



**& ASSOCIATES**

**WELLINGTON TOWNSHIP  
LORAIN COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED  
DECEMBER 31, 2023 & 2022**





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Columbus, Ohio 43215  
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Board of Trustees  
Wellington Township  
105 Maple Street  
P.O. Box 425  
Wellington, Ohio 44090

We have reviewed the *Independent Auditor's Report* of Wellington Township, Lorain County, prepared by Canter & Associates, for the audit period January 1, 2022 through December 31, 2023. 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.

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. Wellington Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

June 12, 2025

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**WELLINGTON TOWNSHIP  
LORAIN COUNTY**

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## INDEPENDENT AUDITOR'S REPORT

Wellington Township  
Lorain County  
105 Maple Street  
P.O. Box 425  
Wellington, Ohio 44090

To the Board of Trustees:

### ***Report on the Audit of the Financial Statements***

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of Wellington Township, Lorain County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2023, and 2022, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2023, and 2022, or the changes in financial position thereof for the years then ended.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the financial statements are prepared by Township on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Emphasis of Matter***

As discussed in Note 13 to the financial statements for the year ended December 31, 2022, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township's internal control over financial reporting and compliance.

*Canter & Associates*

**Canter & Associates**

Poland, Ohio

March 25, 2025

**Wellington Township**  
Lorain County, Ohio

Combined Statement of Receipts, Disbursements and  
Changes in Fund Balances (Regulatory Cash Basis)  
All Governmental Fund Types  
For the Year Ended December 31, 2023

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	<b>Governmental Fund Types</b>		<b>Totals (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 94,798	\$ 484,722	\$ 579,520
Licenses, Permits, and Fees	5,484	-	5,484
Intergovernmental	51,837	189,190	241,027
Earnings on Investments	2,891	69	2,960
Miscellaneous	783	15,500	16,283
<i>Total Cash Receipts</i>	<u>155,793</u>	<u>689,481</u>	<u>845,274</u>
<b>Cash Disbursements</b>			
Current:			
General Government	116,513	364,868	481,381
Public Works	-	275,754	275,754
Health	59,884	-	59,884
Capital Outlay	-	9,000	9,000
<i>Total Cash Disbursements</i>	<u>176,397</u>	<u>649,622</u>	<u>826,019</u>
<i>Net Change in Fund Cash Balances</i>	<u>(20,604)</u>	<u>39,859</u>	<u>19,255</u>
Fund Cash Balances, January 1	<u>65,075</u>	<u>366,632</u>	<u>431,707</u>
<i>Total Fund Cash Balances, December 31</i>	<u><b>\$ 44,471</b></u>	<u><b>\$ 406,491</b></u>	<u><b>\$ 450,962</b></u>

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

## **Wellington Township**

*Lorain County*

### *Notes to the Financial Statements* *For the Year Ended December 31, 2023*

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#### **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Wellington County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides general government services and road and bridge maintenance. The Township's police protection is provided by the Lorain County Sheriff. The Township is a member of the Wellington Community Fire District which provides fire services and the South Lorain County Ambulance District which provides ambulance services.

#### **Public Entity Risk Pool and Jointly Governed Organizations**

The Township participates in a public entity risk pool and several jointly governed organizations. Notes 11 and 12 to the financial statements provide additional information for these entities. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

#### **Note 2 – Summary of Significant Accounting Policies**

##### *Basis of Presentation*

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

##### *Fund Accounting*

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

**Road and Bridge Fund** The fund receives property tax money for the costs involved in constructing maintaining and repairing roads and bridges within the Township.

**Gasoline Tax Fund** The gas tax fund accounts for and report that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

**Library Levy Fund** This fund receives property tax money which is passed through to Herrick Memorial Library.

## **Wellington Township**

*Lorain County*

### *Notes to the Financial Statements For the Year Ended December 31, 2023*

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#### **Note 2 – Summary of Significant Accounting Policies (continued)**

##### ***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

##### ***Budgetary Process***

The Ohio Revised Code requires that each fund 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. Unencumbered appropriations lapse at year end.

