



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



**GENOA TOWNSHIP  
DELAWARE COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Report of Independent Accountants .....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2000 .....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 1999 .....	4
Notes to the Financial Statements .....	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	11
Schedule of Findings .....	13

**THIS PAGE INTENTIONALLY LEFT BLANK**



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street  
Columbus, Ohio 43215  
Telephone 614-466-3402  
800-443-9275  
Facsimile 614-728-7199  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

Genoa Township  
Delaware County  
5111 South Old 3C Highway  
Westerville, Ohio 43082

To the Board of Trustees:

We have audited the accompanying financial statements of Genoa Township, Delaware County, Ohio, (the Township) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserve for encumbrances of the Township as of December 31, 2000 and 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2001 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of that audit.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

**JIM PETRO**  
Auditor of State

September 28, 2001

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$492,660	\$2,046,250	\$0	\$2,538,910
Intergovernmental	376,634	419,015	0	795,649
Charges for Services	0	205	0	205
Licenses, Permits, and Fees	219,820	300	0	220,120
Fines, Forfeitures, and Penalties	0	11,294	0	11,294
Earnings on Investments	82,543	19,392	0	101,935
Other Revenue	13,480	79,587	0	93,067
	<u>1,185,137</u>	<u>2,576,043</u>	<u>0</u>	<u>3,761,180</u>
<b>Total Cash Receipts</b>				
	1,185,137	2,576,043	0	3,761,180
<b>Cash Disbursements:</b>				
Current:				
General Government	416,224	0	0	416,224
Public Safety	0	1,346,076	0	1,346,076
Public Works	214,794	645,263	0	860,057
Health	2,782	7,928	0	10,710
Conservation - Recreation	2,279	16,258	0	18,537
Debt Service:				
Redemption of Principal	47,000	54,625	178,096	279,721
Interest and Fiscal Charges	2,830	14,450	25,861	43,141
Capital Outlay	2,400	71,170	0	73,570
	<u>688,309</u>	<u>2,155,770</u>	<u>203,957</u>	<u>3,048,036</u>
<b>Total Cash Disbursements</b>				
	688,309	2,155,770	203,957	3,048,036
<b>Total Receipts Over/(Under) Disbursements</b>	<u>496,828</u>	<u>420,273</u>	<u>(203,957)</u>	<u>713,144</u>
	496,828	420,273	(203,957)	713,144
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers-In	0	35,000	205,141	240,141
Advances-In	0	80,000	0	80,000
Transfers-Out	0	(240,141)	0	(240,141)
Advances-Out	(80,000)	0	0	(80,000)
	<u>(80,000)</u>	<u>(125,141)</u>	<u>205,141</u>	<u>0</u>
<b>Total Other Financing Receipts/(Disbursements)</b>				
	(80,000)	(125,141)	205,141	0
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>416,828</u>	<u>295,132</u>	<u>1,184</u>	<u>713,144</u>
	416,828	295,132	1,184	713,144
<b>Fund Cash Balances, January 1</b>	<u>1,086,289</u>	<u>916,025</u>	<u>203</u>	<u>2,002,517</u>
	1,086,289	916,025	203	2,002,517
<b>Fund Cash Balances, December 31</b>	<u><b>\$1,503,117</b></u>	<u><b>\$1,211,157</b></u>	<u><b>\$1,387</b></u>	<u><b>\$2,715,661</b></u>
	\$1,503,117	\$1,211,157	\$1,387	\$2,715,661

