



OHIO AUDITOR OF STATE  
**KEITH FABER**





**SHARON TOWNSHIP  
NOBLE COUNTY  
DECEMBER 31, 2019 AND 2018**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Sharon Township  
Noble County  
14475 Fogle Road  
Caldwell, Ohio 43724

To the Board of 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 Sharon Township, Noble County, Ohio (the Township), 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 § 117.38 and Ohio Administrative Code § 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 such 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 opinions.

***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 § 117.38 and Ohio Administrative Code § 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), 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 § 117.38 and Ohio Administrative Code § 117-2-03(D) permit. Our opinion on this accounting basis 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 the Township, as of December 31, 2019 and 2018, and the respective changes in financial position thereof for the years then ended.

***Basis for Adverse Opinion on Regulatory Basis of Accounting***

During prior audit periods from January 1, 2016 to December 31, 2017, January 1, 2014 to December 31, 2015, January 1, 2012 to December 31, 2013, and January 1, 2010 to December 31, 2011, the Township's audit report contained several Finding for Adjustments, which have not been made by the Township as of the date of this report. The cumulative effect of these adjustments from prior audits not made would decrease the General Fund cash balance by \$22,088 and increase the Special Revenue Fund cash balance by \$22,088. The Township declined to make these adjustments.

During the period January 1, 2018 to December 31, 2019, the Fiscal Officer improperly allocated the Fiscal Officer's salary to an improper fund and paid the fire contract in 2018 from an improper fund, in the cumulative amount of \$6,136. The cumulative effect of these proposed 2019 and 2018 adjustments and the unposted prior audit adjustments, in the amount of \$22,088, would decrease the General Fund cash balance by \$28,224 and increase the Special Revenue Fund cash balance by \$28,224. The Township declined to make these adjustments.

***Adverse Opinion on Regulatory Basis of Accounting***

In our opinion, because of the significance of the matters described in the *Basis for Adverse Opinion on Regulatory Basis* paragraph, the financial statements referred to above do not present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of Sharon Township, Noble County, Ohio as of December 31, 2019 and 2018, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permits, described in Note 2.

***Emphasis of Matters***

As discussed in Note 10, the Township is experiencing financial difficulties. Management has declined to post the aforementioned adjustments discussed in the *Basis for Adverse Opinion on Regulatory Basis of Accounting* paragraphs, due to the General Fund's cash balance not being sufficient to support these adjustments. Management's plan in regards to these financial difficulties is described in Note 10 to the financial statements. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As discussed in Note 11 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may 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 our report dated May 10, 2021, 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. 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.



Keith Faber  
Auditor of State  
Columbus, Ohio

May 10, 2021

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**SHARON TOWNSHIP  
NOBLE COUNTY**

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

	General	Special Revenue	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$21,027	\$808	\$0	\$21,835
Intergovernmental	15,189	119,078	0	134,267
Earnings on Investments	18	28	1	47
<i>Total Cash Receipts</i>	<u>36,234</u>	<u>119,914</u>	<u>1</u>	<u>156,149</u>
<b>Cash Disbursements</b>				
Current:				
General Government	24,324	2,672	0	26,996
Public Works	5,375	119,290	0	124,665
Other	56	0	0	56
<i>Total Cash Disbursements</i>	<u>29,755</u>	<u>121,962</u>	<u>0</u>	<u>151,717</u>
<i>Net Change in Fund Cash Balances</i>	6,479	(2,048)	1	4,432
<i>Fund Cash Balances, January 1</i>	<u>69,587</u>	<u>144,633</u>	<u>1,123</u>	<u>215,343</u>
<b>Fund Cash Balances, December 31</b>				
Nonspendable	0	0	1,124	1,124
Restricted	0	134,079	0	134,079
Committed	0	8,506	0	8,506
Assigned	73,560	0	0	73,560
Unassigned	2,506	0	0	2,506
<i>Fund Cash Balances, December 31</i>	<u>\$76,066</u>	<u>\$142,585</u>	<u>\$1,124</u>	<u>\$219,775</u>

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

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**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Sharon Township, Noble County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. A publicly-elected Fiscal Officer is responsible for all administrative duties of the Township. The Township provides road and bridge maintenance, cemetery maintenance and fire protection services. The Township contracts with the Caldwell Fire Department to provide fire services.

***Public Entity Risk Pool***

The Township participates in the Ohio Township Association Risk Management Authority, a public entity risk pool. 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.

