

**RUSHCREEK CONSERVANCY DISTRICT  
PERRY COUNTY  
FINANCIAL STATEMENTS  
Years Ended December 31, 2004 and 2003**





**Auditor of State  
Betty Montgomery**

Rushcreek Conservancy District  
160 Carter Street  
Breman, Ohio 43107

We have reviewed the *Independent Auditor's Report* of the Rushcreek Conservancy District, Perry County, prepared by Jones, Cochenour & Co. for the audit period January 1, 2003 through December 31, 2004. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State's Office (AOS). Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the AOS permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Rushcreek Conservancy District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

October 31, 2005

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PERRY COUNTY  
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## INDEPENDENT AUDITOR'S REPORT

Rushcreek Conservancy District  
Bremen, OH

We have audited the accompanying financial statements of Rushcreek Conservancy District, Perry County, (the "District") as of and for the years ended December 31, 2004 and 2003. These financial statements are the responsibility of the District'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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of American (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the District to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statements present for 2004 (and 2003), the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2004. While the District does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The District had elected not to reformat its statements. Since this District does not use GAAP to measure financial statements amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended December 31, 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2004, or its change in financial position or cash flows of its proprietary funds for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the District, as of December 31, 2004 and 2003, and its combined receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the District to include Management's Discussion and Analysis for the year ended December 31, 2004. The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of American has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2005 on our consideration of the District'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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reports and compliance, and the results of that testing. 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 assessing the result of our audit.

A handwritten signature in cursive script that reads "Jones, Cochenour & Co.".

Jones, Cochenour & Co.  
August 22, 2005

**RUSHCREEK CONSERVANCY DISTRICT  
PERRY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Governmental Fund Types</u>		Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Sale of Water	20,000	-	20,000
Building Rental	9,175	-	9,175
Interest	1,558	796	2,354
State and Federal Monies	-	75,433	75,433
Sale of Oil and Gas	1,935	-	1,935
Conservation Reserve Program	15,131	-	15,131
Land Lease Crop/Other	13,656	-	13,656
Property Tax Assessments	-	85,880	85,880
Other	460	3,500	3,960
	<u>61,915</u>	<u>165,609</u>	<u>227,524</u>
<b>Total Cash Receipts</b>			
	<u>61,915</u>	<u>165,609</u>	<u>227,524</u>
<b>Cash Disbursements:</b>			
Payroll	14,285	30,892	45,177
Administration Expense and Supplies	2,088	6,881	8,969
Attorney Fees	1,850	-	1,850
Appraiser and Judge Fee	169	-	169
Director and Secretary Expense	2,577	1,211	3,788
Real Estate Taxes	2,177	-	2,177
Utilities	3,015	-	3,015
Assessment refunds	-	325	325
Insurance	4,063	-	4,063
Payroll Taxes	207	448	655
Workers' Compensation	162	301	463
Public Employees Retirement	1,936	4,186	6,122
Maintenance and Repair	4,159	15,523	19,682
Truck Payment	-	11,000	11,000
Inspection fees	-	4,285	4,285
Advertising	20	-	20
Other	282	334	616
Rehabilitation administrative cost	-	25,864	25,864
Capital Outlay	-	24,854	24,854
	<u>36,990</u>	<u>126,104</u>	<u>163,094</u>
<b>Total Cash Disbursements</b>			
	<u>36,990</u>	<u>126,104</u>	<u>163,094</u>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<u>24,925</u>	<u>39,505</u>	<u>64,430</u>
<b>Note Proceeds</b>	<u>-</u>	<u>21,427</u>	<u>21,427</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>24,925</u>	<u>60,932</u>	<u>85,857</u>
<b>Fund Cash Balances, January 1</b>	<u>83,280</u>	<u>110,249</u>	<u>193,529</u>
<b>Fund Cash Balances, December 31</b>	<u><u>108,205</u></u>	<u><u>171,181</u></u>	<u><u>279,386</u></u>