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

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$382,888	\$1,841,772	\$0	\$2,224,660
Intergovernmental	285,921	533,958	0	819,879
Licenses, Permits, and Fees	164,827	1,100	0	165,927
Fines, Forfeitures, and Penalties	2,735	0	0	2,735
Earnings on Investments	61,615	6,931	0	68,546
Other Revenue	10,729	95,342	0	106,071
	<u>908,715</u>	<u>2,479,103</u>	<u>0</u>	<u>3,387,818</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
General Government	302,764	14,435	0	317,199
Public Safety	0	1,212,292	0	1,212,292
Public Works	0	395,293	0	395,293
Health	2,732	2,993	0	5,725
Conservation - Recreation	1,841	39,938	0	41,779
Debt Service:				
Redemption of Principal	23,500	264,555	0	288,055
Interest and Fiscal Charges	4,367	69,582	0	73,949
Capital Outlay	26,563	207,385	0	233,948
	<u>361,767</u>	<u>2,206,473</u>	<u>0</u>	<u>2,568,240</u>
<b>Total Cash Disbursements</b>				
Total Receipts Over/(Under) Disbursements	<u>546,948</u>	<u>272,630</u>	<u>0</u>	<u>819,578</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Advances-In	0	28,000	0	28,000
Advances-Out	(28,000)	0	0	(28,000)
Other Sources	656	0	0	656
	<u>(27,344)</u>	<u>28,000</u>	<u>0</u>	<u>656</u>
<b>Total Other Financing Receipts/(Disbursements)</b>				
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	519,604	300,630	0	820,234
Fund Cash Balances, January 1	566,685	615,395	203	1,182,283
<b>Fund Cash Balances, December 31</b>	<u><b>\$1,086,289</b></u>	<u><b>\$916,025</b></u>	<u><b>\$203</b></u>	<u><b>\$2,002,517</b></u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$3,595</u>	<u>\$0</u>	<u>\$3,595</u>

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



**GENOA TOWNSHIP  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Genoa Township, Delaware County, Ohio, (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

**C. Cash and Investments**

The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer. Mutual funds are recorded at share values reported by the mutual fund.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

**D. Fund Accounting**

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**D. Fund Accounting** (Continued)

**2. Special Revenue Funds**

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

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

Fire District Fund - Receives taxes levied to provide fire protection to the Township.

Police District Fund - Receives taxes levied to provide police protection to the Township.

**3. Debt Service Fund**

The Debt Service fund is used to accumulate resources for the payment of bonds and note indebtedness.

**E. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated. The Township did not encumber all commitments required by Ohio law.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Township.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

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

	<u>2000</u>	<u>1999</u>
Demand deposits	\$1,308,593	\$781,960
STAR Ohio	<u>1,407,068</u>	<u>1,220,557</u>
Total deposits and investments	<u><u>\$2,715,661</u></u>	<u><u>\$2,002,517</u></u>

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

**Investments:** Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

<b>2000 Budgeted vs. Actual Receipts</b>			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$835,768	\$1,185,137	\$349,369
Special Revenue	2,538,660	2,691,043	152,383
Debt Service	<u>0</u>	<u>205,141</u>	<u>205,141</u>
Total	<u><u>\$3,374,428</u></u>	<u><u>\$4,081,321</u></u>	<u><u>\$706,893</u></u>

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

**2000 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,086,918	\$768,309	\$318,609
Special Revenue	2,143,200	2,395,911	(252,711)
Debt Service	0	203,957	(203,957)
Total	<u>\$3,230,118</u>	<u>\$3,368,177</u>	<u>(\$138,059)</u>

**1999 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$634,732	\$909,371	\$274,639
Special Revenue	2,169,063	2,507,103	338,040
Debt Service	0	0	0
Total	<u>\$2,803,795</u>	<u>\$3,416,474</u>	<u>\$612,679</u>

**1999 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$270,963	\$389,767	(\$118,804)
Special Revenue	2,508,487	2,210,068	298,419
Debt Service	0	0	0
Total	<u>\$2,779,450</u>	<u>\$2,599,835</u>	<u>\$179,615</u>

**Excess of Expenditures Over Appropriations**

During 2000, the Township had expenditures exceeding appropriations in the Motor Vehicle License Tax Fund, Gas Tax Fund, Cemetery Fund, Police Fund, Fire Fund, Permissive Motor Vehicle License Tax Fund, and the Debt Service Fund.

During 1999, the Township had expenditures exceeding appropriations in the General Fund, Road & Bridge Fund, Police Fund, and Parks Fund.

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**4. PROPERTY TAX**

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

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

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

**5. DEBT**

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
Fire Fighting Equipment Notes	37,500	4.91%
Fire Fighting Facility Renovation Notes	73,500	6.25%
Fire Truck Notes	46,875	5.75%
Salt Shed Notes	58,000	6.25%
Fire Fighting Facility Notes	154,250	4.91%
Maintenance Building Improvement Notes	333,330	6.35%
Total	\$703,455	

The notes are collateralized solely by the Township's taxing authority. Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	General Obligation Notes
2001	\$247,747
2002	232,171
2003	128,533
2004	81,544
2005	62,610
Subsequent	59,084
Total	\$811,689

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**6. RETIREMENT SYSTEMS**

The Township's certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. OP&F and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 2000, members of OP&F participants contributed 10% of their wages. The Township contributed an amount equal to 24% of their wages to OP&F. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13%, effective July 1, 2000. The Township has paid all contributions required through December 31, 2000.