**Note 2 – Summary of Significant Accounting Policies**

***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 which are organized on a fund type basis.

***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 Fund:

***Gas Tax Fund*** The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

***Permanent Fund*** 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 Township's programs (for the benefit of the Township or its citizenry). The Township had the following significant Permanent Fund:

***Cemetery Bequest Fund*** The cemetery endowment 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.

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***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 Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 Section 117-2-03 (D) permit.

***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 or object level of control and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

***Estimated Resources*** Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 canceled, and reappropriated in the subsequent year.

A summary of 2019 budgetary activity appears in Note 4.

***Deposits***

The Township pools all available funds of the Township in an interest-bearing checking account.

***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.

***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:

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***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 the Township Trustees or a Township official delegated that authority by resolution, or by State Statute. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget in the general fund.

***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.

**Note 3 – Compliance**

Contrary to Ohio Rev. Code § 5705.38(A), the Township did not pass an annual appropriations measure for 2019 which resulted in all Township fund expenditures exceeding appropriations in 2019 contrary to Ohio Rev. Code § 5705.41(B).

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 4 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$32,297	\$36,234	\$3,937
Special Revenue	103,540	119,914	16,374
Permanent	1	1	0
Total	\$135,838	\$156,149	\$20,311

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$29,755	(\$29,755)
Special Revenue	0	121,962	(121,962)
Total	\$0	\$151,717	(\$151,717)

**Note 5 – Deposits**

To improve cash management, cash received by the Township is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Township’s deposit account is as follows:

	2018
Demand deposits	\$219,775

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation.

**Note 6 – Property Taxes**

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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.

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

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 7 – 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

**Note 8 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

Seven Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2019.

**Note 9 – 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. 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.

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

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**Note 10 – Financial Difficulties**

At December 31, 2019, the following funds had adjustments which the Township declined to make in the following amounts (this table also includes adjustments from 2010 through 2019 that the Township declined to make in those years):

Fund	December 31, 2019 Balance	Adjustments Not Made	Effect on December 30, 2019 Balance
General	\$76,066	(\$28,224)	\$47,842
Special Revenue	142,585	28,224	170,809

The Township has no formal plans for increasing the revenue stream of the General Fund but is monitoring all expenditures of the General Fund. The adjustments not made in the Special Revenue Fund type affect the Motor Vehicle License Tax Fund in the amount of \$12,482, the Gasoline Tax Fund in the amount of \$21,036, the Road and Bridge Fund in the amount of (\$5,073) and the Permissive Motor Vehicle License Tax Fund in the amount of (\$221).

**Note 11 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The Township’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.



**SHARON TOWNSHIP  
NOBLE COUNTY**

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

	General	Special Revenue	Permanent	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$20,492	\$855	\$0	\$21,347
Intergovernmental	15,146	99,651	0	114,797
Earnings on Investments	17	25	0	42
Miscellaneous	0	1,183	0	1,183
<i>Total Cash Receipts</i>	<u>35,655</u>	<u>101,714</u>	<u>0</u>	<u>137,369</u>
<b>Cash Disbursements</b>				
Current:				
General Government	22,194	7,580	0	29,774
Public Works	2,150	90,660	0	92,810
<i>Total Cash Disbursements</i>	<u>24,344</u>	<u>98,240</u>	<u>0</u>	<u>122,584</u>
<i>Net Change in Fund Cash Balances</i>	11,311	3,474	0	14,785
<i>Fund Cash Balances, January 1</i>	<u>58,276</u>	<u>141,159</u>	<u>1,123</u>	<u>200,558</u>
<b>Fund Cash Balances, December 31</b>				
Nonspendable			1,123	1,123
Restricted	0	132,927	0	132,927
Committed	0	11,706	0	11,706
Unassigned	69,587	0	0	69,587
<i>Fund Cash Balances, December 31</i>	<u>\$69,587</u>	<u>\$144,633</u>	<u>\$1,123</u>	<u>\$215,343</u>

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

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**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Sharon Township, Noble County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. A publicly-elected Fiscal Officer is responsible for all administrative duties of the Township. The Township provides road and bridge maintenance, cemetery maintenance and fire protection services. The Township contracts with the Caldwell Fire Department to provide fire services.

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

**Note 2 – Summary of Significant Accounting Policies**

***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 which are organized on a fund type basis.

***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:

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***Gas Tax Fund*** The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

***Permanent Fund*** 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 Township's programs (for the benefit of the Township or its citizenry). The Township had the following significant Permanent Fund:

***Cemetery Bequest Fund*** The cemetery endowment 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.

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***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 Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 Section 117-2-03 (D) permit.