***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 approve estimated resources.

***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 2023 budgetary activity appears in Note 3.

##### ***Deposits 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 did not own any investments as assets in 2023.

##### ***Capital Assets***

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

## Wellington Township

Lorain County

### Notes to the Financial Statements For the Year Ended December 31, 2023

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#### Note 2 – Summary of Significant Accounting Policies (continued)

##### ***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.

##### ***SBITA's***

The Township has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems. Subscription disbursements are recognized when they are paid.

##### ***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources last when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

## Wellington Township

Lorain County

### Notes to the Financial Statements For the Year Ended December 31, 2023

#### Note 3 – Budgetary Activity

Budgetary activity for the year ending 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	\$148,432	\$155,793	\$7,361
Special Revenue	614,384	689,481	75,097
Total	<u>\$762,816</u>	<u>\$845,274</u>	<u>\$82,458</u>

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation	Actual	Variance
	Authority	Expenditures	
General	\$213,497	\$179,398	\$34,099
Special Revenue	981,016	650,492	330,524
Total	<u>\$1,194,513</u>	<u>\$829,890</u>	<u>\$364,623</u>

#### Note 4 – Deposits and Investments

To improve cash management, cash received by the Township is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Township's deposit and investment accounts are as follows:

		2023
<b>Cash Management Pool:</b>		
Demand deposits		\$200,962
Certificates of deposit		250,000
Total deposits		<u>\$450,962</u>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the Township is not holding any unremitted employee payroll withholdings.

#### Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

## Wellington Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2023*

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#### **Note 5 – Property Taxes**

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Township.

#### **Note 6 – Risk Management**

##### ***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

##### ***Risk Pool Membership***

Wellington Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of Wellington Township's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	2023
Cash & Investments	\$33,494,457
Actuarial Liabilities	10,885,549

## **Wellington Township**

*Lorain County*

### *Notes to the Financial Statements* *For the Year Ended December 31, 2023*

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#### **Note 7 – Defined Benefit Pension Plans**

##### ***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.

#### **Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

#### **Note 9 – Contingent Liabilities**

The Township may be a defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Township's financial condition.

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.

## Wellington Township

Lorain County

### Notes to the Financial Statements For the Year Ended December 31, 2023

#### Note 10 – Fund Balances

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	Special		
	General	Revenue	Total
Outstanding Encumbrances	\$ 3,001	\$ 870	\$ 3,871
Total	<u>\$ 3,001</u>	<u>\$ 870</u>	<u>\$ 3,871</u>

The fund balance of special revenue funds is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

#### Note 11 – Public Entity Risk Pools

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA). OTARMA is a risk sharing pool available to Ohio Townships to provide property and casualty insurance for its members. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements, and other expenses resulting from covered claims that exceed the members' deductibles.

#### Note 12 – Jointly Governed Organizations

##### *South Lorain County Ambulance District*

The Ambulance District is organized pursuant to Ohio Rev. Code Section 505.71 and is directed by an appointed seven-member Board of Trustees representing the Village of Wellington, and Wellington, Huntington, Penfield, Rochester, Brighton, and Pittsfield Townships. The Ambulance District provides emergency medical services to the residents within the Ambulance District which includes the Township.

##### *Wellington Union Cemetery*

The Cemetery is a union cemetery organized pursuant to Ohio Rev. Code Section 759.27 and is directed by an appointed three-member Board of Trustees representing the Village of Wellington and Wellington Township. The Cemetery provides for the sale of burial lots, grave openings and closings, and the perpetual care of graves to residents of the Village and Township. The Cemetery operates and maintains the West Herrick Cemetery and Greenwood Cemetery, both located in the Village of Wellington.

