



Mary Taylor, CPA  
Auditor of State



**UNION TOWNSHIP  
BELMONT COUNTY**

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**Mary Taylor, CPA**  
Auditor of State

Union Township  
Belmont County  
101 Memory Lane  
P.O. Box 1  
Morristown, Ohio 43759

To the Board of Township 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 an interpretation from the American Institute of Certified Public Accountants (AICPA). While 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. Our Report includes an adverse 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 "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

May 16, 2008

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Union Township  
Belmont County  
101 Memory Lane  
P.O. Box 1  
Morristown, Ohio 43759

To the Board of Township Trustees:

We have audited the accompanying financial statements of Union Township, Belmont County, Ohio (the Township), as of and for the years ended December 31, 2007, 2006, and 2005. 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.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Township's 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 GAAP presentation requirements.

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Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110  
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The Auditor of State permits, but does not require townships to reformat their financial statements. The Township has elected not to follow GAAP statement formatting requirements. 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, 2007, 2006, and 2005 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, 2007, 2006, and 2005, 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 and reserves for encumbrances of Union Township, Belmont County, as of December 31, 2007, 2006, and 2005, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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 May 16, 2008, 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.



**Mary Taylor, CPA**  
Auditor of State

May 16, 2008

**UNION TOWNSHIP  
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$28,603	\$165,768	\$	\$194,371
Licenses, Permits, and Fees		5,050		5,050
Fines and Forfeitures	211			211
Intergovernmental	66,398	127,379		193,777
Earnings on Investments	341	119		460
Miscellaneous	1,770	23,717		25,487
<b>Total Cash Receipts</b>	<u>97,323</u>	<u>322,033</u>	<u>0</u>	<u>419,356</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	65,949	809		66,758
Public Safety		76,572		76,572
Public Works	24,776	145,339		170,115
Health	5,720	2,000		7,720
Debt Service:				
Redemption of Principal	7,625	7,594		15,219
Interest and Other Fiscal Charges	965	759		1,724
<b>Total Cash Disbursements</b>	<u>105,035</u>	<u>233,073</u>	<u>0</u>	<u>338,108</u>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<u>(7,712)</u>	<u>88,960</u>	<u>0</u>	<u>81,248</u>
<b>Other Financing Receipts / (Disbursements):</b>				
Advances-In		5,811		5,811
Advances-Out	(5,811)			(5,811)
<b>Total Other Financing Receipts / (Disbursements)</b>	<u>(5,811)</u>	<u>5,811</u>	<u>0</u>	<u>0</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements</b>	<u>(13,523)</u>	<u>94,771</u>	<u>0</u>	<u>81,248</u>
<b>Fund Cash Balances, January 1</b>	<u>68,467</u>	<u>212,754</u>	<u>1,500</u>	<u>282,721</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$54,944</b></u>	<u><b>\$307,525</b></u>	<u><b>\$1,500</b></u>	<u><b>\$363,969</b></u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$39</u>	<u>\$0</u>	<u>\$39</u>

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

**UNION TOWNSHIP  
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$25,887	\$170,562	\$	\$196,449
Licenses, Permits, and Fees		1,500		1,500
Intergovernmental	152,167	118,447		270,614
Earnings on Investments	207	100		307
Miscellaneous	1,217	25,951		27,168
	<u>179,478</u>	<u>316,560</u>	<u>0</u>	<u>496,038</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	65,000	10,517		75,517
Public Safety	141	106,811		106,952
Public Works	39,434	148,470		187,904
Health	5,542	4,256		9,798
Capital Outlay		30,000		30,000
Debt Service:				
Redemption of Principal	13,446	4,200		17,646
Interest and Other Fiscal Charges	401	287		688
	<u>123,964</u>	<u>304,541</u>	<u>0</u>	<u>428,505</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>55,514</u>	<u>12,019</u>	<u>0</u>	<u>67,533</u>
<b>Other Financing Receipts / (Disbursements):</b>				
Other Debt Proceeds		30,000		30,000
Transfers-In			1,500	1,500
Transfers-Out	(1,500)			(1,500)
	<u>(1,500)</u>	<u>30,000</u>	<u>1,500</u>	<u>30,000</u>
Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements	54,014	42,019	1,500	97,533
Fund Cash Balances, January 1	<u>14,453</u>	<u>170,735</u>	<u>0</u>	<u>185,188</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$68,467</b></u>	<u><b>\$212,754</b></u>	<u><b>\$1,500</b></u>	<u><b>\$282,721</b></u>