**7. RISK MANAGEMENT**

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Public Officials liability

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

**8. TAX INCENTIVE FINANCING AGREEMENT**

On December 23, 1995, the Board of Trustees adopted a resolution to create a tax incentive financing (TIF) district for public improvements. The Township is part of a Development Agreement with the City of Westerville. The City is responsible for the development and construction of the public improvements. The TIF funds received by the Township are paid to the City for the Township's share of costs associated with those improvements.

**9. CONTINGENT LIABILITIES**

The Township is a defendant in several lawsuits. Although the outcome of these suits is not presently determinable, management believes that the resolution of these matters will not materially adversely affect the Township's financial condition.



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street  
Second Floor  
Columbus, Ohio 43215  
Telephone 614-466-3402  
800-443-9275  
Facsimile 614-728-7199

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Genoa Township  
Delaware County  
5111 South Old 3C Highway  
Westerville, Ohio 43082

To the Board of Trustees:

We have audited the accompanying financial statements of Genoa Township, Delaware County, Ohio (the Township), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated September 28, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2000-40621-001 and 2000-40621-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated September 28, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as items 2000-40621-001, 2000-40621-003 and 2000-40621-004.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that may be material weaknesses. We consider item 2000-40621-004 to be a material weakness. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated September 28, 2001.

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

**JIM PETRO**  
Auditor of State

September 28, 2001



**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999**

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

**Finding Number 2000-40621-001**

Ohio Rev. Code Section 5705.41 (B) states that no subdivision or taxing unit is to expend money unless it has been appropriated.

The Township's expenditures exceeded appropriations as of December 31, 2000 and 1999 in the following funds and accounts:

**2000**

Fund - Function - Object	Appropriations	Expenditures	Variance
<b>General Fund</b>			
Admin			
Medical/Hospitalization	29,000	32,970	(3,970)
Accounting & Legal Fees	2,500	7,271	(4,771)
County Auditor's/Treasurers Fees	11,000	16,693	(5,693)
Postage	1,200	3,013	(1,813)
Contracted Services	2,000	7,888	(5,888)
Property Insurance Premiums	6,500	6,642	(142)
Other	7,000	54,047	(47,047)
Town Halls, Buildings & Grounds			
Accounting & Legal Fees	5,000	5,280	(280)
Electricity	4,500	5,016	(516)
Other	7,000	56,326	(49,326)
Zoning			
Salaries All Other Township Staff	45,000	56,143	(11,143)
Medical/Hospitalization	2,000	12,764	(10,764)
Accounting & Legal Fees	2,500	5,017	(2,517)
Training Services	0	960	(960)

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**Finding Number 2000-40621-001 (Continued)**

Fund - Function - Object	Appropriations	Expenditures	Variance
<b>General Fund (Continued)</b>			
Zoning (Continued)			
Professional & Technical Services	5,200	14,116	(8,916)
Telephone	1,200	1,426	(226)
Operating Supplies	2,500	4,128	(1,628)
Small Tools & Minor Equipment	3,000	5,598	(2,598)
Other Financing Uses	0	214,794	(214,794)
<b>Motor Vehicle License Tax Fund</b>			
Operating Transfers Out	0	10,000	(10,000)
<b>Gas Tax Fund</b>			
Operating Transfers Out	0	30,000	(30,000)
<b>Road &amp; Bridge Fund</b>			
Medical/Hospitalization	39,000	43,019	(4,019)
Operating Supplies	61,000	69,752	(8,752)
Machinery, Equip. & Furniture	12,500	19,092	(6,592)
Operating Transfers Out	0	50,000	(50,000)
<b>Cemetery Fund</b>			
Salaries All Other Township Staff	0	490	(490)
Repairs & Maintenance	0	1,835	(1,835)
Contracted Services	0	4,284	(4,284)
Operating Supplies	0	1,319	(1,319)
<b>Police Fund</b>			
Salaries All Other Township Staff	650,000	735,189	(85,189)
Public Employees' Retirement System	112,000	112,469	(469)

