



**RICHLAND TOWNSHIP  
DARKE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2001 - 2000**



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

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**STATE OF OHIO**



**RICHLAND TOWNSHIP  
DARKE 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, 2001 .....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance - Fiduciary Fund Type - For the Year Ended December 31, 2001 .....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2000 .....	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance - Fiduciary Fund Type - For the Year Ended December 31, 2000 .....	6
Notes to the Financial Statements .....	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	13
Schedule of Findings .....	15
Schedule of Prior Audit Findings .....	18

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## REPORT OF INDEPENDENT ACCOUNTANTS

Richland Township  
Darke County  
7054 Beamsville-Webster Road  
Versailles, Ohio 45380

To the Board of Trustees:

We have audited the accompanying financial statements of Richland Township, Darke County, (the Township) as of and for the years ended December 31, 2001 and 2000. 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 reserves for encumbrances of the Township as of December 31, 2001 and 2000, 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 February 21, 2002 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 our audit.

This report is intended solely for the information and use of the management, 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

February 21, 2002

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$22,725	\$12,428	\$35,153
Intergovernmental	72,904	55,370	128,274
Licenses, Permits, and Fees		3,759	3,759
Earnings on Investments	1,131	2,743	3,874
Other Revenue		925	925
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	96,760	75,225	171,985
<b>Cash Disbursements:</b>			
General Government	54,309		54,309
Public Safety		11,953	11,953
Public Works	1,702	38,238	39,940
Health		3,326	3,326
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	56,011	53,517	109,528
Total Receipts Over Disbursements	<hr/>	<hr/>	<hr/>
	40,749	21,708	62,457
<b>Other Financing Receipts:</b>			
Other Financing Sources	493		493
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts	493		493
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	41,242	21,708	62,950
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>
	30,211	129,958	160,169
<b>Fund Cash Balances, December 31</b>	<b><u>\$71,453</u></b>	<b><u>\$151,666</u></b>	<b><u>\$223,119</u></b>
Reserve for Encumbrances, December 31	<hr/>	<hr/>	<hr/>
	\$578	\$192	\$770

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

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<b><u>Non-Expendable Trust</u></b>
<b>Operating Cash Receipts:</b>	
Earnings on Investments	\$573
Gifts and Donations	<u>20,000</u>
 Total Operating Cash Receipts	 <u>20,573</u>
 Fund Cash Balances, January 1	 <u>10,412</u>
 <b>Fund Cash Balances, December 31</b>	 <b><u><u>\$30,985</u></u></b>

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



**RICHLAND TOWNSHIP  
DARKE 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>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$23,231	\$12,260	\$35,491
Intergovernmental	24,719	55,422	80,141
Licenses, Permits, and Fees		2,300	2,300
Earnings on Investments	698	2,871	3,569
Other Revenue		300	300
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	48,648	73,153	121,801
<b>Cash Disbursements:</b>			
General Government	47,017		47,017
Public Safety		12,510	12,510
Public Works	1,990	74,253	76,243
Health	4,223	2,508	6,731
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	53,230	89,271	142,501
Total Receipts (Under) Disbursements	<hr/>	<hr/>	<hr/>
	(4,582)	(16,118)	(20,700)
<b>Other Financing Receipts:</b>			
Other Financing Sources	56		56
	<hr/>		<hr/>
Total Other Financing Receipts	56		56
Excess of Cash Receipts and Other Financing Receipts (Under) Cash Disbursements and Other Financing Disbursements	(4,526)	(16,118)	(20,644)
Fund Cash Balances, January 1	34,737	146,076	180,813
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b>\$30,211</b>	<b>\$129,958</b>	<b>\$160,169</b>
	<hr/>	<hr/>	<hr/>
Reserve for Encumbrances, December 31	\$253	\$124	\$377
	<hr/>	<hr/>	<hr/>

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

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Non-Expendable Trust</u>
<b>Operating Cash Receipts:</b>	
Earnings on Investments	<u>\$509</u>
Fund Cash Balances, January 1	<u>9,903</u>
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$10,412</u></u></b>

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

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Richland Township, Darke County, (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 road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with various villages to provide fire services and emergency medical services to Township residents.

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**

Certificates of deposit are valued at cost.

**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.

**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:

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

**Gasoline Tax Fund** - This fund receives gasoline tax money to construct, maintain, and repair Township roads.

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

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

**Special Fire District Levy Fund** - This fund receives the proceeds of a property tax levy for providing fire protection.