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

**UNION TOWNSHIP  
BELMONT 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>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Property and Other Local Taxes	\$23,341	\$168,569	\$191,910
Licenses, Permits, and Fees		3,250	3,250
Intergovernmental	69,142	142,358	211,500
Special Assessments	35		35
Earnings on Investments	180	53	233
Miscellaneous	3,965	1,174	5,139
	<u>96,663</u>	<u>315,404</u>	<u>412,067</u>
<b>Total Cash Receipts</b>			
	<u>96,663</u>	<u>315,404</u>	<u>412,067</u>
<b>Cash Disbursements:</b>			
Current:			
General Government	68,059	9,702	77,761
Public Safety	290	97,129	97,419
Public Works	6,029	154,186	160,215
Health	14,713	5,457	20,170
Debt Service:			
Redemption of Principal	12,836	4,016	16,852
Interest and Other Fiscal Charges	966	518	1,484
	<u>102,893</u>	<u>271,008</u>	<u>373,901</u>
<b>Total Cash Disbursements</b>			
	<u>102,893</u>	<u>271,008</u>	<u>373,901</u>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<u>(6,230)</u>	<u>44,396</u>	<u>38,166</u>
<b>Other Financing Receipts / (Disbursements):</b>			
Transfers-In		13,031	13,031
Transfers-Out		(13,031)	(13,031)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Other Financing Receipts / (Disbursements)</b>			
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements</b>	<u>(6,230)</u>	<u>44,396</u>	<u>38,166</u>
<b>Fund Cash Balances, January 1</b>	<u>20,683</u>	<u>126,339</u>	<u>147,022</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$14,453</b></u>	<u><b>\$170,735</b></u>	<u><b>\$185,188</b></u>
<b>Reserve for Encumbrances, December 31</b>	<u><b>\$1,474</b></u>	<u><b>\$666</b></u>	<u><b>\$2,140</b></u>

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

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**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005**

**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 Union Township, Belmont 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 contracts with the Morristown, Bethesda, and Lafferty Volunteer Fire Departments to provide fire services and contracts with the Belmont, Bethesda, and Lafferty Volunteer Fire Departments to provide ambulance services.

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. Note 7 to the financial statements provides additional information for this entity.

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

**B. Accounting Basis**

These financial statements follow the accounting basis 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 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.

**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005  
(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 private-purpose 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.

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

**3. Permanent Funds**

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Township's programs. The Township had the following significant Permanent Fund:

Cemetery Bequest Fund – This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Township's cemetery.

**E. Budgetary Process**

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

**1. Appropriations**

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

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**E. Budgetary Process (Continued)**

**3. Encumbrances (Continued)**

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

A summary of 2007, 2006, and 2005 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 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:

	2007	2006	2005
Demand deposits	\$360,882	\$279,634	\$182,101
Certificates of deposit	3,087	3,087	3,087
Total deposits	\$363,969	\$282,721	\$185,188

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Township.

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2007, 2006, and 2005, follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$85,398	\$97,323	\$11,925
Special Revenue	256,100	327,844	71,744
Total	\$341,498	\$425,167	\$83,669

**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

**3. Budgetary Activity (Continued)**

2007 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$118,415	\$110,846	\$7,569
Special Revenue	371,880	233,112	138,768
Capital Projects	5,000	5,000	5,000
Total	<u>\$495,295</u>	<u>\$343,958</u>	<u>\$151,337</u>

2006 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$93,967	\$179,478	\$85,511
Special Revenue	252,100	346,560	94,460
Permanent	-	1,500	1,500
Total	<u>\$346,067</u>	<u>\$527,538</u>	<u>\$181,471</u>

2006 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$144,425	\$125,464	\$18,961
Special Revenue	349,968	304,541	45,427
Capital Projects	5,000	5,000	5,000
Total	<u>\$499,393</u>	<u>\$430,005</u>	<u>\$69,388</u>

2005 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$121,647	\$96,663	(\$24,984)
Special Revenue	236,000	328,435	92,435
Total	<u>\$357,647</u>	<u>\$425,098</u>	<u>\$67,451</u>

2005 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$144,000	\$104,367	\$39,633
Special Revenue	283,794	284,705	(911)
Capital Projects	5,000	5,000	5,000
Total	<u>\$432,794</u>	<u>\$389,072</u>	<u>\$43,722</u>

**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

**3. Budgetary Activity (Continued)**

Contrary to Ohio law, appropriations exceeded estimated resources in several funds for the years ended December 31, 2007, 2006, and 2005.

