

**RIDGE TOWNSHIP  
WYANDOT COUNTY, OHIO**

*FINANCIAL STATEMENTS*  
DECEMBER 31, 2008 AND 2007

**WOLF, ROGERS, DICKEY & CO.**  
*Certified Public Accountants*





# Mary Taylor, CPA

Auditor of State

Board of Trustees  
Ridge Township  
3154 Township Highway 95  
Carey, Ohio 43316

We have reviewed the *Independent Auditors' Report* of Ridge Township, Wyandot County, prepared by Wolf, Rogers, Dickey & Co., for the audit period January 1, 2007 through December 31, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. 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.

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. Ridge Township 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

November 13, 2009

**This Page is Intentionally Left Blank.**

Ridge Township  
Wyandot County, Ohio

For the Years Ended  
December 31, 2008 and 2007

Table of Contents

Independent Auditors' Report	1-2
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2008	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2007	4
Notes to the Financial Statements	5-10
Independent Auditors' Report on Internal Control Over Financial Reporting and On Compliance and Other Matters, Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	11-12
Schedule of Findings	13-16

# Wolf, Rogers, Dickey & Co.

Certified Public Accountants  
38 South Franklin Street  
P. O. Box 352  
Union, Ohio 43015-0352

---

Telephone: 740-362-9031  
Fax: 740-363-7799

## **Independent Auditors' Report**

Ridge Township  
Wyandot County, Ohio

To the Board of Trustees:

We have audited the accompanying financial statements of Ridge Township, Wyandot County, Ohio (the Township), as of and for the years ended December 31, 2008 and 2007. 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. We believe that 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 of Ohio 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 require us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State of Ohio permits, but does not require townships to reformat their 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, 2008 and 2007 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, 2008 and 2007, or their 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 Ridge Township, Wyandot County, Ohio as of December 31, 2008 and 2007, 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 September 26, 2009, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts, 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* and should be read in conjunction with this report in considering the results of our audit.

Wolf, Rogers, Dickey & Co.

Certified Public Accountants

September 26, 2009

**Ridge Township  
Wyandot County, Ohio  
Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
All Governmental Fund Types  
For the Year Ended December 31, 2008**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash receipts:			
Property and other local taxes	\$ 8,491	9,996	18,487
Intergovernmental	18,513	84,036	102,549
Earnings on investments	2,852	4,902	7,754
Miscellaneous	<u>1,168</u>	<u>7,156</u>	<u>8,324</u>
Total cash receipts	31,024	106,090	137,114
Cash disbursements:			
Current:			
General government	32,574	-	32,574
Public safety	-	5,838	5,838
Public works	294	70,240	70,534
Health	<u>2,307</u>	<u>-</u>	<u>2,307</u>
Total cash disbursements	<u>35,175</u>	<u>76,078</u>	<u>111,253</u>
Total receipts over (under) disbursements	(4,151)	30,012	25,861
Fund cash balances, January 1	<u>84,473</u>	<u>227,800</u>	<u>312,273</u>
Fund cash balances, December 31	\$ <u>80,322</u>	<u>257,812</u>	<u>338,134</u>

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

**Ridge Township**  
**Wyandot County, Ohio**  
**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>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash receipts:				
Property and other local taxes	\$ 7,855	9,840	-	17,695
Intergovernmental	20,308	113,513	23,827	157,648
Earnings on investments	5,106	10,842	-	15,948
Miscellaneous	<u>789</u>	<u>7,071</u>	<u>-</u>	<u>7,860</u>
Total cash receipts	34,058	141,266	23,827	199,151
Cash disbursements:				
Current:				
General government	38,459	-	-	38,459
Public safety	1,033	5,484	-	6,517
Public works	462	111,535	23,827	135,824
Health	1,962	-	-	1,962
Capital outlay	<u>-</u>	<u>48,422</u>	<u>-</u>	<u>48,422</u>
Total cash disbursements	<u>41,916</u>	<u>165,441</u>	<u>23,827</u>	<u>231,184</u>
Total receipts (under) disbursements	(7,858)	(24,175)	-	(32,033)
Fund cash balances, January 1	<u>92,331</u>	<u>251,975</u>	<u>-</u>	<u>344,306</u>
Fund cash balances, December 31	\$ <u>84,473</u>	<u>227,800</u>	<u>-</u>	<u>312,273</u>

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

**Ridge Township  
Wyandot County, Ohio  
Notes to the Financial Statements  
December 31, 2008 and 2007**

(1) Summary of Significant Accounting Policies

Description of the Entity

Ridge Township, Wyandot County, Ohio (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides road and bridge maintenance. The Township contracts with the Village of Carey, Ohio and the VanLue Fire Department to provide fire and emergency medical services.