***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 or object level of control and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

***Estimated Resources*** Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 canceled, and reappropriated in the subsequent year.

A summary of 2018 budgetary activity appears in Note 4.

***Deposits***

The Township pools all available funds of the Township in an interest-bearing checking account.

***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.

***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:

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***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 the Township Trustees or a Township official delegated that authority by resolution, or by State Statute. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget in the general fund.

***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.

**Note 3 – Compliance**

Contrary to Ohio Rev. Code § 5705.38(A), the Township did not pass an annual appropriations measure for 2018 which resulted in all Township fund expenditures exceeding appropriations in 2018 contrary to Ohio Rev. Code § 5705.41(B).

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 4 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$30,750	\$35,655	\$4,905
Special Revenue	98,460	101,714	3,254
<b>Total</b>	<b>\$129,210</b>	<b>\$137,369</b>	<b>\$8,159</b>

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$24,344	(\$24,344)
Special Revenue	0	98,240	(98,240)
<b>Total</b>	<b>\$0</b>	<b>\$122,584</b>	<b>(\$122,584)</b>

**Note 5 – Deposits**

To improve cash management, cash received by the Township is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Township’s deposit account is as follows:

	2018
Demand deposits	\$215,343

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation.

**Note 6 – Property Taxes**

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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.

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

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 7 – Risk Management**

The Township has obtained commercial insurance for the following risks:

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

Settled claims have not exceeded coverage in any of the past three years. Coverage limits have not been significantly reduced since last year.

**Note 8 – Defined Benefit Pension Plans**

*Ohio Public Employees Retirement System*

Seven Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2018.

**Note 9 – 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. 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 2018. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2018.

**Note 10 – Financial Difficulties**

At December 31, 2018, the following funds had adjustments which the Township declined to make in the following amounts (this table also includes adjustments from 2010 through 2018 that the Township declined to make in those years):

Fund	December 31, 2018 Balance	Adjustments Not Made	Effect on December 30, 2018 Balance
General	\$69,587	(\$28,113)	\$41,474
Special Revenue	144,633	28,113	172,746

**Sharon Township**  
*Noble County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

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**Note 10 – Financial Difficulties (Continued)**

The Township has no formal plans for increasing the revenue stream of the General Fund but is monitoring all expenditures of the General Fund. The adjustments not made in the Special Revenue Fund type affect the Motor Vehicle License Tax Fund in the amount of \$12,482, the Gasoline Tax Fund in the amount of \$20,925, the Road and Bridge Fund in the amount of (\$5,073) and the Permissive Motor Vehicle License Tax Fund in the amount of (\$221).

**Note 11 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The Township's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.



# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Sharon Township  
Noble County  
14475 Fogle Road  
Caldwell, Ohio 43724

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' Government Auditing Standards, the financial statements of the cash balances, receipts, and disbursements by fund type of Sharon Township, Noble County, Ohio (the Township), 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 May 10, 2021, wherein we noted the Township followed financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 1172-03(D) permit. We issued an adverse opinion on the 2019 and 2018 financial statements due to the Township declining to make audit adjustments from current and prior years. We noted the Township is experiencing financial difficulties. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Township.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) as a basis for designing 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 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies 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 material weaknesses. We consider findings 2019-001 and 2019-003 through 2019-006 to be material weaknesses.

***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 financial statement. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 2019-001 through 2019-004.

***Township's Response to Findings***

The Township's responses to the findings identified in our audit is described in the accompanying Schedule of Findings. We did not subject the Township's responses to the auditing procedures applied in the audit of the financial statements 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 report is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

May 10, 2021

SHARON TOWNSHIP  
NOBLE 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

**Finding for Adjustment/Noncompliance/Material Weakness**

**Ohio Rev. Code § 507.09(D)** states a township fiscal officer may be compensated from the township general fund or from other township funds based on the proportion of time the township fiscal officer spends providing services related to each fund. A township fiscal officer must document the amount of time the township fiscal officer spends providing services related to each fund by certification specifying the percentage of time spent working on matters to be paid from the township general fund or from other township funds in such proportions as the kinds of services performed.

During the prior audit period January 1, 2010 to December 31, 2011, the Fiscal Officer charged a portion of her Ohio Public Employees Retirement System (OPERS) employer and employees share for retirement payments from the Gasoline Tax Fund in the amount of \$2,114 in 2010. The Fiscal Officer's 2010 salary was paid entirely from the General Fund.