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



**RUSHCREEK CONSERVANCY DISTRICT  
PERRY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>		Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Sale of Water	20,000	-	20,000
Building Rental	7,885	-	7,885
Interest	2,246	3,765	6,011
State and Federal Monies	-	280,657	280,657
Sale of Oil and Gas	2,533	-	2,533
Conservation Reserve Program	15,626	-	15,626
Land Lease Crop/Other	2,100	-	2,100
Property Tax Assessments	-	85,732	85,732
Other	-	3,000	3,000
<b>Total Cash Receipts</b>	<u>50,390</u>	<u>373,154</u>	<u>423,544</u>
<b>Cash Disbursements:</b>			
Payroll	15,066	28,066	43,132
Administration Expense and Supplies	2,606	4,851	7,457
Attorney Fees	4,720	-	4,720
Appraiser and Judge Fee	229	-	229
Director and Secretary Expense	2,864	1,112	3,976
Real Estate Taxes	3,847	-	3,847
Utilities	3,926	-	3,926
Assessment refunds	-	2,533	2,533
Insurance	2,896	-	2,896
Payroll Taxes	218	407	625
Workers' Compensation	173	355	528
Public Employees Retirement	4,859	3,803	8,662
Maintenance and Repair	2,946	17,137	20,083
Mortgage Payment	4,549	-	4,549
Inspection fees	-	-	-
Advertising	155	-	155
Audit	1,749	1,749	3,498
Other	779	-	779
Rehabilitation administrative cost	-	26,162	26,162
Relocation	-	30,153	30,153
Easements	-	259,238	259,238
<b>Total Cash Disbursements</b>	<u>51,582</u>	<u>375,566</u>	<u>427,148</u>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<u>(1,192)</u>	<u>(2,412)</u>	<u>(3,604)</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	(1,192)	(2,412)	(3,604)
<b>Fund Cash Balances, January 1</b>	<u>84,472</u>	<u>112,661</u>	<u>197,133</u>
<b>Fund Cash Balances, December 31</b>	<u>83,280</u>	<u>110,249</u>	<u>193,529</u>

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

**RUSHCREEK CONSERVANCY DISTRICT  
PERRY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Rushcreek Conservancy District, Perry County (the "District"), 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 District was organized under the provisions of the Ohio Rev. Code Section 6101.04, in the manner and subject to the conditions provided by Ohio Rev. Code Sections 6101.01 to 6101.84, inclusive, for the purpose of watershed protection and flood prevention in the District, which covers parts of Fairfield, Hocking and Perry Counties.

The governing body for the District consists of a Board of Directors of three (3) members appointed by the Court of Common Pleas in accordance with Ohio Rev. Code Section 6101.10, to serve a term of five (5) years.

The District's management believes the financial statements present all activities for which the District 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.

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

**C. Cash and Investments**

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.

Certificates of deposit are valued at cost.

**D. Fund Accounting**

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District 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 by law or contract to be restricted.

**2. Special Revenue Funds**

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Funds:

**RUSHCREEK CONSERVANCY DISTRICT  
PERRY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003**

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

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

*Special Assessment General Maintenance Fund* – This fund receives special assessment property tax money and interest to maintain District watershed protection and flood prevention sites.

*VII-C Rehabilitation Fund* – This fund receives state and federal monies for the purpose of acquiring all real property rights and interests needed for the rehabilitation of Structure VII-C.

**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 function level of control, and appropriations may not exceed estimated resources. Appropriation authority includes current year appropriations plus encumbrances carried over from the prior year (if any). The Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The District did not properly encumber all commitments required by law.

A summary of 2004 and 2003 budgetary activity appears in Note 3.