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**Finding Number 2000-40621-001 (Continued)**

Fund - Function - Object	Appropriations	Expenditures	Variance
<b>Police Fund (Continued)</b>			
Accounting & Legal Fees	0	1,462	(1,462)
County Auditor's/Treasurer's Fees	18,000	21,714	(3,714)
Operating Supplies	23,500	36,050	(12,550)
Small Tools & Minor Equipment	6,000	7,462	(1,462)
Other	5,000	17,440	(12,440)
<b>Fire Fund</b>			
Dental Insurance	0	57	(57)
Accounting & Legal Fees	0	5,823	(5,823)
County Auditor's/Treasurer's Fees	12,000	12,338	(338)
Contracted Services	7,500	9,052	(1,552)
Insurance and Bonding	0	4,182	(4,182)
Operating Supplies	24,500	29,073	(4,573)
Small Tools & Minor Equipment	15,000	20,405	(5,405)
Other Dues & Fees	0	2,029	(2,029)
Buildings	0	54,954	(54,954)
Machinery, Equipment & Furniture	25,000	25,727	(727)
Operating Transfers Out	0	110,141	(110,141)
<b>Permissive Motor Vehicle License Tax Fund</b>			
Operating Transfers Out	0	40,000	(40,000)
<b>Parks Fund</b>			
Contracted Services	5,000	7,328	(2,328)
<b>General Bond Retirement Fund</b>			
Principal Payments	0	178,096	(178,096)
Interest Payments	0	25,861	(25,861)

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**Finding Number 2000-40621-001 (Continued)**

**1999**

Fund - Function - Object	Appropriations	Expenditures	Variance
<b>General Fund</b>			
Admin			
Salary Clerk	17,000	17,060	(60)
Public Employees' Retirement System	11,000	17,003	(6,003)
Medical/Hospitalization	10,000	29,042	(19,042)
Dental Insurance	900	2,796	(1,896)
Vision Insurance	900	1,127	(227)
Worker's Compensation	2,100	3,671	(1,571)
Accounting & Legal Fees	0	1,824	(1,824)
Professional & Tech Services	0	1,498	(1,498)
Repairs & Maintenance	0	1,334	(1,334)
Postage	1,000	2,196	(1,196)
Payment To Another Political Subdivision	0	3,762	(3,762)
Other Dues and Fees	1,500	1,674	(174)
Town Halls, Buildings & Grounds			
Salaries All Other Township Staff	2,000	10,587	(8,587)
Repairs & Maintenance	5,250	8,406	(3,156)
Telephone	700	2,035	(1,335)
Electricity	700	3,996	(3,296)
Other Utilities	0	250	(250)
Other	4,542	16,107	(11,565)
Zoning			
Salaries All Other Township Staff	29,000	47,154	(18,154)
Public Employees' Retirement System	7,000	7,942	(942)

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**Finding Number 2000-40621-001 (Continued)**

Fund - Function - Object	Appropriations	Expenditures	Variance
<b>General Fund (Continued)</b>			
Zoning (Continued)			
Professional & Technical Services	5,000	5,717	(717)
Telephone	250	789	(539)
Office Supplies	1,902	2,491	(589)
Operating Supplies	1,596	2,350	(754)
Cemetery			
Salaries All Other Township Staff	2,000	2,732	(732)
Advances Out	0	82,430	(82,430)
<b>Road &amp; Bridge Fund</b>			
Salaries All Other Township Staff	150,468	153,337	(2,869)
Public Employees' Retirement System	21,000	23,763	(2,763)
Medical/Hospitalization	25,000	31,780	(6,780)
Dental Insurance	1,450	2,400	(950)
Worker's Compensation	3,000	4,640	(1,640)
Uniform, Tool & Equip Reimburse	1,600	4,167	(2,567)
County Auditor's/Treasurers Fees	4,500	8,592	(4,092)
Training Services	0	390	(390)
Repairs & Maintenance	13,000	37,745	(24,745)
Electricity	3,600	4,245	(645)
Contracted Services	0	22,580	(22,580)
Payment to Another Political Subdivision	0	4,120	(4,120)
Property Insurance Premiums	13,400	14,268	(868)
Office Supplies	1,000	1,562	(562)

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**Finding Number 2000-40621-001 (Continued)**