For the audit period January 1, 2012 to December 31, 2012, the Fiscal Officer paid a portion of her salary from the Gasoline Tax Fund in the amount of \$821 yet no certification was prepared or completed to support the time charged to a fund other than the General Fund.

For the audit period January 1, 2013 to December 31, 2013, the Fiscal Officer paid a portion of her insurance premiums from the Gasoline Tax Fund in the amount of \$263 with no certification completed to support the time charged to a fund other than the General Fund.

For the audit period January 1, 2015 through December 31, 2015, the Fiscal Officer paid a portion of her salary from the Motor Vehicle License (MVL) Tax Fund, Gasoline Tax Fund and the Road and Bridge Fund in the amount of \$792, \$2,999 and \$1,137, respectively. It was noted in an e-mail from the prior audit that the Fiscal Officer was informed that her salary could be allocated but a certification would need to be completed. There were no certifications completed that would allow the salary to be posted to any other fund other than the General Fund.

For the audit period January 1, 2016 through December 31, 2017, the Fiscal Officer paid a portion of her salary from the MVL Tax Fund, Gasoline Tax Fund and the Road and Bridge Fund in the amount of \$620, \$4,147 and \$3,275, respectively. It was noted in an e-mail from the prior audit that the Fiscal Officer was informed that her salary could be allocated but a certification would need to be completed. There were no certifications completed that would allow the salary to be posted to any other fund other than the General Fund.

For the audit period January 1, 2018 to December 31, 2018, the Fiscal Officer incorrectly paid a portion of her salary from the MVL Tax Fund, Gasoline Tax Fund and the Road and Bridge Fund totaling \$420, \$1,532 and \$3,473, respectively. Payroll certifications were not completed that would allow the salary to be posted to a fund other than the General Fund.

For the audit period January 1, 2019 to December 31, 2019, the Fiscal Officer incorrectly paid a portion of her salary from the Gasoline Tax Fund totaling \$111. Payroll certifications were not completed that would allow the salary to be posted to a fund other than the General Fund.

SHARON TOWNSHIP  
NOBLE COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018  
(Continued)

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

FINDING NUMBER 2019-001  
(Continued)

**Finding for Adjustment/Noncompliance/Material Weakness – Ohio Rev. Code § 507.09(D)  
(Continued)**

The Township has failed to post adjustments to the Township records based on the citations in the previous audits. Therefore, the amounts cited in the previous finding for adjustments, along with the current adjustments, have accumulated. In accordance with the foregoing facts, a finding for adjustment has been issued against the Sharon Township's General Fund, in the aggregate amount of \$21,704 and in favor of the Sharon Township Gasoline Tax, MVL Tax, and Road and Bridge Funds', Special Revenue Fund type, in the amount of \$11,987, \$1,832, and \$7,885, respectively. The Fiscal Officer has not posted these adjustments to the Township records and therefore, these adjustments are not reflected in the accompanying financial statements. These errors resulted in misstatements to the financial statements.

The Township should implement policies and procedures to help ensure compensation and certifications are made in accordance with Ohio Rev. Code § 507.09.

**Officials' Response:** See Finding No. 2019-006.

FINDING NUMBER 2019-002

**Noncompliance**

**Ohio Rev. Code § 5705.38(A)** states that on or about the first day of each fiscal year, the taxing authority of each subdivision or other taxing unit shall pass an appropriation measure.

For 2019 and 2018, there was no indication the Board of Trustees adopted an appropriation measure.

**Ohio Rev. Code § 5705.41(B)** prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated. Due to Board of Trustees not passing an appropriation measure as indicated above, expenditures in all funds exceeded appropriations in 2019 and 2018.

Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices.

The Board of Trustees should adopt an annual appropriation measure. Once the appropriations are officially adopted, the Fiscal Officer should post the amounts to the computer system and then compare expenditures to appropriations on a monthly basis. If appropriations in addition to those already adopted will be needed, the Board should take the necessary steps to adopt additional appropriations, if possible, to prevent expenditures from exceeding appropriations or reduce spending. The Fiscal Officer should deny requests for payment when appropriations are not available.

**Officials' Response:** See Finding No. 2019-006.

SHARON TOWNSHIP  
NOBLE COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018  
(Continued)

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

FINDING NUMBER 2019-003

**Finding for Adjustment/Noncompliance/Material Weakness**

**Ohio Rev. Code § 5705.10 (C)** states all revenue derived from a special levy shall be credited to a special fund for the purpose for which the levy was made.

