



**Auditor of State
Betty Montgomery**

MARIETTA TOWNSHIP
WASHINGTON COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT

Marietta Township
Washington County
138 Forshey Road
Marietta, Ohio 45750-9736

To the Board of Trustees:

We have audited the accompanying financial statements of Marietta Township, Washington County, Ohio (the Township), as of and for the years ended December 21, 2002 and 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 Marietta Township, Washington County, as of December 31, 2002 and 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 February 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.

This report is intended solely for the information and use of the audit committee, management, the Board of Trustees and other officials authorized to receive this report under Section 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

February 11, 2003

**MARIETTA TOWNSHIP
WASHINGTON 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	\$ 89,786	\$ 202,797	\$ 49,791	\$ 203,000	\$ 292,583
Intergovernmental	107,370	78,909	66,684		439,070
Special Assessments		13,776			80,460
Earnings on Investments	3,204	421			3,625
Other Revenue	516	190			706
Total Cash Receipts	<u>200,876</u>	<u>296,093</u>	<u>116,475</u>	<u>203,000</u>	<u>816,444</u>
Cash Disbursements:					
Current:					
General Government	123,432				123,432
Public Safety	776	121,029			121,805
Public Works	42,544	156,821			199,365
Health	18,542				18,542
Debt Service:					
Redemption of Principal			250,000		250,000
Interest and Fiscal Charges			11,751		11,751
Capital Outlay	10,533		296,677	203,000	510,210
Total Cash Disbursements	<u>195,827</u>	<u>277,850</u>	<u>558,428</u>	<u>203,000</u>	<u>1,235,105</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>5,049</u>	<u>18,243</u>	<u>(441,953)</u>	<u>0</u>	<u>(418,661)</u>
Other Financing Receipts/(Disbursements):					
Proceeds from Sale of Public Debt:					
Sale of Bonds			198,000		198,000
Sale of Notes			250,000		250,000
Advances-In	20,000	20,000			40,000
Advances -Out	(20,000)	(20,000)			(40,000)
Total Other Financing Receipts/(Disbursements)	<u>0</u>	<u>0</u>	<u>448,000</u>	<u>0</u>	<u>448,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	5,049	18,243	6,047	0	29,339
Fund Cash Balances, January 1	118,424	91,641			210,065
Fund Cash Balances, December 31	<u>\$ 123,473</u>	<u>\$ 109,884</u>	<u>\$ 6,047</u>	<u>\$ 0</u>	<u>\$ 239,404</u>
Reserve for Encumbrances, December 31	<u>\$ 0</u>	<u>\$ 13,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,000</u>

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

**MARIETTA TOWNSHIP
WASHINGTON 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**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$ 79,822	\$ 224,001	\$ 303,823
Intergovernmental	68,351	79,908	148,259
Special Assessments		13,129	13,129
Earnings on Investments	3,055	514	3,569
Other Revenue	1,912	4,778	6,690
	<u>153,140</u>	<u>322,330</u>	<u>475,470</u>
Cash Disbursements:			
Current:			
General Government	87,272		87,272
Public Safety	12,187	117,993	130,180
Public Works	40,093	209,384	249,477
Health	19,376		19,376
Capital Outlay	12,132		12,132
	<u>171,060</u>	<u>327,377</u>	<u>498,437</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(17,920)</u>	<u>(5,047)</u>	<u>(22,967)</u>
Fund Cash Balances, January 1	<u>136,344</u>	<u>96,688</u>	<u>233,032</u>
Fund Cash Balances, December 31	<u>\$ 118,424</u>	<u>\$ 91,641</u>	<u>\$ 210,065</u>
Reserve for Encumbrances, December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Marietta Township, Washington 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, fire protection and emergency medical services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting 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

The Township Clerk invests all available funds of the Township in an interest-bearing checking account.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1. General Fund

The General Fund 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 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.

EMT Special Levy Fund - This fund receives funds to maintain and equip emergency medical technicians.

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Debt Service Fund

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

General Bond/Note Retirement Fund – This fund received monies from the sale of notes and bonds to replace Township roads in the Sunnyview Subdivision.

4. Capital Project Fund

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Township had the following significant Capital Project Fund:

Sunnyview Works Project Fund - The Township received a grant from the Ohio Public Works Commission to replace Township roads in the Sunnyview Subdivision.

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.

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.

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.

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:

	2002	2001
Demand deposits	\$ 239,404	\$ 210,065

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

3. BUDGETARY ACTIVITY

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

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 206,281	\$ 220,876	\$ 14,595
Special Revenue	338,384	316,093	(22,291)
Debt Service	564,475	564,475	0
Capital Projects	203,000	203,000	0
Total	\$ 1,312,140	\$ 1,304,444	\$ (7,696)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 256,785	\$ 215,827	\$ 40,958
Special Revenue	426,068	310,850	115,218
Debt Service	414,123	558,428	(144,305)
Capital Projects	203,000	203,000	0
Total	\$ 1,299,976	\$ 1,288,105	\$ 11,871

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 158,088	\$ 153,140	\$ (4,948)
Special Revenue	330,650	322,330	(8,320)
Total	\$ 488,738	\$ 475,470	\$ (13,268)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 263,176	\$ 171,060	\$ 92,116
Special Revenue	415,353	327,377	87,976
Total	\$ 678,529	\$ 498,437	\$ 180,092

Contrary to Ohio law, actual receipts plus unencumbered cash was less than estimated resources and the appropriation authority was more than the actual receipt plus unencumbered cash at December 31, 2001 in the Road and Bridge Fund. This also occurred at December 31, 2002 in the Road and Bridge, Fire Levy, and Permissive Sales Tax Funds.