Fund - Function - Object	Appropriations	Expenditures	Variance
<b>Road &amp; Bridge Fund (Continued)</b>			
Operating Supplies	30,000	63,753	(33,753)
Other	0	4,672	(4,672)
Machinery, Equipment & Furniture	20,000	94,544	(74,544)
<b>Police Fund</b>			
Payment to Another Political Subdivision	0	8,157	(8,157)
Salaries All Other Township Staff	530,000	670,554	(140,554)
Public Employees' Retirement System	71,000	123,667	(52,667)
Medical/Hospitalization	53,000	68,694	(15,694)
Dental Insurance	3,925	5,927	(2,002)
Worker's Compensation	6,100	38,380	(32,280)
County Auditor's/Treasurers Fees	0	16,781	(16,781)
Telephone	680	8,493	(7,813)
Electricity	4,000	4,145	(145)
Water & Sewage	324	333	(9)
Natural Gas	500	514	(14)
Other Utilities	500	1,458	(958)
Contracted Services	11,754	16,043	(4,289)
<b>Fire Fund</b>			
Payment to Another Political Subdivision	0	4,635	(4,635)
Salaries All Other Township Staff	69,000	83,208	(14,208)
Vision Insurance	0	41	(41)
County Auditor's/Treasurers Fees	0	9,535	(9,535)
Repairs & Maintenance	2,500	2,566	(66)

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

**Finding Number 2000-40621-001 (Continued)**

Fund - Function - Object	Appropriations	Expenditures	Variance
<b>Fire Fund (Continued)</b>			
Buildings	0	100,000	(100,000)
<b>Parks Fund</b>			
Contracted Services	11,000	34,124	(23,124)

We recommend the Township ensure that expenditures do not exceed appropriations at any time during the year or at year end. The Clerk should not approve any expenditures which exceed appropriations. If necessary, the Clerk should request the Board to determine if they wish to approve the expenditures by amending appropriations.

*The Township established the legal level of control at fund-function in 2001. They have implemented this recommendation and are monitoring budgetary activity.*

**Finding Number 2000-40621-002 \***

Ohio Revised Code § 5705.41(D), states no orders or contracts involving the expenditure of money is to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section also provides two "exceptions" to the above requirement:

- a. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the Board may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate, if such expenditure is otherwise valid.
- b. If the amount involved is less than \$1,000, the fiscal officer may authorize it to be paid without the affirmation of the Board, if such expenditure is otherwise valid.

Sixty-five percent of the transactions tested were not certified by the fiscal officer at the time the commitment was incurred and neither of the exceptions provided for were used. To improve controls over disbursements, we recommend the Township's disbursements receive certification of the fiscal officer that the funds are or will be available.

*The Township implemented this recommendation in 2001.*

**GENOA TOWNSHIP  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

<p><b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b></p>
---

**Finding Number 2000-40621-003**

**Monthly Financial Reports**

There was no evidence the Board of Trustees monitors the Township's financial information. The Board of Trustees should monitor the Township's financial activity on a regular basis.

Lack of legislative monitoring may lead to errors, irregularities, or misappropriation of Township assets, or in making financial decisions without adequate information.

We recommend the Clerk prepare monthly financial reports to present to the Board of Trustees for monitoring purposes. Reports should include beginning fund balances, detail of monthly receipts and expenditures by fund, and ending fund balances. Budget vs. actual activity, cash reconciliations and bank statements should also be included in the monthly financial report for review. Furthermore, the cash journal, receipts ledger, and appropriations ledger should also be made available to the Board of Trustees for ongoing review and monitoring purpose.

*The Township implemented this recommendation in 2001.*

**Finding Number 2000-40621-004**

**Cash Reconciliation**

The Clerk prepared bank reconciliations for each month in 1999 and 2000. These reconciliations, however, included significant unidentified adjusting factors used to balance. The difference between the bank amount and the accounting records vary significantly. This situation has since been remedied.

Reconciling cash is one of the fundamental control procedures for a government. Failure to reconcile cash monthly and at year-end could result in deficit spending, understated fund balances, budgetary violations, inaccurate financial statements, or misappropriation of assets.

We recommend the Township reconcile timely to ensure control and accountability over Township cash assets. The Board of Trustees should review the reconciliations as a part of the monthly financial report.

*The Township implemented this recommendation in 2001.*





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**GENOA TOWNSHIP**

**DELAWARE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
NOVEMBER 8, 2001**