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

Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State of Ohio, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Money market mutual funds (including State Treasury Asset Reserve (STAR) Ohio) are recorded at share value.

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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**Ridge Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2008 and 2007**

(1) Summary of Significant Accounting Policies, continued

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Motor Vehicle License Tax Fund – This fund receives vehicle registration tax money.

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

Capital Projects Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except for those financed through enterprise or trust funds). The Township had the following Capital Project Fund:

Issue II Fund – The Township received a grant from the State of Ohio to repair Township roads.

Budgetary Process

The Ohio Revised Code (ORC) requires each fund to be budgeted annually.

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.

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.

Encumbrances

The ORC requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2008 and 2007 budgetary activity appears in Note 3.

**Ridge Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2008 and 2007**

(1) Summary of Significant Accounting Policies, continued

Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

(2) Equity in Pooled Cash and Investments

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

	<u>2008</u>	<u>2007</u>
Demand deposits	\$ 39,156	20,761
STAR Ohio	<u>298,978</u>	<u>291,512</u>
Total deposits and investments	\$ <u>338,134</u>	<u>312,273</u>

Deposits are either insured by the Federal Deposit Insurance Corporation, or collateralized by the financial institution's public entity deposit pool. The Township has invested funds in STAR Ohio. STAR Ohio is an investment pool managed by the State Treasurer's office which allows governments within Ohio to pool their funds for investment purposes.

(3) Budgetary Activity

Budgetary activity for the years ended December 31, 2008 and 2007 follows:

<u>Fund Type</u>	<u>2008 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 33,405	31,024	(2,381)
Special Revenue	<u>146,050</u>	<u>106,090</u>	<u>(39,960)</u>
Total	\$ <u>179,455</u>	<u>137,114</u>	<u>(42,341)</u>

<u>Fund Type</u>	<u>2008 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 55,203	35,175	20,028
Special Revenue	<u>148,800</u>	<u>76,078</u>	<u>72,722</u>
Total	\$ <u>204,003</u>	<u>111,253</u>	<u>92,750</u>

**Ridge Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2008 and 2007**

(3) Budgetary Activity, continued

<u>Fund Type</u>	<u>2007 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 32,686	34,058	1,372
Special Revenue	110,649	141,266	30,617
Capital Projects	<u>16,000</u>	<u>23,827</u>	<u>7,827</u>
Total	\$ <u>159,335</u>	<u>199,151</u>	<u>39,816</u>

<u>Fund Type</u>	<u>2007 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 68,283	41,916	26,367
Special Revenue	162,385	165,441	(3,056)
Capital Projects	<u>32,000</u>	<u>23,827</u>	<u>8,173</u>
Total	\$ <u>262,668</u>	<u>231,184</u>	<u>31,484</u>

Although there were unfavorable variances in 2008 between actual and budgeted receipts, appropriations did not exceed actual available revenue in any fund.

(4) Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State of Ohio, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property 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.

**Ridge Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2008 and 2007**

(5) Retirement Systems

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple-employer plan. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the ORC.

Contribution rates are also prescribed by the ORC. For 2008 and 2007, OPERS members contributed 10% and 9.5%, respectively of their gross salaries. The Township contributed an amount equal to 14% and 13.85%, respectively of participants' gross salaries. The Township has paid all contributions required through December 31, 2008.

(6) Risk Management

The Government belongs to the Ohio Government Risk Management Plan (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized jointly administered self-insurance risk management program and other administrative services to over 550 Ohio governments ("Members").

