



**Auditor of State  
Betty Montgomery**



**PIKE TOWNSHIP  
KNOX COUNTY**

**TABLE OF CONTENTS**

| <b>TITLE</b>  | <b>PAGE</b> |
|---|-------------|
| Cover Letter .....  | 1           |
| Independent Accountants' Report.....  | 3           |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in<br>Fund Cash Balances - All Governmental Fund Types -<br>For the Year Ended December 31, 2005.....    | 5           |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in<br>Fund Cash Balances - All Governmental Fund Types -<br>For the Year Ended December 31, 2004.....    | 6           |
| Notes to the Financial Statements .....   | 7           |
| Independent Accountants' Report on Internal Control Over<br>Financial Reporting and on Compliance and Other Matters<br>Required by <i>Government Auditing Standards</i> ..... | 13          |

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**Auditor of State  
Betty Montgomery**

Pike Township  
Knox County  
20641 North Liberty Road  
Butler, Ohio 44822

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Township 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. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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

**Betty Montgomery**  
Auditor of State

August 17, 2006

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Pike Township  
Knox County  
20641 North Liberty Road  
Butler, Ohio 44822

To the Board of Trustees:

We have audited the accompanying financial statements of Pike Township, Knox County, Ohio, (the Township) as of and for the years ended December 31, 2005 and 2004. 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 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. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township 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 America (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 Township to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2005 and 2004. Instead of the combined funds the accompanying financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards requires 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 Township has elected not to reformat its statements. Since this Township does not use GAAP to measure financial statement 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 years ended December 31, 2005 and 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2005 and 2004, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Pike Township, Knox County, Ohio, as of December 31, 2005 and 2004, and its combined cash 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 Township to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America 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 17, 2006, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



**Betty Montgomery**  
Auditor of State

August 17, 2006

**PIKE TOWNSHIP  
KNOX COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2005**

|   | <u>Governmental Fund Types</u> |                            |                         |                             | <u>Totals<br/>(Memorandum<br/>Only)</u> |
|---|--------------------------------|----------------------------|-------------------------|-----------------------------|---|
|   | <u>General</u>                 | <u>Special<br/>Revenue</u> | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> |   |
| <b>Cash Receipts:</b>                     |                                |                            |                         |                             |   |
| Local Taxes                               | \$18,646                       | \$37,965                   | \$16,527                | \$0                         | \$73,138                                |
| Intergovernmental                         | 85,149                         | 107,720                    | 0                       | 0                           | 192,869                                 |
| Licenses, Permits, and Fees               | 2,904                          | 1,120                      | 0                       | 0                           | 4,024                                   |
| Earnings on Investments                   | 971                            | 96                         | 0                       | 0                           | 1,067                                   |
| Other Revenue                             | 0                              | 500                        | 0                       | 0                           | 500                                     |
|   | <u>107,670</u>                 | <u>147,401</u>             | <u>16,527</u>           | <u>0</u>                    | <u>271,598</u>                          |
| <b>Cash Disbursements:</b>                |                                |                            |                         |                             |   |
| Current:                                  |                                |                            |                         |                             |   |
| General Government                        | 54,806                         | 2,734                      | 0                       | 0                           | 57,540                                  |
| Public Works                              | 3,922                          | 127,798                    | 0                       | 0                           | 131,720                                 |
| Health                                    | 0                              | 10,320                     | 0                       | 0                           | 10,320                                  |
| Human Services                            | 350                            | 0                          | 0                       | 0                           | 350                                     |
| Debt Service:                             |                                |                            |                         |                             |   |
| Redemption of Principal                   | 0                              | 0                          | 14,600                  | 0                           | 14,600                                  |
| Interest and Fiscal Charges               | 0                              | 0                          | 1,929                   | 0                           | 1,929                                   |
| Capital Outlay                            | 0                              | 3,406                      | 0                       | 0                           | 3,406                                   |
|   | <u>59,078</u>                  | <u>144,258</u>             | <u>16,529</u>           | <u>0</u>                    | <u>219,865</u>                          |
| Total Receipts Over/(Under) Disbursements | 48,592                         | 3,143                      | (2)                     | 0                           | 51,733                                  |
| Fund Cash Balances, January 1             | <u>66,912</u>                  | <u>49,126</u>              | <u>13</u>               | <u>6,551</u>                | <u>122,602</u>                          |
| <b>Fund Cash Balances, December 31</b>    | <u><b>\$115,504</b></u>        | <u><b>\$52,269</b></u>     | <u><b>\$11</b></u>      | <u><b>\$6,551</b></u>       | <u><b>\$174,335</b></u>                 |