## **Wellington Township**

*Lorain County*

### *Notes to the Financial Statements For the Year Ended December 31, 2023*

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#### **Note 12 – Jointly Governed Organizations (continued)**

##### ***Wellington Community Fire District***

The Fire District is organized pursuant to Ohio Rev. Code Section 505.371 and is directed by an appointed six-member Board of Trustees representing the Village of Wellington and Wellington, Huntington, Penfield, Brighton, and Pittsfield Townships. The Fire District provides fire protection and rescue services within the Fire District which includes the Township.

##### ***Lorain County Rural Water Authority***

The Rural Lorain County Water Authority, a regional water district, is a political subdivision of the State of Ohio created by order of the Lorain County Common Pleas Court. The Authority was declared by the Court, on August 23, 1973, to be a duly organized regional water district, a political subdivision of the State of Ohio organized pursuant to Chapter 6119 of the Ohio Revised Code. The Authority operates under a Board of Trustees, which consists of as many members as equals the total number of villages and townships within this regional water district.

##### ***Lorain County Rural Wastewater District (LORCO)***

LORCO is a wastewater district organized pursuant to Ohio Rev. Code Section 6119 and is directed by a Board of Trustees representing one each of the 13 townships and three village members. LORCO was organized to provide wastewater treatment services to its members and has applied to the appropriate authorities for recognition as a Designated Management Agency under Section 208 of the Clean Water Act.

##### ***South Lorain County Historical Society***

The Historical Society is organized pursuant to Ohio Rev. Code Section 307.23 and is directed by an appointed Board of Directors. The Historical Society operates the Spirit of '76 Museum which is located in the Village of Wellington.

##### ***Herrick Memorial Library***

The Herrick Memorial Library is organized pursuant to Ohio Rev. Code Sections 3375.33 to 3375.39 and is directed by an appointed Board of Trustees of three members who are appointed by the Wellington Township Trustees. The Library is fiscally independent of Wellington Township, although the Township serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the Township must put levy on the ballot. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the Township.

**Wellington Township**  
Lorain County, Ohio

Combined Statement of Receipts, Disbursements and  
Changes in Fund Balances (Regulatory Cash Basis)  
All Governmental Fund Types  
For the Year Ended December 31, 2022

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	<b>Governmental Fund Types</b>		<b>Totals</b> <b>(Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 92,113	\$ 459,790	\$ 551,903
Licenses, Permits, and Fees	5,389	-	5,389
Intergovernmental	50,053	257,171	307,224
Earnings on Investments	572	-	572
Miscellaneous	5,071	12,449	17,520
<i>Total Cash Receipts</i>	<u>153,198</u>	<u>729,410</u>	<u>882,608</u>
<b>Cash Disbursements</b>			
Current:			
General Government	150,592	493,908	644,500
Public Works	-	259,211	259,211
Health	46,823	-	46,823
Capital Outlay	-	117,002	117,002
<i>Total Cash Disbursements</i>	<u>197,415</u>	<u>870,121</u>	<u>1,067,536</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>(44,217)</u>	<u>(140,711)</u>	<u>(184,928)</u>
<b>Other Financing Receipts/(Disbursements)</b>			
Other Financing Sources	-	1,426	1,426
Other Financing Uses	-	(1,426)	(1,426)
<i>Total Other Financing Receipts/(Disbursements)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	<u>(44,217)</u>	<u>(140,711)</u>	<u>(184,928)</u>
Fund Cash Balances, January 1	<u>109,292</u>	<u>507,343</u>	<u>616,635</u>
<i>Total Fund Cash Balances, December 31</i>	<u><b>\$ 65,075</b></u>	<u><b>\$ 366,632</b></u>	<u><b>\$ 431,707</b></u>

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

## **Wellington Township**

*Lorain County*

### *Notes to the Financial Statements* *For the Year Ended December 31, 2022*

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#### **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Wellington County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides general government services and road and bridge maintenance. The Township's police protection is provided by the Lorain County Sheriff. The Township is a member of the Wellington Community Fire District which provides fire services and the South Lorain County Ambulance District which provides ambulance services.

