



**Auditor of State
Betty Montgomery**

HARTFORD TOWNSHIP
LICKING COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2002.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2001.....	4
Notes to the Financial Statements	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	13
Schedule of Findings.....	15
Schedule of Prior Audit Findings.....	16

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Hartford Township
Licking County
P.O. Box 203
Croton, Ohio 43013

To the Board of Trustees:

We have audited the accompanying financial statements of Hartford Township, Licking County (the Township) as of and for the years ended December 31, 2002, and December 31, 2001. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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 the Township as of December 31, 2002, and December 31, 2001, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2003 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 grants. 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.

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Hartford Township
Licking County
Independent Accountants' Report
Page 2

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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

BETTY MONTGOMERY
Auditor of State

March 11, 2003

**HARTFORD TOWNSHIP
LICKING COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:					
Local Taxes	\$27,541	\$181,140	\$13,380	\$0	\$222,061
Intergovernmental	87,064	83,097	1,558	60,607	232,326
Licenses, Permits, and Fees	1,699	3,052	0	0	4,751
Earnings on Investments	1,228	55	0	0	1,283
Other Revenue	2,800	1,923	0	0	4,723
	<u>120,332</u>	<u>269,267</u>	<u>14,938</u>	<u>60,607</u>	<u>465,144</u>
Total Cash Receipts					
	<u>120,332</u>	<u>269,267</u>	<u>14,938</u>	<u>60,607</u>	<u>465,144</u>
Cash Disbursements:					
Current:					
General Government	61,745	0	207	0	61,952
Public Safety	0	57,177	0	0	57,177
Public Works	11,000	156,798	0	0	167,798
Health	2,500	3,302	0	0	5,802
Debt Service:					
Redemption of Principal	3,263	0	17,500	0	20,763
Interest and Fiscal Charges	430	0	2,553	0	2,983
Capital Outlay	10,658	0	0	60,607	71,265
	<u>89,596</u>	<u>217,277</u>	<u>20,260</u>	<u>60,607</u>	<u>387,740</u>
Total Cash Disbursements					
	<u>89,596</u>	<u>217,277</u>	<u>20,260</u>	<u>60,607</u>	<u>387,740</u>
Total Receipts Over/(Under) Disbursements	<u>30,736</u>	<u>51,990</u>	<u>(5,322)</u>	<u>0</u>	<u>77,404</u>
Other Financing Receipts and (Disbursements):					
Transfers-In	0	1,200	9,000	0	10,200
Transfers-Out	(10,200)	0	0	0	(10,200)
Other Sources	2,614	0	0	0	2,614
	<u>(7,586)</u>	<u>1,200</u>	<u>9,000</u>	<u>0</u>	<u>2,614</u>
Total Other Financing Receipts/(Disbursements)					
	<u>(7,586)</u>	<u>1,200</u>	<u>9,000</u>	<u>0</u>	<u>2,614</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>23,150</u>	<u>53,190</u>	<u>3,678</u>	<u>0</u>	<u>80,018</u>
Fund Cash Balances, January 1, 2002	<u>37,434</u>	<u>38,711</u>	<u>5,388</u>	<u>0</u>	<u>81,533</u>
Fund Cash Balances, December 31, 2002	<u><u>\$60,584</u></u>	<u><u>\$91,901</u></u>	<u><u>\$9,066</u></u>	<u><u>\$0</u></u>	<u><u>\$161,551</u></u>