**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. CASH AND INVESTMENTS**

The carrying amount of cash and investments at December 31 was as follows:

	<u>2004</u>	<u>2003</u>
Demand deposits	\$ 182,350	\$ 86,235
Certificates of deposit	97,036	107,294
Total deposits	<u>\$ 279,386</u>	<u>\$ 193,529</u>

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

**RUSHCREEK CONSERVANCY DISTRICT  
PERRY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2004 and 2003 follows:

**2004 Budgeted vs. Actual Receipts**

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 550,870	\$ 61,915	\$ (488,955)
Special Revenue	173,200	187,036	13,826
<b>Total</b>	<b>\$ 724,070</b>	<b>\$ 248,951</b>	<b>\$ (475,129)</b>

**2004 Budgeted vs. Actual Budgetary Basis Expenditures**

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 559,813	\$ 36,990	\$ 522,823
Special Revenue	211,485	126,104	85,381
<b>Total</b>	<b>\$ 771,298</b>	<b>\$ 163,094</b>	<b>\$ 608,204</b>

**2003 Budgeted vs. Actual Receipts**

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 570,520	\$ 50,390	\$ (520,130)
Special Revenue	344,000	373,154	29,154
<b>Total</b>	<b>\$ 914,520</b>	<b>\$ 423,544</b>	<b>\$ (490,976)</b>

**2003 Budgeted vs. Actual Budgetary Basis Expenditures**

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 591,200	\$ 51,582	\$ 539,618
Special Revenue	445,100	375,566	69,534
<b>Total</b>	<b>\$ 1,036,300</b>	<b>\$ 427,148</b>	<b>\$ 609,152</b>

Budgeted revenue exceeded actual revenue and appropriations were greater than actual revenue at both December 31, 2004 and 2003 in the General Fund and the General Maintenance Fund, and at December 31, 2003 in the VIIC Rehabilitation Fund, contrary to Ohio law.

**4. DEBT**

The District entered into a 36-month promissory note with the First Bremen Bank on May 13, 2004, for \$21,427 for the purchase of a pick up truck. This note is secured by the truck with monthly payments of \$630.

**RUSHCREEK CONSERVANCY DISTRICT  
PERRY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003**

**4. DEBT (Continued)**

Amortization of the above debt, including interest of 3.75%, is scheduled as follows:

<u>Year ending December 31:</u>	<u>Promissory Note</u>
2005	\$ 7,128
2006	\$ 7,705

The District intends to pay off the debt sooner by making \$1,000 monthly payments.

**5. RETIREMENT SYSTEM**

The District's appointed officials and employees 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 2004 and 2003, PERS member employees contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all employer contributions required through December 31, 2004.

**6. RISK MANAGEMENT**

**Commercial Insurance**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles;
- Public Officials' liability; and
- Crime and employee dishonesty.

**7. PROPERTY TAX ASSESSMENT**

Property assessment taxes become a lien on January 1 proceeding the October 1 date for which rates are accepted by Fairfield, Hocking and Perry Counties. Payments are due to the Counties by December 31. If the property owner elects to make semi-annual payments, the first half is due December 31. The second half payment is due the following June 20.

The Counties are responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

**8. CONTINGENT LIABILITY \ SUBSEQUENT EVENT**

During the year 2004 the District exercised its power of eminent domain, in Bremen, Ohio, which resulted in litigation. Two property owners were named as defendants in the Fairfield County Clerk of Courts. The defendants were seeking payment beyond the amount offered from the plaintiff, the District. Subsequent to December 31, 2004, these cases both settled in the amount of \$36,250 and \$4,300. The attorney estimates these amounts to be a little over fair market value.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Rushcreek Conservancy District  
Bremen, Ohio

We have audited the financial statements of Rushcreek Conservancy District as of and for the years ended December 31, 2004 and 2003, and have issued our report thereon dated August 22, 2005. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Rushcreek Conservancy District'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. 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 material weaknesses. A material weakness is a reportable 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. We noted other matters that we reported to management of Rushcreek Conservancy District in a separate letter dated August 22, 2005.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Rushcreek Conservancy District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2004-8326-001 and 2004-8326-002. We also noted a matter that we reported to management of Rushcreek Conservancy District in a separate letter dated August 22, 2005.