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

**PIKE TOWNSHIP  
KNOX 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> |                            |                         |                             | <u>Totals<br/>(Memorandum<br/>Only)</u> |
|---|--------------------------------|----------------------------|-------------------------|-----------------------------|---|
|   | <u>General</u>                 | <u>Special<br/>Revenue</u> | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> |   |
| <b>Cash Receipts:</b>                     |                                |                            |                         |                             |   |
| Local Taxes                               | \$17,191                       | \$33,166                   | \$16,938                | \$0                         | \$67,295                                |
| Intergovernmental                         | 59,873                         | 98,330                     | 0                       | 0                           | 158,203                                 |
| Licenses, Permits, and Fees               | 1,950                          | 1,725                      | 0                       | 0                           | 3,675                                   |
| Earnings on Investments                   | 663                            | 146                        | 0                       | 0                           | 809                                     |
| Other Revenue                             | 908                            | 3,100                      | 0                       | 0                           | 4,008                                   |
|   | <u>80,585</u>                  | <u>136,467</u>             | <u>16,938</u>           | <u>0</u>                    | <u>233,990</u>                          |
| <b>Total Cash Receipts</b>                |                                |                            |                         |                             |   |
| <b>Cash Disbursements:</b>                |                                |                            |                         |                             |   |
| Current:                                  |                                |                            |                         |                             |   |
| General Government                        | 52,579                         | 1,608                      | 0                       | 0                           | 54,187                                  |
| Public Works                              | 4,722                          | 141,083                    | 0                       | 0                           | 145,805                                 |
| Health                                    | 0                              | 10,621                     | 0                       | 0                           | 10,621                                  |
| Human Services                            | 220                            | 0                          | 0                       | 0                           | 220                                     |
| Debt Service:                             |                                |                            |                         |                             |   |
| Redemption of Principal                   | 0                              | 0                          | 14,600                  | 0                           | 14,600                                  |
| Interest and Fiscal Charges               | 0                              | 0                          | 2,478                   | 0                           | 2,478                                   |
| Capital Outlay                            | 0                              | 0                          | 0                       | 212                         | 212                                     |
|   | <u>57,521</u>                  | <u>153,312</u>             | <u>17,078</u>           | <u>212</u>                  | <u>228,123</u>                          |
| <b>Total Cash Disbursements</b>           |                                |                            |                         |                             |   |
| Total Receipts Over/(Under) Disbursements | 23,064                         | (16,845)                   | (140)                   | (212)                       | 5,867                                   |
| Fund Cash Balances, January 1             | 43,848                         | 65,971                     | 153                     | 6,763                       | 116,735                                 |
| <b>Fund Cash Balances, December 31</b>    | <u><b>\$66,912</b></u>         | <u><b>\$49,126</b></u>     | <u><b>\$13</b></u>      | <u><b>\$6,551</b></u>       | <u><b>\$122,602</b></u>                 |

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

**PIKE TOWNSHIP  
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of Pike Township, Knox County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides general government services, including road and bridge maintenance and cemetery maintenance.

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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash and Investments**

The Township values certificates of deposit 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 reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds 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:

**PIKE TOWNSHIP  
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

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

**D. Fund Accounting (Continued)**

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

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

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

**3. Debt Service Fund**

This fund accounts for resources the Township accumulates to pay note debt. The Township had the following significant Debt Service Fund.

Note Retirement Fund – The fund accumulated resources to pay note debt on the Township’s mower and tractor.

**4. Capital Projects Fund**

This fund accounts for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Fund.

Capital Projects Fund – The Township uses this fund for various planned capital projects.

**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. 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. 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. A summary of 2005 and 2004 budgetary activity appears in Note 3.