Pursuant to Section 2744.081 of the ORC, 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 the Plan retains the lesser of 15 percent or \$37,500 of casualty losses and the lesser of 10 percent or \$100,000 of property losses. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

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 financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

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

The Plan's audited financial statements conform with generally accepted accounting principles and reported the following assets, liabilities and retained earnings at December 31, 2007 and 2006 (the latest information available):

**Ridge Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2008 and 2007**

(6) Risk Management, continued

	<u>2007</u>	<u>2006</u>
Assets	\$ 11,136,455	9,620,148
Liabilities	<u>(4,273,553)</u>	<u>(3,329,620)</u>
Member's equity	\$ <u>6,862,902</u>	<u>6,290,528</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).

(7) Commitments

The Township is committed to a fire and EMS services contract with the VanLue Fire Department at a rate of \$3,684 per year through December 31, 2010.

(8) Compliance

Contrary to Ohio law:

- Appropriations exceeded estimated resources in the Capital Projects Fund for 2008.
- Material reclassifications to the financial statements were necessary in order for them to be fairly stated.
- Expenditures exceeded appropriations in the Gasoline Tax Fund for 2007.
- Bond coverage for the Fiscal Officer in 2008 was less than the minimum requirement.

# Wolf, Rogers, Dickey & Co.

Certified Public Accountants  
38 South Franklin Street  
P. O. Box 352  
Union, Ohio 43015-0352

Telephone: 740-362-9031  
Fax: 740-363-7799

**Independent Auditors' Report On Internal Control Over  
Financial Reporting And On Compliance And Other Matters,  
Based On An Audit Of Financial Statements  
Performed In Accordance With *Government Auditing Standards***

Ridge Township  
Wyandot County, Ohio

To the Board of Trustees:

We have audited the financial statements of Ridge Township, Wyandot County, Ohio (the Township), as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated September 26, 2009, wherein we noted the Township followed accounting practices the Auditor of State of Ohio 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion 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 certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of 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 Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We considered Findings 2008-01 and 2008-02 to be significant deficiencies in internal control over financial reporting as described in the accompanying schedule of findings.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

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 considered to be material weaknesses. However, of the significant deficiencies described above, we considered Finding 2008-01 to be a material weakness.

#### 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 such an opinion. The results of our tests disclosed certain instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as Findings 2008-03 through 2008-05.

We noted certain noncompliance or other matters not requiring inclusion in this report that we reported to management of the Township in a separate letter dated September 26, 2009.

The Township's response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the Township's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Trustees, management and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

*Wolf, Rogers, Dickey & Co.*

Certified Public Accountants

September 26, 2009

**Ridge Township  
Wyandot County, Ohio  
Schedule of Findings  
December 31, 2008 and 2007**

**Findings Related to the Financial Statements  
Required to be Reported in Accordance with GAGAS**

Finding Number 2008-01  
Significant deficiency/material weakness

The Ohio Township Handbook Chart of Accounts appendix details the revenue and expenditure codes, name of source information, and a brief description of the type of revenue or expenditure that relates to the code.

We noted the following errors in the Township prepared financial statements that required reclassification:

- In 2007, in various funds, major road work expenditures were coded to Capital Outlay instead of Public Works. Reclassifications totaled \$43,405.
- In the General Fund for 2007, certain expenditures were reclassified between Public Safety, General Government and Health. This included \$1,024 in disbursements for ambulance services reclassified from General Government to Public Safety and \$1,962 for the County Health Department assessment reclassified from Public Safety to Health.
- In the General Fund for 2008, certain expenditures were reclassified between Public Safety, General Government and Health. This included \$2,086 for the County Health Department assessment reclassified from Public Safety to Health.
- Contract disbursements for mowing at the Township Hall and cemeteries were reclassified from the Gasoline Tax Fund to the General Fund. The totals were \$2,300 and \$1,600 for 2007 and 2008, respectively.

These adjustments are reflected in the audited financial statements. Although the misclassifications have been corrected under audit, annual financial statements available to the public until such time as the audit is completed are inaccurate.

Response by Township

The Township will code future road work expenditures to Public Works instead of Capital Outlay. The Township will code future health and ambulance expenditures with the correct account. The mowing of the Township Hall and the cemeteries will be paid with General Fund monies.