#### **Public Entity Risk Pool and Jointly Governed Organizations**

The Township participates in a public entity risk pool and several jointly governed organizations. Notes 11 and 12 to the financial statements provide additional information for these entities. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

#### **Note 2 – Summary of Significant Accounting Policies**

##### *Basis of Presentation*

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

##### *Fund Accounting*

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

**Road and Bridge Fund** The fund receives property tax money for the costs involved in constructing maintaining and repairing roads and bridges within the Township.

**Gasoline Tax Fund** The gas tax fund accounts for and report that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

**Library Levy Fund** This fund receives property tax money which is passed through to Herrick Memorial Library.

## Wellington Township

Lorain County

### Notes to the Financial Statements For the Year Ended December 31, 2022

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#### Note 2 – Summary of Significant Accounting Policies (continued)

**Local Fiscal Recovery Fund** This fund accounts for and reports American Rescue Plan Act funds for use in accordance with the act.

#### ***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

#### ***Budgetary Process***

The Ohio Revised Code requires that each fund 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. Unencumbered appropriations lapse at year end.

**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 approve estimated resources.

**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 2022 budgetary activity appears in Note 3.

#### ***Deposits 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 did not own any investments as assets in 2022.

#### ***Capital Assets***

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

## Wellington Township

Lorain County

### Notes to the Financial Statements For the Year Ended December 31, 2022

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#### Note 2 – Summary of Significant Accounting Policies (continued)

##### ***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.

##### ***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources last when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

## Wellington Township

Lorain County

### Notes to the Financial Statements For the Year Ended December 31, 2022

#### Note 3 – Budgetary Activity

Budgetary activity for the year ending 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$141,776	\$153,198	\$11,422
Special Revenue	677,991	730,836	52,845
Total	<u>\$819,767</u>	<u>\$884,034</u>	<u>\$64,267</u>

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Actual Expenditures	Variance
General	\$257,573	\$200,094	\$57,479
Special Revenue	1,177,808	872,459	305,349
Total	<u>\$1,435,381</u>	<u>\$1,072,553</u>	<u>\$362,828</u>

#### Note 4 – Deposits and Investments

To improve cash management, cash received by the Township is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Township's deposit and investment accounts are as follows:

		2022
<b>Cash Management Pool:</b>		
Demand deposits		\$431,707
Total deposits		<u>\$431,707</u>

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2022, the Township is not holding any unremitted employee payroll withholdings.

#### Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

## Wellington Township

Lorain County

### *Notes to the Financial Statements For the Year Ended December 31, 2022*

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#### **Note 5 – Property Taxes**

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Township.

#### **Note 6 – Risk Management**

##### ***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

##### ***Risk Pool Membership***

Wellington Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of Wellington Township's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	2022
Cash & Investments	\$32,288,098
Actuarial Liabilities	9,146,434

## **Wellington Township**

*Lorain County*

### *Notes to the Financial Statements For the Year Ended December 31, 2022*

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#### **Note 7 – Defined Benefit Pension Plans**

##### ***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.

#### **Note 8 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit post-employment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

#### **Note 9 – Contingent Liabilities**

The Township may be a defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Township's financial condition.

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.

## Wellington Township

Lorain County

### Notes to the Financial Statements For the Year Ended December 31, 2022

#### Note 10 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$ 2,679	\$ 912	\$ 3,591
Total	\$ 2,679	\$ 912	\$ 3,591

The fund balance of special revenue funds is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

#### Note 11 – Public Entity Risk Pools

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA). OTARMA is a risk sharing pool available to Ohio Townships to provide property and casualty insurance for its members. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements, and other expenses resulting from covered claims that exceed the members' deductibles.

#### Note 12 – Jointly Governed Organizations

##### *South Lorain County Ambulance District*

The Ambulance District is organized pursuant to Ohio Rev. Code Section 505.71 and is directed by an appointed seven-member Board of Trustees representing the Village of Wellington, and Wellington, Huntington, Penfield, Rochester, Brighton, and Pittsfield Townships. The Ambulance District provides emergency medical services to the residents within the Ambulance District which includes the Township.