Also contrary to Ohio law, expenditures exceeded appropriations at the legal level of control in numerous funds for the years ended December 31, 2007, 2006, and 2005.

**4. Property Tax**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax 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.

**5. Debt**

Debt outstanding at December 31, 2007, was as follows:

	Principal	Interest Rate
Promissory Note	\$20,000	5.45%

The Township issued a promissory note to finance the purchase of a new Arm Mower to be used for Township road maintenance. The new Arm Mower collateralized the note.

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

	Promissory Note
Year ending December 31:	
2008	\$10,622
2009	10,622
Total	\$21,244

**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

**6. Retirement Systems**

The Township's officials and 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 includes postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2007, 2006, and 2005, OPERS members contributed 9.5, 9.0, and 8.5%, respectively, of their gross salaries and the Township contributed an amount equaling 13.85, 13.7, and 13.55%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2007.

**7. Risk Management**

**Risk Pool Membership**

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For an occurrence prior to January 1, 2006 OTARMA retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence, including loss adjustment expenses. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust OTARMA's retained earnings, APEEP provides *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (for claims prior to January 1, 2006) or \$3,000,000 (for claims on or after January 1, 2006) as noted above.

Property Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence.

**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

**7. Risk Management (Continued)**

**Risk Pool Membership (Continued)**

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2006 was \$1,901,127.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2006 and 2005 (the latest information available):

<u>Casualty Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$32,031,312	\$30,485,638
Liabilities	<u>(11,443,952)</u>	<u>(12,344,576)</u>
Retained earnings	<u>\$20,587,360</u>	<u>\$18,141,062</u>

<u>Property Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$10,010,963	\$9,177,796
Liabilities	<u>(676,709)</u>	<u>(1,406,031)</u>
Retained earnings	<u>\$9,334,254</u>	<u>\$7,771,765</u>

At December 31, 2006 and 2005, respectively, casualty coverage liabilities noted above include approximately \$10.8 million and \$11.6 million of estimated incurred claims payable. The Casualty Coverage assets and retained earnings above also include approximately \$10.8 million and \$11.6 million of unpaid claims to be billed to approximately 958 member governments in the future, as of December 31, 2006 and 2005, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$8,810.

**UNION TOWNSHIP  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

**7. Risk Management (Continued)**

**Risk Pool Membership (Continued)**

This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

<b>Contributions to OTARMA</b>	
2005	\$5,195
2006	\$5,232
2007	\$4,405

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they give written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**8. Contingent Liabilities**

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor, principally the federal government. The grantor 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.



# Mary Taylor, CPA

Auditor of State

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

Union Township  
Belmont County  
101 Memory Lane  
P.O. Box 1  
Morristown, Ohio 43759

To the Board of Township Trustees:

We have audited the financial statements of Union Township, Belmont County, Ohio (the Township), as of and for the years ended December 31, 2007, 2006 and 2005, and have issued our report thereon dated May 16, 2008, wherein we noted the Township prepared its financial statements using accounting practices the Auditor of State prescribes or permits 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. 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 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 as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the

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Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiency described in the accompanying Schedule of Findings to be a significant deficiency in internal control over financial reporting: 2007-005.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Township's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe the significant deficiency described above is not a material weakness.

We also noted certain internal control matters that we reported to the Township's management in a separate letter dated May 16, 2008.

#### **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 instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 2007-001 through 2007-004.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated May 16, 2008.

The Township's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. We did not audit the Township's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of the audit committee, management, and the Board of Township Trustees. We intend it for no one other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

May 16, 2008

UNION TOWNSHIP  
BELMONT COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005

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

FINDING NUMBER 2007-001

**Noncompliance Citation**

Ohio Rev. Code Section 5705.10(C) states all revenue derived from a special levy shall be credited to a special fund for the purpose for which the levy was made.

During 2007, 2006, and 2005, the Township Fiscal Officer posted various receipts to improper funds.

In 2007, homestead and rollback tax was posted entirely to the General Fund in the amount of \$16,256. Per the semi-annual tax apportionment sheets received from the County Auditor the Road and Bridge, Fire District A, Fire District D, Special Levy EMS B, and Special Levy EMS C Funds' should have received \$7,122, \$1,855, \$1,942, \$973, and \$4,364, respectively.

