Auditor and to maintain a copy on file, once that is completed, expenditure should not exceed the amounts established by the appropriation measure

**Client Response:** The 2020 appropriations were approved in January 2020. Will be filed with County Auditor.

**LETART TOWNSHIP  
MEIGS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018**

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

**FINDING NUMBER 2019-004**

**Material Weakness**

All local public offices should integrate the budgetary accounts at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations. Since there were no certified appropriation presented in the accounting records or filed with the County Auditor, all appropriation amounts posted to the accounting system are incorrectly stated.

Without information properly entered into the system, the management of the Township lost some degree of budgetary control. This also resulted in adjustments to the budgetary note disclosure.

We recommend the Fiscal Officer accurately post appropriations as approved by the Board of Trustees and filed with the County Auditor into the computer system. This procedure will help ensure more useful comparisons of budget versus actual activity, as well as provide management with an accurate monitoring tool throughout the year.

**Client Response:** The Township intends to post in a timely manner, estimated resources as certified by the Budget Commission and approved by the Board, so there is no inaccurate reporting of budgetary information on financial statements. The Board will review budget vs. actual to aid in ensuring Amended Resources and Appropriations are posted properly as certified.

**FINDING NUMBER 2019-005**

**Noncompliance and Material Weakness**

Ohio Revised Code Section 5705.10(I) provides that money paid into a fund must be used only for the purposes which such fund has been established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund.

At December 31, 2019, the General Fund had a negative fund balance of \$2,081.

We recommend available fund cash balances be reviewed regularly to evaluate the reasoning behind a negative cash balance and determine how to correct the situation when necessary. The Township's management should ensure that money from one fund is not used to cover the expenses of another fund.

**Client Response:** The Fiscal Officer will review ORC Section 5705.10(1) providing that money paid into a fund be used only for the purpose which such fund was established. The General Fund will not be used to cover the expenses of other funds. The Fiscal Officer will advise Trustees and employees not to make purchases until approval and certification that there are enough funds available has occurred.

**LETART TOWNSHIP  
MEIGS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2019**

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain:</b>
2017-001	ORC Chapter 133 Method of acquiring debt	Yes	Finding No Longer Valid
2017-002	ORC 5705.38(A) Appropriation measure passed and filed with Auditor	No	Not Corrected - Refer to Findng 2019-003
2017-002	ORC 5705.41(B) Expenditures exceeded appropriations	No	Not Corrected - Refer to Findng 2019-003
2017-003	ORC 5705.41(D)(1) Fiscal Certificates Dated After Invoices	No	Not Corrected- Refer to Finding 2019-001
2017-004	Material Weakness Budget amounts not correctly posted to UAN	No	Not Corrected - Refer to Finding 2019-004
2017-005	Material Weakness Bank Reconciliations not done timely or reviewed	Yes	Finding No Longer Valid
2017-006	Material Weakness Financial Reporting	No	Not Corrected - Refer to Findng 2019-002

# OHIO AUDITOR OF STATE KEITH FABER



**LETART TOWNSHIP**

**MEIGS COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 10/8/2020**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)