##### *Wellington Union Cemetery*

The Cemetery is a union cemetery organized pursuant to Ohio Rev. Code Section 759.27 and is directed by an appointed three-member Board of Trustees representing the Village of Wellington and Wellington Township. The Cemetery provides for the sale of burial lots, grave openings and closings, and the perpetual care of graves to residents of the Village and Township. The Cemetery operates and maintains the West Herrick Cemetery and Greenwood Cemetery, both located in the Village of Wellington.

## **Wellington Township**

*Lorain County*

### *Notes to the Financial Statements For the Year Ended December 31, 2022*

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#### **Note 12 – Jointly Governed Organizations (continued)**

##### ***Wellington Community Fire District***

The Fire District is organized pursuant to Ohio Rev. Code Section 505.371 and is directed by an appointed six-member Board of Trustees representing the Village of Wellington and Wellington, Huntington, Penfield, Brighton, and Pittsfield Townships. The Fire District provides fire protection and rescue services within the Fire District which includes the Township.

##### ***Lorain County Rural Water Authority***

The Rural Lorain County Water Authority, a regional water district, is a political subdivision of the State of Ohio created by order of the Lorain County Common Pleas Court. The Authority was declared by the Court, on August 23, 1973 to be a duly organized regional water district, a political subdivision of the State of Ohio organized pursuant to Chapter 6119 of the Ohio Revised Code. The Authority operates under a Board of Trustees, which consists of as many members as equals the total number of villages and townships within this regional water district.

##### ***Lorain County Rural Wastewater District (LORCO)***

LORCO is a wastewater district organized pursuant to Ohio Rev. Code Section 6119 and is directed by a Board of Trustees representing one each of the 13 township and three village members. LORCO was organized to provide wastewater treatment services to its members and has applied to the appropriate authorities for recognition as a Designated Management Agency under Section 208 of the Clean Water Act.

##### ***South Lorain County Historical Society***

The Historical Society is organized pursuant to Ohio Rev. Code Section 307.23 and is directed by an appointed Board of Directors. The Historical Society operates the Spirit of '76 Museum which is located in the Village of Wellington.

##### ***Herrick Memorial Library***

The Herrick Memorial Library is organized pursuant to Ohio Rev. Code Sections 3375.33 to 3375.39 and is directed by an appointed Board of Trustees of three members who are appointed by the Wellington Township Trustees. The Library is fiscally independent of Wellington Township, although the Township serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the Township must put levy on the ballot. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the Township.

**Wellington Township**

*Lorain County*

*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 13 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During 2022, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.



CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S 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***

Wellington Township  
Lorain County  
105 Maple Street  
P.O. Box 425  
Wellington, Ohio 44090

To the Board of Trustees:

We have audited, in accordance with the 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, the financial statements of the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements of Wellington Township, Lorain County (the Township), and have issued our report thereon dated March 25, 2025, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township for 2022.

**Report Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a significant deficiency.

Wellington Township  
Lorain County  
Independent Auditor's 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*

### **Report Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as item 2023-002.

### **Township's Response to Findings**

The Township's response to the findings identified in our audit is described in the accompanying schedule of findings. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Canter & Associates*

### **CANTER & ASSOCIATES**

Poland, Ohio

March 25, 2025

**WELLINGTON TOWNSHIP  
LORAIN COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2023 AND 2022**

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

**FINDING NUMBER 2023-001**

**SIGNIFICANT DEFICIENCY**

**Financial Reporting**

Financial reporting is the responsibility of management, and it is essential that financial statements are presented fairly and free of material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs A14 & A16. The Governmental Accounting Standards Board (GASB) states that a governmental accounting system is required to make it possible for the funds and activities of the governmental unit to be presented fairly and with full disclosure in conformity with generally accepted accounting principles as well as to be able to determine and demonstrate compliance with finance-related legal and contractual provisions.

The following error was noted:

2022:

- Library Fund property tax receipts were overstated by \$21,696 due to homestead and rollback receipts of the same posted incorrectly to property tax taxes instead of intergovernmental receipts.