**3. Fiduciary Funds (Trust Funds)**

These funds are used to account for resources restricted by legally binding trust agreements. The Township had the following significant fiduciary funds:

**Charlene Ashman Cemetery Bequest Fund** - A non-expendable trust fund. Amounts donated are maintained in perpetuity. Investment earnings are used for grave upkeep as specified by the donor.

**Ben Coppess Cemetery Bequest Fund** - A non-expendable trust fund. Amounts donated are maintained in perpetuity. Investment earnings are used for grave upkeep as specified by the donor.

**Lessie Kelsey Cemetery Bequest Fund** - A non-expendable trust fund. Amounts donated are maintained in perpetuity. Investment earnings are used for grave upkeep as specified by the donor.

**Lucille Clark Bequest Fund** - A non-expendable trust fund. Amounts donated are maintained in perpetuity. Investment earnings are used for grave upkeep as specified by the donor.

**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 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 reappropriated. The Township did not encumber all commitments required by Ohio law.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(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.

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

The Township maintains a cash and investment 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:

	<b>2001</b>	<b>2000</b>
Demand deposits	\$223,119	\$160,169
Certificates of deposit	30,985	10,412
Total deposits	\$254,104	\$170,581

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation and (2) collateralized by securities specifically pledged by the financial institution to the Township.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2001 and 2000 follows:

<b>2001 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$44,523	\$97,253	\$52,730
Special Revenue	74,412	75,225	813
Fiduciary	400	20,573	20,173
Total	\$119,335	\$193,051	\$73,716

<b>2001 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$75,352	\$56,589	\$18,763
Special Revenue	202,850	53,709	149,141
Fiduciary	0	0	0
Total	\$278,202	\$110,298	\$167,904

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

<b>2000 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$39,827	\$48,704	\$8,877
Special Revenue	72,250	73,153	903
Fiduciary	430	509	79
Total	\$112,507	\$122,366	\$9,859

<b>2000 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$78,258	\$53,483	\$24,775
Special Revenue	213,069	89,395	123,674
Fiduciary	0	0	0
Total	\$291,327	\$142,878	\$148,449

Contrary to Ohio Rev. Code Section 5705.41(D), the Township did not certify funds were available prior to incurring the obligation during 2000 and 2001. Also, contrary to Ohio Rev. Code Section 5705.10, during 2001 and 2000, the Township was not in compliance with the requirement to credit revenues to the special fund for the purpose for which the levy was made.

**4. PROPERTY TAX**

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

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

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

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

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**5. RETIREMENT SYSTEMS**

The Township's elected officials belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13%, effective July 1, 2000 through December 31, 2000. The Township has paid all contributions required through December 31, 2001.

**6. RISK MANAGEMENT**

**A. Commercial Insurance**

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles;
- Wrongful Acts; and
- Electronic Data Equipment

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

Richland Township  
Darke County  
7054 Beamsville-Webster Road  
Versailles, Ohio 45380

To the Board of Trustees:

We have audited the accompanying financial statements of Richland Township, Darke County (the Township), as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated February 21, 2002. 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 the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2001-40319-001 and 2001-40319-002. We also noted a certain immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated February 21, 2002.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the 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 judgement, 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 2001-40319-003 and 2001-40319-004.

**Internal Control Over Financial Reporting  
(Continued)**

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 are also considered to be material weaknesses. However, we consider items 2001-40319-003 and 2001-40319-004 to be material weaknesses. 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 the management of the Township in a separate letter dated February 21, 2002.

This report is intended solely for the information and use of the management and 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

February 21, 2002

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2001 AND 2000**

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

**FINDING NUMBER 2001-40319-001**

**Noncompliance Citations:**

**Ohio Rev. Code Section 5705.41 (D)**, provides that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money without attaching thereto the certificate of the fiscal officer of the subdivision that the amount required to meet the same in the fiscal year in which the contract is made has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Contracts and orders for expenditures lacking prior certification should be null and void.

This section also provides an exception to this requirement:

If no certificate is issued at the time the contract or order is entered into, the fiscal officer may later certify that these funds were properly appropriated and in the treasury or in the process of collection and such funds are free from previous encumbrance both at the time the contract or order was entered into and at the time of payment. After certifying this, the fiscal officer may proceed to pay for such order or contract. If the amount involved is over \$1,000, the taxing authority must approve of such payment within 30 days of the date of the fiscal officer's certification.

