



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



53 Johnson Road  
The Plains, Ohio 45780-1231  
(740) 594-3300 or (800) 441-1389  
SoutheastRegion@ohioauditor.gov

Monroe Township  
Coshocton County  
39843 County Road 33  
Warsaw, Ohio 43844

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of Monroe Township, Coshocton County, Ohio (the Township), for the years ended December 31, 2019 and 2018.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Township's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Township's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Township's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

## Current Year Observations

1. The Township issued new debt for the purchase of a Ford F550 truck on June 15, 2018, wherein Peoples Bank paid the vendor directly in the amount of \$69,853.

The Township's accounting records did not reflect the activity of the debt issuance, therefore understating Debt Proceeds and the corresponding Capital Outlay disbursement by \$69,853.

The Township should ensure all financial activity is properly reflected on the financial statements. Similar instances should be recorded as a memo transaction.

2. Ohio Rev. Code § 133 allows various methods for subdivisions to incur debt. Ohio Rev. Code § 133 allows a subdivision to issue anticipatory securities. Ohio Rev. Code § 133.10 allows anticipation securities in anticipation of current property tax revenues or in anticipation of current revenues in and for any fiscal year from any source or combination of sources, including distributions of any federal or state monies, other than the proceeds of property taxes levied by the subdivision.

Ohio Rev. Code § 133.15 allows the issuance of securities for the purpose of paying all or any portion of the costs of any permanent improvement that the subdivision is authorized, alone or in cooperation with other persons, to acquire, improve, or construct. Ohio Rev. Code § 133.18 allows the taxing authority of a subdivision by legislation to submit to the electors of the subdivision the question of issuing any general obligation bonds, for one purpose, that the subdivision has power or authority to issue.

**Current Year Observations (Continued)**

2. Ohio Rev. Code § 133 (Continued)

On June 16, 2018, the Board of Township Trustees signed a promissory note with Peoples Bank, in the amount of \$69,853, to finance the purchase of a Ford 550 Truck. This note did not meet the requirements set forth in Ohio Rev. Code § 133.

The Ohio Revised Code contains various methods of incurring debt for Townships. Installment loans and promissory notes with banking institutions are not legal methods of debt for Townships.

The Board of Township Trustees should consult with the Township's legal counsel prior to the Township incurring future debt.

3. Ohio Rev. Code § 149.43(B)(2) states "to facilitate broader access to public records, a public office or the person responsible for public records shall organize and maintain public records in a manner that they can be made available for inspection or copying in accordance with division (B) of this section. A public office also shall have available a copy of its current records retention schedule at a location readily available to the public."

The Township was unable to provide a records retention policy.

We recommend the Township establish a records retention policy and ensure it is readily available to the public.

4. Ohio Rev. Code § 149.43(E)(2) states that the public office shall distribute the public records policy adopted by the public office under this division to the employee of the public office who is the records custodian or records manager or otherwise has custody of the records of that office. The public office shall require that employee to acknowledge receipt of the copy of the public records policy.

We noted the Township had a compliant public records policy that was provided by the Township Fiscal Officer, who is the Township's records custodian, however, we were unable to obtain written evidence the Fiscal Officer acknowledged receipt of the public records policy as described above.

We recommend the Township maintain written evidence the records custodian has acknowledged receipt of the public records policy.



Keith Faber  
Auditor of State  
Columbus, Ohio

April 7, 2020

# OHIO AUDITOR OF STATE KEITH FABER



**MONROE TOWNSHIP**

**COSHOCTON 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  
APRIL 21, 2020**