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

**HARTFORD TOWNSHIP
LICKING COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Cash Receipts:					
Local Taxes	\$27,594	\$168,011	\$14,133	\$0	\$209,738
Intergovernmental	35,277	80,927	1,579	24,502	142,285
Licenses, Permits, and Fees	3,382	3,468	0	0	6,850
Earnings on Investments	1,890	61	33	0	1,984
Other Revenue	2,476	4,552	0	0	7,028
Total Cash Receipts	70,619	257,019	15,745	24,502	367,885
Cash Disbursements:					
Current:					
General Government	57,679	0	200	0	57,879
Public Safety	0	50,313	0	0	50,313
Public Works	2,117	220,625	0	0	222,742
Health	1,997	2,802	0	0	4,799
Debt Service:					
Redemption of Principal	0	0	13,263	0	13,263
Interest and Fiscal Charges	0	0	2,179	0	2,179
Capital Outlay	0	0	0	50,771	50,771
Total Cash Disbursements	61,793	273,740	15,642	50,771	401,946
Total Receipts Over/(Under) Disbursements	8,826	(16,721)	103	(26,269)	(34,061)
Other Financing Receipts and (Disbursements):					
Proceeds from Sale of Public Debt:					
Sale of assets	0	4,500	0	0	4,500
Sale of Notes	0	0	3,731	26,269	30,000
Transfers-In	0	4,000	0	0	4,000
Transfers-Out	(4,000)	0	0	0	(4,000)
Total Other Financing Receipts/(Disbursements)	(4,000)	8,500	3,731	26,269	34,500
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements					
	4,826	(8,221)	3,834	0	439
Fund Cash Balances, January 1, 2001	32,608	46,932	1,554	0	81,094
Fund Cash Balances, December 31, 2001	\$37,434	\$38,711	\$5,388	\$0	\$81,533
Reserve for Encumbrances, December 31, 2001	\$10,956	\$0	\$0	\$0	\$10,956

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

**HARTFORD TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 - 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Hartford Township, Licking County, (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, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Hartford Volunteer Fire Department to provide fire and ambulance 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 prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. 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.

C. Cash and Investments

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

The investment in STAR Ohio (The State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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

2. 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:

**HARTFORD TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 - 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

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

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

Fire District Fund - This fund receives property tax money for providing fire protection and emergency medical services.

3. Debt Service Funds

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

General Note Retirement Fund - This fund receives property tax money to pay for the retirement of debt principal and interest.

4. Capital Project Funds

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

Issue II Fund - The Township received grants from the State of Ohio for road work.

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 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.

**HARTFORD TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 - 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

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. The township did not encumber/certify all commitments as required by law.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's basis of accounting.

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:

	<u>2002</u>	<u>2001</u>
Demand deposits	\$142,149	\$66,517
STAR Ohio	19,402	15,016
Total deposits and investments	<u>\$161,551</u>	<u>\$81,533</u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**HARTFORD TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 - 2001
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2002 and December 31, 2001 follows:

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$107,041	\$122,946	\$15,905
Special Revenue	265,879	270,467	4,588
Debt Service	14,964	23,938	8,974
Capital Projects	85,109	60,607	(24,502)
Total	<u>\$472,993</u>	<u>\$477,958</u>	<u>\$4,965</u>

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$124,668	\$99,796	\$24,872
Special Revenue	304,036	217,277	86,759
Debt Service	20,353	20,260	93
Capital Projects	85,109	60,607	24,502
Total	<u>\$534,166</u>	<u>\$397,940</u>	<u>\$136,226</u>

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$68,900	\$70,619	\$1,719
Special Revenue	251,170	265,519	14,349
Debt Service	15,490	19,476	3,986
Capital Projects	0	50,771	50,771
Total	<u>\$335,560</u>	<u>\$406,385</u>	<u>\$70,825</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$103,507	\$76,749	\$26,758
Special Revenue	298,092	273,740	24,352
Debt Service	47,054	15,642	31,412
Capital Projects	0	50,771	(50,771)
Total	<u>\$448,653</u>	<u>\$416,902</u>	<u>\$31,751</u>

**HARTFORD TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 - 2001
(Continued)**

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the 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, 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 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, 2002 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Notes (1999)	\$13,263	5.45%
General Obligation Notes (2001)	<u>22,500</u>	5.45%
Total	<u><u>\$35,763</u></u>	

In 1999, General Obligation Notes in the amount of \$66,314 were issued to finance the purchase of a new dump truck and plowing equipment to be used for Township road maintenance. In 2001, General Obligation Notes in the amount of \$30,000 were issued to finance the purchase of a one ton dump truck to be used for Township road maintenance. The note is collateralized by the dump truck.

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

	<u>Dump Truck & Equipment Note</u>	<u>One Ton Dump Truck Note</u>
Year ending December 31:		
2003	\$13,986	\$8,726
2004	0	8,318
2005	0	7,909
Total	<u><u>\$13,986</u></u>	<u><u>\$24,953</u></u>

**HARTFORD TOWNSHIP
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 - 2001
(Continued)**

6. RETIREMENT SYSTEMS

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2002 and 2001, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2001 and 2002. The Township has paid all contributions required through December 31, 2002.