The Township failed to comply with the exception requirement and issue the required certification at the time of payment for seventy-five of the two-hundred and ten expenditure transactions for 2001, and seventy of the one hundred and ninety-three expenditure transactions for 2000, for which prior certification was not obtained.

The Township should adopt policies and procedures to improve compliance with the certification requirement.

**FINDING NUMBER 2001-40319-002**

**Ohio Rev. Code, Section 5705.10**, requires 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 is to be paid into a special fund for such purpose. The Township failed to properly record the receipt of certain property taxes and intergovernmental revenue in the special funds established for that purpose during both 2001 and 2000.

The adjustments required to accurately state the Township's fund balances as of December 31, are as follows:

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

**FINDING NUMBER 2001-40319-002 (Continued)**

2001 Fund Type/Fund	Township's Reported Ending Balance	Audit Adjustments	Adjusted Ending Balance
<b>General Fund</b>	\$67,620	\$3,833	\$71,453
<b>Special Revenue Funds:</b>			
Motor Vehicle License Tax	25,845	2,246	28,091
Gas Tax	123,074	(6,446)	116,628
Road & Bridge	2,470	20	2,490
Cemetery	1,946	(39)	1,907
Fire District Levy	<u>569</u>	<u>1,981</u>	<u>2,550</u>
Total Special Revenue Fund	153,904	(2,238)	151,666
<b>Non-Expendable Trust Funds:</b>			
Lucille Clark Trust (1)	0	10,017	10,017
Lucille Clark Trust (2)	0	10,023	10,023
Charlene Ashman Trust	0	1,587	1,587
Lessie Kelsey Trust	0	1,811	1,811
Ben Coppess Trust	0	7,547	7,547
Non-Expendable Trust Fund	<u>11,928</u>	<u>(11,928)</u>	<u>0</u>
Total Non-Expendable Trust Fund	11,928	19,057	30,985
<b>2000 Fund Type/Fund</b>			
<b>General Fund</b>	30,575	(364)	30,211
<b>Special Revenue Funds:</b>			
Motor Vehicle License Tax	21,778	2,258	24,036
Gas Tax	103,000	(2,230)	100,770
Road & Bridge	1,249	8	1,257
Cemetery	922	(39)	883
Fire District Levy	<u>1,364</u>	<u>1,648</u>	<u>3,012</u>
Total Special Revenue Fund	128,313	1,645	129,958
<b>Non-Expendable Trust Funds:</b>			
Charlene Ashman Trust	0	1,515	1,515
Lessie Kelsey Trust	0	1,728	1,728
Ben Coppess Trust	0	7,169	7,169
Non-Expendable Trust	<u>11,355</u>	<u>(11,355)</u>	<u>0</u>
Total Non-Expendable Trust Fund	11,355	(943)	10,412

In accordance with the preceding facts, the adjustments above have been reflected in the combined statements presented in this report.

The Township should develop procedures to improve compliance with the requirement that revenues are posted to the appropriate fund and revenue account to prevent future misstatements.

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

**Material Weaknesses:**

**FINDING NUMBER 2001-40319-003**

**Monitoring Financial Reports**

Since the Township Clerk is the only individual performing accounting functions, the Trustees should monitor the Township's financial position on a routine basis. The Clerk should provide the Trustees with copies of the monthly bank reconciliation report, receipt account status report, appropriation status report, and fund balance report for the preceding month at each monthly meeting.

The review and acceptance of the monthly financial reports should be recorded in the Board minutes to document that the Trustees have verified that the accounting records are being maintained properly.

**FINDING NUMBER 2001-40319-004**

**Unrecorded Cemetery Bequests**

In 2001, the Clerk did not post the receipt of the Lucille Clark Bequest consisting of two certificates of deposit to the accounting records. These two certificates of deposit were in the amount of \$10,000 each. In addition, the Clerk did not use the certificates of deposit in reconciliations to the accounting records. This resulted in a material misstatement of the Non-Expendable Trust Fund balances for the year.

The Clerk should post all revenue received including bequests to the accounting system to provide appropriate accounting for all funds under Township control.

The cemetery bequest revenues mentioned above, have been reflected in the combined statements presented in this report.

**RICHLAND TOWNSHIP  
DARKE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2001 AND 2000**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
1999-40319-001	Ohio Rev. Code Section 5705.10 revenue derived from a special levy.	No	Not Corrected. Adjustments were required to accurately report taxes and intergovernmental revenue.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**RICHLAND TOWNSHIP**

**DARKE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
APRIL 16, 2002**