The above adjustment has been reflected in the financial statements.

We recommend the Township ensure recording of financial transactions reporting to help ensure the information accurately reflects the activity of the Township and thereby increasing the reliability of the financial data throughout the year. The Fiscal Officer should reference applicable guidance from the Auditor of State, such as the UAN manuals of the Ohio Township Manual when posting receipts and processing unusual transactions.

**Official's Response:** We did not receive a response from Officials to this finding.

Wellington Township

Lorain County

Independent Auditor's 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*

Page 2

## FINDING NUMBER 2023-002

### **NONCOMPLIANCE AND SIGNIFCANT DEFICIENCY**

#### **Budgetary/Purchasing**

Budgeting and purchasing procedures are an important tool for management to monitor annual expenditures and ensure amounts expended are within annually approved and appropriated amounts and in compliance with the Ohio Revised Codes sections that are applicable. Budgeting is an important tool as it ensures local governments are not deficit spending. If management adheres to the budgeting process as set forth in the Ohio Revised Code, they will never be in a deficit spending situation.

The following compliance violations were noted:

- 1. Ohio Rev. Code Section 5705.41(B)** requires that no subdivision or taxing unit is to expend money unless it has been appropriated.

At December 31, 2022, object level expenditures plus outstanding encumbrances exceeded appropriations within the following fund:

Permissive Motor Vehicle License Fund (2231)	\$6,815
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In addition, appropriations posted to the Township's Appropriation Reports did not always agree to the Township's actual Annual Appropriation Measure plus supplemental appropriations. The Fiscal Officer should frequently compare actual expenditures plus outstanding encumbrances to appropriations at the object level to avoid overspending. In addition, the Fiscal Officer should periodically review the Township's Appropriations Reports to ensure appropriation amounts are posted accurately and timely.

- 2. Ohio Rev. Code Section 5705.41(D)** requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

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 sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

Wellington Township

Lorain County

Independent Auditor's 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*

Page 3

**1. "Then and Now" certificate** – If the fiscal officer can certify that both at the time that 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 previous encumbrance, the Township can authorize the drawing of a warrant for the payment of the amount due. The Township has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 (\$1,000 prior to April 7, 2003) may be paid by the fiscal officer without a resolution or ordinance 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.

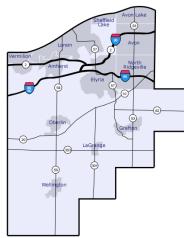
**2. Blanket Certificate** – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. (Prior to September 26, 2003, blanket certificates were limited to \$5,000 and three months.) 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.

**3. 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.

During 2023 and 2022, 61% and 65%, respectively, of the expenditures tested were not certified by the Fiscal Officer prior to incurring the obligation. It was also found that neither of the two exceptions above were utilized for the items found to be in noncompliance. The Township should certify the availability of funds for expenditure and also implement the use of Then and Now Certificates as further means to certify funds pursuant to Ohio Rev. Code Section 5705.41(D).

**Official's Response:** We did not receive a response from Officials to this finding.

# WELLINGTON TOWNSHIP



Virginia Haynes  
Fiscal Officer  
PO Box 425  
Wellington, Ohio 44090  
Phone: (440) 647-7194  
Fax: (440) 647-3814

## BOARD OF TRUSTEES

David Fisher  
Fred Pitts  
Dr. William Spreng

LORAIN COUNTY OHIO

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### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2023 AND 2022

Finding Number	Finding Summary	Status	Additional Information
2021-001	<b>Material Weakness – Financial Statement Adjustments</b> Various material adjustments were noted and subsequently adjusted to the financial statements.	Partially Corrected	A similar comment is included in the current year Schedule of Findings as 2023-001 and was reduced to a Significant Deficiency.

# OHIO AUDITOR OF STATE KEITH FABER



WELLINGTON TOWNSHIP

LORAIN COUNTY

## AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 6/24/2025

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)