**Ridge Township  
Wyandot County, Ohio  
Schedule of Findings, continued  
December 31, 2008 and 2007**

**Findings Related to the Financial Statements  
Required to be Reported in Accordance with GAGAS**

Finding Number 2008-02  
Significant deficiency

In 2007, appropriations entered into the Uniform Accounting Network (UAN) exceeded the adopted appropriation measure by \$100 in the General Fund and \$31,500 in the Gasoline Tax Fund, which allowed expenditures to exceed appropriations by \$6,674 in the Gasoline Tax Fund.

Budgeted receipts entered into UAN for 2007 did not agree to the Official Certificate of Estimated Resources as follows:

- Motor Vehicle License Tax Fund – Budgeted receipts in UAN were more than the certificate by \$310.
- Gasoline Tax Fund – Budgeted receipts in UAN were more than the certificate by \$24,000.
- Fire Levy Fund – Budgeted receipts in UAN were more than the certificate by \$4,125.
- Capital Projects Fund – Budgeted receipts in UAN were more than the certificate by \$16,000.

In addition, budgeted receipts entered into UAN for 2008 did not agree to the Official Certificate of Estimated Resources as follows:

- General Fund – Budgeted receipts in UAN were less than the certificate by \$1,430.
- Road and Bridge Fund – Budgeted receipts in UAN were less than the certificate by \$254.
- Fire Levy Fund – Budgeted receipts in UAN were less than the certificate by \$225.

The UAN system has built-in safeguards to assist local governments in complying with budgetary requirements of the Ohio Revised Code (ORC); however, these safeguards cannot operate effectively when inaccurate appropriation and budgeted receipt data is input. In addition, inaccurate appropriation data in the UAN system allowed expenditures in excess of the actual appropriations lawfully adopted by the Township for one of the funds.

Response by Township

In 2009 the Township will make sure that all budget receipts match the latest certificate of estimated resources.

**Ridge Township  
Wyandot County, Ohio  
Schedule of Findings, continued  
December 31, 2008 and 2007**

**Findings Related to the Financial Statements  
Required to be Reported in Accordance with GAGAS**

Finding Number 2008-03  
Noncompliance Citation

ORC Section 5705.39 states that the total appropriation from each fund should not exceed the total estimated revenue.

Appropriations for 2007 exceeded estimated resources in the Capital Projects Fund by \$15,939.

Response by Township

The Township will make every effort to make sure that appropriations do not exceed estimated resources. In the case mentioned the certificate was not adjusted appropriately.

Finding Number 2008-04  
Noncompliance Citation

In both years, the Township adopted a resolution at the beginning of the year stating that 90% of Trustee salaries and health insurance benefits would be charged to the Gasoline Tax Fund. The Trustees maintained log books after being informed of the requirement during a previous audit. Although the data in the log books indicated that all Trustees performed road-related work for the Township, it did not support a 90% charge.

As a result of the data in the log books, \$8,790 and \$6,086 of these expenditures for 2007 and 2008, respectively, were reclassified back to the General Fund.

Response by Township

The Trustees are aware of keeping accurate records so that the percentages adopted by the Township are correctly identified. Adjustments will be made to the cash balance for calendar year 2009.

**Ridge Township**  
**Wyandot County, Ohio**  
**Schedule of Findings, continued**  
**December 31, 2008 and 2007**

**Findings Related to the Financial Statements**  
**Required to be Reported in Accordance with GAGAS**

Finding Number 2008-05  
Noncompliance Citation

ORC Section 507.03 prescribes minimum bond requirements for the Fiscal Officer for terms beginning after November 5, 2005 based on the annual budget of the Township. The Township's budget according to the official Certificate of Estimated Resources for 2008 is \$491,727, which would require a minimum bond of \$85,000 for the Fiscal Officer. The Fiscal Officer's bond coverage in effect was \$60,000.

Response by Township

The Township will make sure that the bond coverage for the Fiscal Officer is sufficient to meet ORC Section 507.03 minimum bond requirements.





Mary Taylor, CPA  
Auditor of State

**RIDGE TOWNSHIP**  
**WYANDOT 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**  
**DECEMBER 1, 2009**