In 2006, homestead and rollback tax was posted entirely to the General Fund in the amount of \$15,519. Per the semi-annual tax apportionment sheets received from the County Auditor the Road and Bridge, Fire District A, Fire District D, Special Levy EMS B, and Special Levy EMS C Funds' should have received \$6,305, \$1,871, \$1,959, \$982, and \$4,402, respectively.

In 2005, homestead and rollback tax was posted entirely to the General Fund in the amount of \$8,937. Per the semi-annual tax apportionment sheets received from the County Auditor the Road and Bridge, Fire District A, Fire District D, Special Levy EMS B, and Special Levy EMS C Funds' should have received \$3,616, \$1,038, \$1,138, \$570, and \$2,575, respectively.

Also in 2005, Wheeler Bill monies in the amount of \$1,288 were posted to the General Fund instead of the Motor Vehicle License Tax Fund.

All of the adjustments noted above have been agreed to by Township management and have been posted to the Township's records and are reflected in the accompanying financial statements.

We recommend the Township Fiscal Officer post the homestead and rollback tax to the funds in accordance with the semi-annual tax apportionment sheets as received by the County Auditor. We also recommend any future Wheeler Bill monies received from the County Auditor be posted to the Motor Vehicle License Tax Fund.

**Officials' Response:** The Township Fiscal Officer will post the homestead and rollback monies in accordance with the semi-annual tax apportionment sheets in the future.

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

<p><b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b></p>
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**FINDING NUMBER 2007-002**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.39 states, in part, that the total appropriation from each fund shall not exceed the total estimated revenue. No appropriation measure shall become effective until the county auditor files with the appropriating authority a certificate that the total appropriations from each fund do not exceed the official estimate or amended official estimate.

During 2007, appropriations exceeded total estimated resources in the Cemetery Fund by \$363, Miscellaneous Special Revenue Fund by \$19,000, and the Capital Projects-Building Fund by \$5,000.

During 2006, appropriations exceeded total estimated resources in the General Fund by \$36,004, Cemetery Fund by \$3,445, Miscellaneous Special Revenue Fund by \$13,269, and the Capital Projects-Building Fund by \$5,000.

During 2005, appropriations exceeded total estimated resources in the General Fund by \$1,670, Special Levy EMS B Fund by \$1,781, and the Capital Projects-Building Fund by \$5,000.

We recommend the Township Trustees refrain from adopting appropriations in excess of estimated revenues. The Township Fiscal Officer should obtain a certificate from the County Auditor stating that total appropriations from each fund do not exceed the total estimated resources.

**Officials' Response:** We will monitor appropriations and estimated receipts on a periodic basis.

**FINDING NUMBER 2007-003**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.41(B) prohibits a subdivision or taxing authority from expending money unless it has been appropriated.

During 2007, the Township appropriated at the fund/function/object level. We noted the following instances where expenditures exceeded appropriations at the legal level of control at December 31, 2007:

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

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

**FINDING NUMBER 2007-003 (Continued)**

**Noncompliance Citation – Ohio Rev. Code Section 5705.41(B) (Continued)**

<u>Fund/Function/Object</u>	<u>2007 Appropriations</u>	<u>2007 Expenditures</u>	<u>Variance</u>
<b><u>General Fund</u></b>			
General Government/Tax Collection Fees	\$600	\$5,998	(\$5,398)
General Government/Property Ins. Premiums	2,000	3,000	(1,000)
Public Works/Utilities	1,500	5,393	(3,893)
Public Works/Repairs & Maintenance	0	14,513	(14,513)
Public Works/Telephone	0	1,402	(1,402)
Public Works/ Water and Sewage	0	144	(144)
Debt Service/Principal Payments	0	7,625	(7,625)
Debt Service/Interest Payments	0	965	(965)
<b><u>Motor Vehicle License Tax Fund</u></b>			
Public Works/Operating Supplies	3,000	6,510	(3,510)
<b><u>Gasoline Tax Fund</u></b>			
Public Works/Other Salaries	0	60,421	(60,421)
<b><u>Road &amp; Bridge Fund</u></b>			
Debt Service/Principal Payments	6,800	7,594	(794)
Debt Service/Interest Payments	400	759	(359)
<b><u>Cemetery Fund</u></b>			
Health/Other Expenses	1,000	2,000	(1,000)
<b><u>Fire District A Fund</u></b>			
Public Safety/Tax Collection Fees	0	443	(443)
<b><u>Fire District D Fund</u></b>			
Public Safety/Tax Collection Fees	0	968	(968)
<b><u>Special Levy - EMS - B Fund</u></b>			
Public Safety/Contracted Services	21,500	27,840	(6,340)
Public Safety/Tax Collection Fees	0	562	(562)
<b><u>Special Levy - EMS - C Fund</u></b>			
Public Safety/Tax Collection Fees	0	219	(219)