**PIKE TOWNSHIP  
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

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

**F. Property, Plant, and Equipment**

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

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

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

|                         | 2005      | 2004      |
|-------------------------|-----------|-----------|
| Demand deposits         | \$171,064 | \$119,427 |
| Certificates of deposit | 3,271     | 3,175     |
| Total deposits          | \$174,335 | \$122,602 |

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

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2005 and December 31, 2004 follows:

| 2005 Budgeted vs. Actual Receipts |                      |                    |          |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance |
| General                           | \$67,049             | \$107,670          | \$40,621 |
| Special Revenue                   | 143,433              | 147,401            | 3,968    |
| Debt Service                      | 16,516               | 16,527             | 11       |
| Total                             | \$226,998            | \$271,598          | \$44,600 |

**PIKE TOWNSHIP  
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

| 2005 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |                  |
|---|----------------------------|---------------------------|------------------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance         |
| General   | \$133,961                  | \$59,078                  | \$74,883         |
| Special Revenue                                       | 192,559                    | 144,258                   | 48,301           |
| Debt Service  | 16,529                     | 16,529                    | 0                |
| Capital Projects                                      | 6,551                      | 0                         | 6,551            |
| Total   | <u>\$349,600</u>           | <u>\$219,865</u>          | <u>\$129,735</u> |

| 2004 Budgeted vs. Actual Receipts |                      |                    |                 |
|-----------------------------------|----------------------|--------------------|-----------------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance        |
| General                           | \$64,185             | \$80,585           | \$16,400        |
| Special Revenue                   | 136,270              | 136,467            | 197             |
| Debt Service                      | 16,939               | 16,938             | (1)             |
| Total                             | <u>\$217,394</u>     | <u>\$233,990</u>   | <u>\$16,596</u> |

| 2004 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |                  |
|---|----------------------------|---------------------------|------------------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance         |
| General   | \$108,133                  | \$57,521                  | \$50,612         |
| Special Revenue                                       | 202,241                    | 153,312                   | 48,929           |
| Debt Service  | 17,091                     | 17,078                    | 13               |
| Capital Projects                                      | 6,763                      | 212                       | 6,551            |
| Total   | <u>\$334,228</u>           | <u>\$228,123</u>          | <u>\$106,105</u> |

**4. PROPERTY TAX**

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

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.

**PIKE TOWNSHIP  
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**5. DEBT**

Debt outstanding at December 31, 2005 was as follows:

|                   | Principal | Interest Rate |
|-------------------|-----------|---------------|
| Installment Notes | \$ 43,800 | 3.5%          |

The installment notes were issued in October of 2003 to finance the purchase of a mower and a tractor to be utilized for Township road maintenance. The notes are collateralized by the Township's taxing authority.

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

| Year ending December 31: | Installment<br>Notes |
|--------------------------|----------------------|
| 2006                     | \$16,005             |
| 2007                     | 15,494               |
| 2008                     | 14,983               |
| Total                    | \$46,482             |

**6. RETIREMENT SYSTEMS**

The Township's 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 2005 and 2004, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equaling 13.55 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2005.

**7. RISK MANAGEMENT**

**Risk Pool Membership**

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 460 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

**PIKE TOWNSHIP  
KNOX COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**7. RISK MANAGEMENT (Continued)**

**Risk Pool Membership (Continued)**

The Plan issues its own policies and reinsures the Plan with A- VII or better rated carriers, except for the 15% casualty and the 10% property portions the Plan retains. The Plan pays the lesser of 15% or \$37,500 of casualty losses and the lesser of 10% or \$100,000 of property losses. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other obligation to the Plan. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2005 and 2004:

|                 | <b><u>2005</u></b> | <b><u>2004</u></b> |
|-----------------|--------------------|--------------------|
| Assets          | \$8,219,430        | \$6,685,522        |
| Liabilities     | <u>(2,748,639)</u> | <u>(2,227,808)</u> |
| Members' Equity | <u>\$5,470,791</u> | <u>\$4,457,714</u> |

You can read the complete audited financial statements for The Ohio Government Risk Management Plan at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Pike Township  
Knox County  
20641 North Liberty Road  
Butler, Ohio 44822

To the Board of Trustees:

We have audited the financial statements of Pike Township, (the Township) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated August 17, 2006, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township because the Auditor of State designed, developed, implemented, and, as requested, operates UAN. 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*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Township's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

**Compliance and Other Matters**

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the audit committee, management, and the Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

August 17, 2006



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**PIKE TOWNSHIP**

**KNOX 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  
SEPTEMBER 19, 2006**