Additionally, **Ohio Rev. Code § 5705.10(D)** provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose.

During the prior audit periods 2011-2010, 2013-2012, and 2017-2016, there were several receipts posted to incorrect funds resulting in findings for adjustment. These errors resulted in misstatements to the financial statements as the Fiscal Officer has not posted these adjustments to the Township records and therefore, these adjustments are not reflected in the accompanying financial statements.

Therefore, in accordance with the foregoing facts, a prior finding for adjustment has been issued against the Sharon Township Road and Bridge and Permissive MVL Tax Funds', in the amount of \$12,958 and \$221, respectively, and in favor of the Sharon Township General, Motor Vehicle License Tax and Gasoline Tax Funds', in the amount of \$1,671, \$8,868 and \$2,640, respectively.

During 2019 and 2018 we noted the Township did not record property tax deductions in the amount of \$691 and \$1,532, respectively, in the General Fund.

Also, during 2019 and 2018, the Township posted homestead and rollback revenue in the amount of \$1,468 and \$2,682, respectively, to the Road and Bridge Fund instead of the General Fund. We also noted during 2019 and 2018, Permissive Motor Vehicle License Tax revenue in the amounts of \$808 and \$856, respectively, were posted to General Fund instead of the Permissive Motor Vehicle License Tax Fund.

Audit adjustments noted above for 2019 and 2018 have been agreed to by management and are reflected in the financial statements and in the accounting records correcting the misstatement.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Township should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper fund.

**Officials' Response:** See Finding No. 2019-006.

FINDING NUMBER 2019-004

**Finding for Adjustment/Noncompliance/Material Weakness**

**Ohio Rev. Code § 5705.10(I)** requires that money paid into any fund shall be used only for the purposes for which such fund is established.

During the prior audit periods 2013-2012, 2015-2014, and 2017-2016, the Township paid fire contracts from the Motor Vehicle License Tax and Gasoline Tax Funds'.

**SHARON TOWNSHIP  
NOBLE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2019-004  
(Continued)**

**Finding for Adjustment/Noncompliance/Material Weakness - Ohio Rev. Code § 5705.10(I)  
(Continued)**

Also during 2018, we noted the Township paid the fire contract from the Motor Vehicle License Tax Fund in the amount of \$600.

The Motor Vehicle License Tax and Gasoline Tax Funds are restricted in regards to allowable expenditures. Payments for fire protection services would not be an allowable expenditure for the Motor Vehicle License Tax or Gasoline Tax Funds.

In accordance with the foregoing facts, a prior and current finding for adjustment has been issued in favor of the Sharon Township Motor Vehicle License Tax Fund, in the amount of \$1,782 and in favor of the Sharon Township Gasoline Tax, in the amount of \$1,782 and against the Sharon Township General Fund in the amount of \$3,564. These errors resulted in misstatements to the financial statements as the Fiscal Officer has not posted these adjustments to the Township records and therefore, these adjustments are not reflected in the accompanying financial statements.

The Township Fiscal Officer should utilize available authoritative resources to appropriately classify and record all expenditure transactions. This guidance will help ensure the Fiscal Officer makes proper postings to expenditure account classifications based on the nature of the expenditure.

**Officials' Response:** See Finding No. 2019-006.

**FINDING NUMBER 2019-005**

**Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 and .A16. T

The Ohio Township Handbook (revised March 2020) provides suggested account classifications. These accounts classify receipts by fund and source (property taxes or intergovernmental revenue, for example) and classify disbursements by fund, program (general government, for example) or object (personal services, for example). Using these classifications and the aforementioned accounting records 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.

The Township did not always record receipts into accurate classifications, or record all such transactions, based upon the source of the receipt.

Also, the Township did not always properly classify its December 31, 2019 and 2018 governmental fund cash balances in accordance with Governmental Accounting Standards Board (GASB) Statement Number 54 - Fund Balance Reporting and Governmental Fund Type Definitions, effective for fiscal years beginning after June 15, 2010.