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

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

**FINDING NUMBER 2007-003 (Continued)**

**Noncompliance Citation – Ohio Rev. Code Section 5705.41(B) (Continued)**

During 2006, the Township appropriated at the fund/function/object level. We noted the following instances where expenditures exceeded appropriations at the legal level of control at December 31, 2006:

<b>Fund/Function/Object</b>	<b>2006 Appropriations</b>	<b>2006 Expenditures</b>	<b>Variance</b>
<b><u>General Fund</u></b>			
General Government/Workers' Compensation	\$3,000	\$3,459	(\$459)
General Government/Insurance and Bonding	6,500	7,365	(865)
General Government/Other	1,000	1,633	(633)
Public Works/Repairs & Maintenance	19,000	27,972	(8,972)
Debt Service/Note Principal Payments	13,300	13,446	(146)
<b><u>Motor Vehicle License Tax Fund</u></b>			
Public Works/Operating Supplies	10,000	10,649	(649)
<b><u>Cemetery Fund</u></b>			
Health/Other	500	900	(400)
<b><u>Fire District A Fund</u></b>			
Public Safety/Contract Services	18,500	21,300	(2,800)
<b><u>Fire District D Fund</u></b>			
Public Safety/Contract Services	50,000	52,000	(2,000)
<b><u>Special Levy - EMS - B Fund</u></b>			
Public Safety/Contract Services	21,500	26,100	(4,600)

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

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

**FINDING NUMBER 2007-003 (Continued)**

**Noncompliance Citation – Ohio Rev. Code Section 5705.41(B) (Continued)**

During 2005, the Township appropriated at the fund/function/object level. We noted the following instances where expenditures exceeded appropriations at the legal level of control at December 31, 2005:

<u>Fund/Function/Object</u>	<u>2005 Appropriations</u>	<u>2005 Expenditures</u>	<u>Variance</u>
<b><u>General Fund</u></b>			
General Government/Trustee Salaries	\$24,291	\$27,081	(\$2,790)
General Government/Fiscal Officer Salary	12,179	14,403	(2,224)
General Government/Auditing Services	500	4,102	(3,602)
<b><u>Gasoline Tax Fund</u></b>			
Public Works/Other Salaries	51,418	57,066	(5,648)
<b><u>Cemetery Fund</u></b>			
Health/Other Salaries	4,145	4,874	(729)
<b><u>Special Levy - EMS - C Fund</u></b>			
Public Safety/Contract Services	13,000	18,577	(5,577)

The majority of these variances resulted from the posting of audit adjustments necessary to agree legislatively-approved appropriations to amounts posted to the appropriations ledger.

We recommend all appropriation changes be approved by the Township Trustees prior to posting to the appropriations ledger. The Township Fiscal Officer should deny any payments until the legislative authority has passed the necessary changes to the appropriation measure. In addition, we recommend the Township Fiscal Officer post appropriations to the computer system as approved by the Township Trustees.

**Officials' Response:** Appropriations were filed with the County Auditor each year; however, in the future amendments between appropriation line items will be brought to the Township Trustees for their approval.

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2007-004**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.41(D)(1) prohibits a subdivision or taxing authority from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in Ohio Rev. Code Sections 5705.41(D)(1) and 5705.41(D)(3), respectively:

Then and Now Certificate - If the fiscal officer can certify that both at the time the contract or order was made "then" and at the time that the fiscal officer is completing the certification "now", that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any encumbrance, the Township can authorize the drawing of a warrant for the payment of the amount due. The Township has 30 days from the receipt of the "then and now" certificate to approve payment by resolution or ordinance.

Amounts of less than \$3,000, may be paid by the fiscal officer without a resolution or ordinance of the Township 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 Township.

Blanket Certificate – Fiscal officers may prepare so-called "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation. Blanket certificates cannot be issued unless there has been an amount approved by the legislative authority for the blanket.