7. RISK MANAGEMENT

Risk Pool Membership

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

OTARMA retains casualty risks up to \$250,000 per occurrence. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, which the General Reinsurance Corporation will reinsure.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

OTARMA retains property risks including automobile physical damage up to \$100,000 on any specific loss. The Travelers Indemnity Company reinsures specific losses exceeding \$100,000. The Travelers Indemnity Company also provides aggregate excess coverage for property including automobile physical damage subject to an annual stop loss. When the stop loss is reached in any year, The Travelers Indemnity Company provides coverage in excess of \$10,000.

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.

HARTFORD TOWNSHIP
LICKING COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 - 2001
(Continued)

7. RISK MANAGEMENT (Continued)

Risk Pool Membership (Continued)

Financial Position

OTARMA's most recent financial statements (audited by other accountants) conform with generally accepted accounting principles, and report the following assets, liabilities and retained earnings at December 31:

<u>Casualty Coverage</u>	<u>2001</u>	<u>2000</u>
Assets	\$23,703,776	\$22,684,383
Liabilities	<u>9,379,003</u>	<u>8,924,977</u>
Retained earnings	<u>\$14,324,773</u>	<u>\$13,759,406</u>
<u>Property Coverage</u>	<u>2001</u>	<u>2000</u>
Assets	\$5,011,131	\$4,156,784
Liabilities	<u>647,667</u>	<u>497,831</u>
Retained earnings	<u>\$4,363,464</u>	<u>\$3,658,953</u>

8. SUBSEQUENT EVENT

On February 7, 2003, the Board of Tax Appeals of the State of Ohio remanded to the Licking County Budget commission with orders to make an allocation of the 1997-2002 Undivided Local Government Fund (ULGF) and the 1997-2002 Undivided Local Government Revenue Assistance Fund (ULGRAF) in compliance with provisions of Ohio Revised Code Sections 5747.51 and 5747.62. In summary, the Board of Tax Appeals found that no alternative apportionment or formula allowed under Ohio Revised Code 5747.53 and 5747.63 was legally effective.

The County Budget Commission plans to appeal the ruling and the effect on future local government distributions cannot be determined at this time.

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Hartford Township
Licking County
P.O. Box 203
Croton, Ohio 43013

To the Board of Trustees:

We have audited the accompanying financial statements of Hartford Township (the Township) as of and for the years ended December 31, 2002, and December 31, 2001, and have issued our report thereon dated March 11, 2003. 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.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2002-40645-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated March 11, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township in a separate letter dated March 11, 2003.

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Hartford Township
Licking County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

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

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

BETTY MONTGOMERY
Auditor of State

March 11, 2003

**HARTFORD TOWNSHIP
LICKING COUNTY**

**SCHEDULE OF FINDING
DECEMBER 31, 2002- 2001**

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

Finding Number	2002-40645-001
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Ohio Rev. Code Section 5705.41(D) states no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance by the issuance of a regular purchase order or certificate, a blanket certificate, or a super blanket certificate. Blanket certificates can be issued for an amount not exceeding \$5,000 against any specific line item account over a period not exceeding 3 months, and not extending beyond the end of the current fiscal year. A super blanket certificate may be issued for any amount from a specific line item appropriation account in a specific fund, for most recurring or reasonable predictable operating expenditures.

This section also provides two exceptions to the above requirements:

- A. If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was appropriated and free of any previous encumbrances, the Township may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate (a then and now certificate), if such expenditure is otherwise valid.
- B. If the amount involved is less than one thousand dollars, the fiscal officer may authorize it to be paid without the affirmation of the Board.

50% of the transactions tested were not certified by the fiscal officer at the time the commitment was incurred and neither of the exceptions provided for were used. 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 Township funds being over expended or exceeding budgetary spending limitations, we recommend that the Clerk certify that the funds are or will be available prior to obligation by the Township. When prior certification is not possible, then and now certification should be utilized.

**HARTFORD TOWNSHIP
LICKING COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2002 - 2001**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-40645-001	Revised Code 5705.41 (D), failure to certify funds	No	Not Corrected
2000-40645-002	Revised Code 5705.39, appropriations exceeded estimated revenue	Yes	
2000-40645-003	Revised Code 5705.36, amended certificate not obtained for additional appropriations	Yes	



**Auditor of State
Betty Montgomery**

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HARTFORD 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
APRIL 10, 2003**