This report is intended solely for the information and use of the board of directors, management and the Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

Jones, Cochenour & Co.  
August 22, 2005

**RUSHCREEK CONSERVANCY DISTRICT**

**SCHEDULE OF FINDINGS**

**December 31, 2004 and 2003**

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

**FINDING NUMBER 2004-8326-001**

**NONCOMPLIANCE CITATION**

Ohio Rev. Code Section 5705.41(D)(1) states that no subdivision or taxing unit shall make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same 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 encumbrance.

There are several exceptions to the above requirement, one of which is found in Ohio Rev. Code Section 5705.41(D)(1):

- **“Then and Now” Certificate:** This exception provides that, if the fiscal officer can certify that both at the time that the contract or order was made and at the time that he is completing his certification, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal liability on the part of the subdivision or taxing district.
- **Amounts of less than \$1,000 (\$3,000 after April 7, 2003)** may be paid by the fiscal officer without such affirmation of the taxing authority upon completion of the “then and now” certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the taxing authority.

The District incurred obligations prior to receiving the required certification from the Secretary/Treasurer. This could result in expenditures exceeding appropriations and/or available cash balances. We recommend the District require that prior certification be properly obtained from the Secretary/Treasurer before any District obligations are incurred.

**FINDING NUMBER 2004-8326-002**

**NONCOMPLIANCE CITATION**

Ohio Rev. Code Section 5705.36(A)(4) requires all subdivisions to request reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be less than the amount in the official certificate of estimated resources.

**RUSHCREEK CONSERVANCY DISTRICT**

**SCHEDULE OF FINDINGS  
December 31, 2004 and 2003  
(Continued)**

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

**FINDING NUMBER 2004-8326-002 (Continued)**

**NONCOMPLIANCE CITATION (Continued)**

**Ohio Rev. Code Section 5705.36 (Continued)**

**Budgeted revenue exceeded actual and appropriations were greater than actual revenue plus unencumbered cash as of December 31, 2004, as follows:**

<u>Fund</u>	<u>Budgeted Resources</u>	<u>Actual Revenue Plus Unencumbered Cash</u>	<u>Appropriation Authority</u>
General fund	\$ 633,929	\$ 144,975	\$ 559,813
General maintenance fund	\$ 162,397	\$ 107,850	\$ 139,485

**Budgeted revenue exceeded actual revenue and appropriations were greater than actual revenue plus unencumbered cash as of December 31, 2003, as follows:**

<u>Fund</u>	<u>Budgeted Resources</u>	<u>Actual Revenue Plus Unencumbered Cash</u>	<u>Appropriation Authority</u>
General fund	\$ 654,992	\$ 134,862	\$ 591,200
General maintenance fund	\$ 101,679	\$ 99,910	\$ 100,900

**We recommend the District monitor estimated and actual revenues for all funds on a regular basis. In the situation where budgeted revenue exceeds actual revenue and appropriations exceed actual revenue, the Directors should approve to reduce estimated revenue and appropriations should be adjusted accordingly.**



**RUSHCREEK CONSERVANCY DISTRICT**

**SCHEDULE OF PRIOR AUDIT FINDINGS**

**December 31, 2004**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:</b>
2002-31064-001	A material noncompliance citation was issued in the prior audit under Ohio Rev. Code Section 5705.41(D) for not properly encumbering funds prior to expenditure.	No	This issue is repeated in the current audit as finding number 2004-8326-001.
2002-31064-002	A material noncompliance citation was issued in the prior audit under Ohio Rev. Code Section 5705.36(A)(4) for not requesting amended certificates.	No	This issue is repeated in the current audit as finding number 2004-8326-002.





**Auditor of State  
Betty Montgomery**

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**RUSHCREEK CONSERVANCY DISTRICT**

**PERRY 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 10, 2005**