SHARON TOWNSHIP  
NOBLE COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018  
(Continued)

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

FINDING NUMBER 2019-005  
(Continued)

**Material Weakness (Continued)**

We noted the following in 2019:

- Local Government in the amount of \$6,842 was posted to Miscellaneous instead of Intergovernmental Revenue within the General Fund.
- Second half real estate settlement in the amount of \$8,306 and a manufactured home settlement in the amount of \$42 were posted to Miscellaneous instead of Property Taxes within the General Fund.
- A Homestead and Rollback receipt in the amount of \$1,362 was posted to Taxes instead of Intergovernmental Revenue within the General Fund.
- The General Fund amount appropriated over estimated receipts in the next fiscal year was classified as Unassigned rather than Assigned in the amount of \$73,560.
- The Road and Bridge Fund cash fund balance for the portion of the property taxes-inside millage was classified as Restricted rather than Committed in the amount of \$8,506.

We noted the following in 2018:

- Local Government in the amount of \$6,842 was posted to Miscellaneous instead of Intergovernmental Revenue within the General Fund.
- The Road and Bridge Fund cash fund balance for the portion of the property taxes-inside millage was classified as Restricted rather than Committed in the amount of \$11,706.

The adjustments noted above, with which management agrees, are reflected in the accompanying financial statements.

Not properly reporting financial activity could result in material misstatements occurring and remaining undetected and increases the risk that management would not be provided an accurate picture of the Township's financial position and operations.

The Township should take the necessary steps to ensure that all receipts, disbursements and fund balances are properly presented and disclosed in the Township's financial statements. When classifying fund balance in accordance with GASB 54 the Fiscal Officer should refer to Auditor of State Bulletin 2011-004 for guidance.

**Officials' Response:** See Finding No. 2019-006.

FINDING NUMBER 2019-006

**Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 and .A16.

SHARON TOWNSHIP  
NOBLE COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2019 AND 2018  
(Continued)

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

FINDING NUMBER 2019-006  
(Continued)

**Material Weakness (Continued)**

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Board to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the Township and the appropriation ledger provides the process by which the Township controls spending, it is therefore necessary the amounts appropriated by the Board are precisely stated and accurately posted to the appropriation ledger.

In 2019 and 2018, the Township did not pass an appropriation resolution; therefore all funds' appropriations were posted incorrectly to the system. Appropriations should have been \$0 for all funds.

As agreed to by management, in order to accurately present budget versus actual information the appropriation amounts reported in Note 4 to the financial statements were adjusted to \$0 for all funds.

The Township did not have procedures in place to accurately post authorized budgetary measures to the accounting system.

Failure to accurately post the appropriations to the ledgers could result in overspending and negative cash balances.

To effectively control the budgetary cycle and to maintain accountability over expenditures, the Township should post to the ledgers, on a timely basis, appropriations approved by the Board. The Township should then monitor budget versus actual reports to help ensure appropriations have been properly posted to the ledgers.

**Officials' Response:** The Fiscal Officer will be correcting anything that can be corrected and will contact another Fiscal Officer to help with these corrections.



# SHARON TOWNSHIP NOBLE COUNTY

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS December 31, 2019 and 2018

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2011-001 & 2013-001	Ohio Rev. Code § 505.24(C) – Trustee compensation/benefits not posted to the correct funds	Not Corrected; however Trustee salaries allocated correctly in current audit.	Prior findings for adjustment not posted to the accounting records. General Fund owes the Gasoline Tax Fund the aggregate amount of \$4,627.
2017-001	Ohio Rev. Code § 507.09 – Fiscal Officer compensation was not posted to the correct funds	Not Corrected	The Fiscal Officer will be making corrections
2017-002	Ohio Rev. Code § 5705.10(H) – Fire contracts paid from the incorrect funds	Not Corrected	The Fiscal Officer will be making corrections
2017-003	Ohio Admin. Code § 117-2-02(A) – Various adjustments between funds due to incorrect revenue posting	Not Corrected	The Fiscal Officer will be making corrections
2017-004	Ohio Rev. Code § 5705.38 & § 5705.41(B) – Late approval of appropriations and expenditures exceeding appropriations	Not Corrected	The Fiscal Officer will be making corrections
2017-005	Ohio Rev. Code § 5705.41(D) – Not certifying availability of funds prior to purchasing	Corrected	N/A
2017-006	Material Weakness regarding budgetary integration	Not Corrected	The Fiscal Officer will be making corrections
2017-007	Ohio Rev. Code § 5705.39 – Appropriations exceeded Estimated Resources	Corrected	N/A

# OHIO AUDITOR OF STATE KEITH FABER



**SHARON TOWNSHIP**

**NOBLE 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 5/25/2021**

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)