Contrary to Ohio law, appropriations exceeded estimated resources in the Sunnyview Project Bond Fund by \$50,209 as of December 31, 2002.

Contrary to Ohio law, the expenditures exceeded appropriations at December 31, 2002 in the Fire Levy Fund by \$18,865, Sunnyview Project Bond Fund by \$130,763, and OPWC Loan Fund by \$49,791.

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, 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 payment, 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.

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

5. DEBT

Debt outstanding at December 31, 2002 was as follows:

	Principal	Interest Rate
Special Assessment Bond	\$ 198,000	4.6%
Ohio Public Works Commission Loan	49,791	2.0%
Lease/Purchase	17,260	5.75%
Total	\$ 265,051	

The special assessment bond and the Ohio Public Works Commission Loan were issued to finance the construction of Township roads in the Sunnyview Subdivision. Special assessments levied against property owners in the subdivision have been pledged to repay the debt. The OPWC Loan is backed by the full faith and credit of the Township for repayment.

The Township entered into the lease/purchase agreement in September 1, 1999, with Case Credit Corporation for a mower. The original lease agreement was for \$52,662, with a yearly payment due of \$10,532. The full faith and credit of the Township is pledged to repay this debt. The equipment purchased collateralizes the lease/purchase.

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

Year ending December 31:	Special Assessment Bonds	Ohio Public Works Commision Loan	Lease/ Purchase
2003	\$ 24,808	\$ 501	10,532
2004	25,186	5,518	6,728
2005	25,213	5,518	
2006	25,203	5,518	
2007	25,157	5,518	
2008 – 2012	125,978	27,592	
2013 – 2017		5,518	
Total	\$ 251,545	\$ 55,683	17,260

6. RETIREMENT SYSTEMS

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

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

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

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.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and report the following assets, liabilities and retained earnings at December 31, 2002 and 2001 (the latest information available):

<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>



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Betty Montgomery**

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

Marietta Township
Washington County
138 Forshey Road
Marietta, Ohio 45750

To the Board of Trustees:

We have audited the accompanying financial statements of Marietta Township, Washington County, Ohio (the Township), as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated February 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 instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2002-41084-001 to 2002-41084-003. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated February 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 other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated February 11, 2003.

Marietta Township
Washington 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 the audit committee, 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

February 11, 2003

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2002 AND 2001**

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

FINDING NUMBER 2002-41084-001

Noncompliance Citation

Ohio Rev. Code Section 5705.36 allows all subdivisions to request reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be less than the amount in the official certificate of estimated resources. The Township must request a reduced amended certificate when actual receipts plus January 1 unencumbered cash will be less than amounts appropriated.

Estimated resources exceeded actual revenue plus unencumbered cash and appropriations were greater than actual revenue plus unencumbered cash at December 31, 2001, as follows:

Fund	Total Estimated Resources	Actual Revenue Plus Unencumbered Cash	Appropriation Authority
Road and Bridge	\$ 162,905	\$ 158,664	\$ 160,592

Estimated resources exceeded actual revenue plus unencumbered cash and appropriations were greater than actual revenue plus unencumbered cash at December 31, 2002, as follows:

Fund	Total Estimated Resources	Actual Revenue Plus Unencumbered Cash	Appropriation Authority
Road and Bridge	\$ 145,438	\$ 142,888	\$ 145,438
Fire/Ambulance	70,061	67,994	69,993
Permissive Sales Tax	35,420	0	35,420

This could result in more money being appropriated than will actually be available for expenditure.

We recommend the Township Clerk monitor estimated and actual revenues for all funds on a regular basis. In the situation where budgeted revenue exceeds actual revenue and appropriations exceed actual revenue, a reduced amended certificate must be obtained and appropriations adjusted accordingly.

**MARIETTA TOWNSHIP
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2002 AND 2001
(Continued)**

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

FINDING NUMBER 2002-41084-002

Noncompliance Citation

Ohio Rev. Code Section 5705.39 states that appropriations from each fund shall not exceed the estimated resources as certified by the County Budget Commission.

Appropriations exceeded estimated resources as of December 31, 2002, in the following fund:

Fund	Estimated Resources	Appropriations	Variance
Sunnyview Project Bonds	\$ 49,791	\$ 100,000	\$ (50,209)

This could result in the Township expending more money than is available.

We recommend appropriations for each fund not exceed the estimated resources as certified by the County Budget Commission.

FINDING NUMBER 2002-41084-003

Noncompliance Citation

Ohio Rev. Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated.

We found that expenditures exceeded appropriations at the fund level as of December 31, 2002, in the following funds:

Fund	Appropriation Authority	Expenditures	Variance
Fire District	\$ 54,869	\$ 73,734	\$ (18,865)
Sunnyview Project Bonds	314,123	444,886	(130,763)
OPWC Loan	0	49,791	(49,791)

We recommend the Township routinely monitor the appropriations and expenditures to ensure that expenditures do not exceed appropriations.



**Auditor of State
Betty Montgomery**

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MARIETTA TOWNSHIP

WASHINGTON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MARCH 18, 2003**