

NEWTON TOWNSHIP
LICKING COUNTY
REGULAR AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2004



Mary Taylor, CPA

Auditor of State

Board of Trustees
Newton Township
3579 Chestnut Hills Road
Newark, Ohio 43055

We have reviewed the *Independent Auditors' Report* of Newton Township, Licking County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2004 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.

Finding For Recovery – Repaid under audit

Ohio Revised Code Section 507.09 sets the 2004 salary for Township Clerks with budgets between \$750,001 and \$1,500,000 as follows: for clerks whose terms were April 1, 2000 to March 31, 2004, the Clerk is due \$3,714 for January 1, 2004 through March 31, 2004.

For the period January 1, 2004 through March 31, 2004, Terry Tharp, Township Fiscal Officer, was compensated \$3,849 resulting in an overpayment of \$135.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a finding for recovery for public money illegally expended is issued against Terry Tharp, Township Fiscal Officer, in the amount of \$135.

The Fiscal Officer repaid the finding for recovery in full on December 28, 2006.

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. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditors' Report* on your financial statements. While the Auditor of State 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 Auditors' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Board of Trustees
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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. Newton Township, Licking County is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

March 16, 2007

**NEWTON TOWNSHIP
LICKING COUNTY**

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INDEPENDENT AUDITORS' REPORT

Newton Township
Licking County
3579 Chestnut Hills Road
Newark, Ohio 43055

To the Board of Trustees:

We have audited the accompanying financial statement of Newton Township, Licking County, (the Township) as of and for the year ended December 31, 2004. This financial statement is the responsibility of the Township's management. Our responsibility is to express an opinion on this financial statement 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 Township has prepared this financial statement 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 statement 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 year ended December 31, 2004. Instead of the combined funds the accompanying financial statement presents for 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2004. 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 statement. 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.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

Ten West Locust Street

Newark, Ohio 43055

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In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statement referred to above for the year ended December 31, 2004 does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Newton Township, Licking County as of December 31, 2004, or its change in financial position for the year then ended.

Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the combined fund cash balances of Newton Township, Licking County, as of December 31, 2004, and its combined cash receipts and disbursements for the year 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 year ended December 31, 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 January 2, 2007, 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.

Wilson, Shuman & Sons, Inc.

January 2, 2007

**NEWTON TOWNSHIP
LICKING COUNTY**

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

	<u>Governmental Fund Types</u>			<u>Fiduciary Fund Type</u>	Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Agency Fund</u>	
Cash Receipts:					
Local Taxes	\$ 72,808	\$ 232,249	\$ -	\$ -	\$ 305,057
Intergovernmental	72,305	112,636	-	-	184,941
Special Assessments	3,988	-	-	-	3,988
Charges for Services	-	10,500	-	-	10,500
Licenses, Permits, and Fees	2,589	88,417	-	13,096	104,102
Fines, Forfeitures, and Penalties	-	13,000	-	-	13,000
Earnings on Investments	2,962	600	-	-	3,562
Other Revenue	17,793	40,739	-	-	58,532
	<u>172,445</u>	<u>498,141</u>	<u>-</u>	<u>13,096</u>	<u>683,682</u>
Total Cash Receipts					
	<u>172,445</u>	<u>498,141</u>	<u>-</u>	<u>13,096</u>	<u>683,682</u>
Cash Disbursements:					
Current:					
General Government	92,368	-	-	-	92,368
Public Safety	-	104,039	-	-	104,039
Public Works	18,490	130,419	-	-	148,909
Health	11,585	96,091	-	-	107,676
Debt Service:					
Redemption of Principal	-	-	29,977	-	29,977
Interest and Fiscal Charges	-	-	3,074	-	3,074
Capital Outlay	-	72,463	-	-	72,463
	<u>122,443</u>	<u>403,012</u>	<u>33,051</u>	<u>-</u>	<u>558,506</u>
Total Cash Disbursements					
	<u>122,443</u>	<u>403,012</u>	<u>33,051</u>	<u>-</u>	<u>558,506</u>
Total Receipts Over/(Under) Disbursements	<u>50,002</u>	<u>95,129</u>	<u>(33,051)</u>	<u>13,096</u>	<u>125,176</u>
Other Financing Receipts and (Disbursements):					
Transfers-In	-	40,005	-	-	40,005
Transfers-Out	-	-	-	(40,005)	(40,005)
	<u>-</u>	<u>40,005</u>	<u>-</u>	<u>(40,005)</u>	<u>-</u>
Total Other Financing Receipts/(Disbursements)					
	<u>-</u>	<u>40,005</u>	<u>-</u>	<u>(40,005)</u>	<u>-</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>50,002</u>	<u>135,134</u>	<u>(33,051)</u>	<u>(26,909)</u>	<u>125,176</u>
Fund Cash Balances, January 1	<u>153,722</u>	<u>425,380</u>	<u>50,932</u>	<u>127,793</u>	<u>757,827</u>
Fund Cash Balances, December 31	<u>\$ 203,724</u>	<u>\$ 560,514</u>	<u>\$ 17,881</u>	<u>\$ 100,884</u>	<u>\$ 883,003</u>

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

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**NEWTON TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 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 Newton Township, Licking County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting 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's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Township's money market account is recorded at the shares value within the account.

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.

**NEWTON TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2004
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

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:

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

Fire District Fund - This fund receives property tax money for fire protection of Township persons and property.

Cemetery Fund - This fund receives money from opening, closing, and the sale of lots for the care of Township cemeteries.