Super Blanket Certificate – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line-item appropriation.

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2007-004 (Continued)**

**Noncompliance Citation - Ohio Rev. Code Section 5705.41(D)(1) (Continued)**

Of the expenditures tested, we noted in 2007, 2006, and 2005, that 83%, 60%, and 40% of transactions, respectively, were not certified as to the availability of funds prior to incurring these obligations and there was no evidence of a "Then and Now" certificate being utilized. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute, but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, we recommend that the Township Fiscal Officer certify that the funds are or will be available prior to an obligation being incurred by the Township. When prior certification is not possible, "then and now" certificates should be used.

We recommend the Township certify purchases to which Ohio Rev. Code Section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language Section 5705.41(D) requires to authorize disbursements. The Township Fiscal Officer should sign the certification prior to the Township incurring a commitment, and only when the requirements of Section 5705.41(D) are satisfied. The Township Fiscal Officer should post approved purchase orders to the proper appropriation code to reduce the available appropriation.

**Officials' Response:** The Fiscal Officer will revise the use of purchase orders to utilize more blanket certificates.

**FINDING NUMBER 2007-005**

**Significant Deficiency**

Ohio Admin. Code Section 117-2-02(A) states all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

According to Ohio Admin. Code Section 117-2-02(D), accounting records that can help achieve these objectives include:

1. Cash journal, which typically includes the amount, date, receipt number, check number, account code, purchase order number, and any other information necessary to properly classify the transaction.
2. Receipts ledger, which typically assembles and classifies receipts into separate accounts for each type of receipt of each fund the public office uses. The amount, date, name of the payor, purpose, receipt number, and other information required for the transactions to be recorded on this ledger.

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007, 2006, AND 2005  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2007-005 (Continued)**

**Significant Deficiency (Continued)**

3. Appropriation ledger, which may assemble and classify disbursements into separate accounts, for at a minimum, each account listed in the appropriation resolution. The amount, fund, date, check number, purchase order number, encumbrance amount, unencumbered balance, amount of disbursement, and any other information required may be entered in the appropriate columns.

The Ohio Township Handbook (revised December 2007) provides suggested account classifications. These accounts classify receipts by fund and source (taxes or charges for services, for example) and classify disbursements by fund, program (general government, for example) or object (personal services, for example). Using these classifications and the aforementioned accounting records will provide the Township with information required to monitor compliance with the budget, and prepare annual reports in the format required by the Auditor of State.

During 2007, 2006 and 2005, Township's receipts/expenditures were not always posted into accurate receipt/expenditure classifications, based upon the source of the receipt/purpose of disbursement. For example, in 2007, 2006, and 2005 local government monies in the amount of \$9,000, \$9,000, \$12,000, respectively, were posted to "Other Financing Sources" in 2007 and 2006 and in 2005 were posted to "Taxes" instead of "Intergovernmental" in the General Fund. In 2006, estate taxes in the amount of \$44,999 were posted to "Taxes" instead of "Intergovernmental" in the General Fund. Also in 2006, the Township received \$30,000 in "Debt Proceeds" which was posted to the Road & Bridge Fund; however, the monies were posted to the line item "Other Financing Sources". The expenditure of these debt proceeds for an Arm Mower was posted as an "Other Financing Use" instead of a "Capital Outlay" expenditure. This caused material adjustments to the accompanying financial statements.

We recommend the Township utilize available authoritative resources to appropriately classify receipt/expenditure transactions.

**Officials' Response:** The Fiscal Officer will utilize the Ohio Township Handbook when a question arises as to proper account classification.

**UNION TOWNSHIP  
BELMONT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2007, 2006, and 2005**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2004-001	Ohio Rev. Code Section 5705.41(D)(1), not certifying availability of funds prior to incurring an obligation.	No	Not Corrected; Reissued as Finding No. 2007-004.
2004-002	Ohio Rev. Code Section 5705.41(B), expenditures exceeded appropriations in several funds at the legal level of control.	No	Not Corrected; Reissued as Finding No. 2007-003.
2004-003	Ohio Rev. Code Section 5705.39, appropriations exceeded estimated resources in several funds.	No	Not Corrected; Reissued as Finding No. 2007-002.





**Mary Taylor, CPA**  
Auditor of State

**UNION TOWNSHIP**

**BELMONT 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  
JUNE 19, 2008**