3. Debt Service Fund

The debt service fund is used to accumulate resources for the payment of note indebtedness. The Township had the following significant Debt Service Fund:

General Note Retirement Fund - This fund had received property tax money to pay for the retirement of debt principal and interest related to an ambulance purchase.

4. Fiduciary Fund (Agency Fund)

This fund is used to account for resources for which the Township is acting in an agency capacity. The Township had the following significant Fiduciary Fund:

Cemetery Prepayment Fund - This fund receives prepayments for opening and closing fees for future burials.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) 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.

**NEWTON TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2004
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

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 2004 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does 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 statement does not include a liability for unpaid leave.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2004
Demand deposits	<u>\$314,966</u>
Total deposits	<u>314,966</u>
Money market account	<u>568,037</u>
Total investments	<u>568,037</u>
Total deposits and investments	<u><u>\$883,003</u></u>

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

Investments: Investments in the money market account are not evidenced by securities that exist in physical or book-entry form.

**NEWTON TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2004
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2004, follows:

Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$299,265	\$172,445	(\$126,820)
Special Revenue	879,259	538,146	(341,113)
Capital Projects	345,545	0	(345,545)
Total	\$1,524,069	\$710,591	(\$813,478)

Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$299,265	\$122,443	\$176,822
Special Revenue	879,259	403,012	476,247
Debt Service	50,932	33,051	17,881
Capital Projects	307,535	0	307,535
Total	\$1,536,991	\$558,506	\$978,485

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.

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.

**NEWTON TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2004
(Continued)**

5. DEBT

Debt outstanding at December 31, 2004, was as follows:

	Principal	Interest Rate
Ambulance Note	31,488	4.99%

The general obligation note was issued to finance the purchase of an ambulance. The note is secured by the ambulance. Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31, 2005:	Ambulance Note
Total	\$33,051

6. RETIREMENT SYSTEMS

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 8.5 percent 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, 2004.

7. INTERFUND TRANSACTIONS

The Township had the following interfund transactions for the year ended December 31, 2004:

Fund Type/Fund	Transfers In	Transfers Out
<u>Special Revenue Fund</u>		
Cemetery Fund	\$40,005	\$0
Agency Fund	\$0	\$40,005
Total Transfers In/Out	\$40,005	\$40,005

The Township's Agency Fund collects prepayments for opening and closing fees for future burials in the name of the individual until the service has been provided. The transfer to the Special Revenue Cemetery Fund is for the reimbursement for services provided as described in the Prearrangement for Interment Contract. Transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16.

**NEWTON TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2004
(Continued)**

8. 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.

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 follows:

	<u>2005</u>	<u>2004</u>
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.

9. CONTINGENT LIABILITIES

The Township is currently not involved in any litigation.

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.



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

Newton Township
Licking County
3579 Chestnut Hills Road
Newark, Ohio 43055

To the Board of Trustees:

We have audited the financial statement of Newton Township, Licking County (the Township) as of and for the year ended December 31, 2004, and have issued our report thereon dated January 2, 2007 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 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 2004-001.

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 believe that the reportable condition described above is not a material weakness. In a separate letter to the Township's management dated January 2, 2007, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

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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 that are required to be reported under *Government Auditing Standards*. In a separate letter to the Township's management dated January 2, 2007, we reported immaterial instances of noncompliance or other matters.

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

Wilson, Shuman & Sons, Inc.

January 2, 2007

**NEWTON TOWNSHIP
LICKING COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2004**

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

FINDING NUMBER 2004-001

Reportable Condition

The following internal control weaknesses were noted over cemetery receipts:

- The Cemetery Sexton did not maintain an easily identifiable audit trail substantiating cemetery collections received by the Cemetery Sexton to the ultimate deposit with the Township Fiscal Officer. This would include the retention of receipts issued to customers as well as the recording of receipts from openings, closings, sale of lots, and other cemetery receipts in a separate general ledger from the Township's computerized general ledger.
- Receipts from openings, closings, sale of lots, and other cemetery receipts are deposited with the Township Fiscal Officer once a month. However, we were able to determine that each deposit made by the Cemetery Sexton paid to the Fiscal Officer was recorded within the proper fund of the Township noting the Fiscal Officer made timely deposits once the monies were received from the Cemetery Sexton.

The above weaknesses can result in an inability to manage and monitor departmental operations in an effective manner. To strengthen existing operations, management should consider the following:

- The Cemetery Sexton should retain all duplicate receipts issued which should be recorded in a separate general ledger from the Township's computerized general ledger. The Cemetery Sexton should record the date, duplicate receipt number, individual making payment, type of collection, and amount received. Maintaining this type of documentation will assist in reconciling collections and help provide an audit trail for the amounts recorded within the Township's computerized general ledger.
- The Board of Trustees should adopt a policy requiring the Cemetery Sexton to deposit with the Township Fiscal Officer in accordance with Ohio Revised Code Section 9.38.

Official's Response: The Township will review its current procedures to implement the suggested considerations listed above.

**NEWTON TOWNSHIP
LICKING COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2004**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2003-001	Ohio Revised Code Section 5705.41(D)(1) requires transactions to be certified by the fiscal officer prior to the commitment being incurred.	Yes	N/A.
2003-002	Ohio Revised Code Section 5705.38 addresses adopting appropriations by April 1. In addition, Ohio Revised Code Section 5705.41(B) states no subdivision or taxing unit is to expend money unless it has been appropriated.	Yes	N/A.
2003-003	Internal control weaknesses were identified over the collection of cemetery receipts.	No	Repeated as finding number 2004-001.



Mary Taylor, CPA
Auditor of State

NEWTON TOWNSHIP

LICKING 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
MARCH 29, 2007**