

**PULTNEY TOWNSHIP
BELMONT COUNTY**

AUDIT REPORT

JANUARY 1, 2016 - DECEMBER 31, 2017



Dave Yost • Auditor of State

Township Trustees
Pultney Township
P.O. Box 225
Bellaire, Ohio 43906

We have reviewed the *Independent Auditors' Report* of Pultney Township, Belmont County, prepared by Wilson, Phillips & Agin, CPA's, Inc., for the audit period January 1, 2016 through December 31, 2017. 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. Pultney Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

October 24, 2018

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**PULTNEY TOWNSHIP
BELMONT COUNTY
JANUARY 1, 2016 - DECEMBER 31, 2017**

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**WILSON, PHILLIPS & AGIN, CPA'S, INC.
1100 BRANDYWINE BLVD. BUILDING G
ZANESVILLE, OHIO 43701**

INDEPENDENT AUDITORS' REPORT

Pultney Township
Belmont County
P.O. Box 225
Bellaire, Ohio 43906

To the Township Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type and related notes of the Pultney Township, Belmont County, as of and for the years ended December 31, 2017 and 2016.

Management's Responsibility For the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

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

As described in Note 2 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States, to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis permitted is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

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* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Pultney Township, Belmont County as of December 31, 2017 and 2016, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Pultney Township, Belmont County as of December 31, 2017 and 2016, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 10, 2018, on our consideration of Pultney 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. That report describes the scope of our internal control testing over financial reporting and compliance and the results of that testing, and does not opine on 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.

Wilson, Phillips & Agin, CPA's, Inc.
Zanesville, Ohio
May 10, 2018

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Permanent	
Cash Receipts:					
Property and Other Local Taxes	\$ 4,741	\$ 678,589	\$ -	\$ -	\$ 683,330
Intergovernmental	63,125	301,289	50,000	-	414,414
Earnings on Investments	62	3	-	1,826	1,891
Miscellaneous	85,061	4,504	-	-	89,565
Total Cash Receipts	<u>152,989</u>	<u>984,385</u>	<u>50,000</u>	<u>1,826</u>	<u>1,189,200</u>
Cash Disbursements:					
Current:					
General Government	80,071	42,856	-	-	122,927
Public Safety	-	177,517	-	-	177,517
Public Works	4,850	432,304	-	-	437,154
Health	-	-	-	-	-
Capital Outlay	-	263	120,000	-	120,263
Debt Service:					
Principal Retirement	-	30,272	-	-	30,272
Interest and Fiscal Charges	-	3,082	-	-	3,082
Total Cash Disbursements	<u>84,921</u>	<u>686,294</u>	<u>120,000</u>	<u>-</u>	<u>891,215</u>
Excess of Receipts Over/(Under) Disbursements	68,068	298,091	(70,000)	1,826	297,985
Other Financing Receipts (Disbursements)					
Bond Proceeds	-	-	70,000	-	70,000
Total Other Financing Receipts (Disbursements)	<u>-</u>	<u>-</u>	<u>70,000</u>	<u>-</u>	<u>70,000</u>
Net Change in Fund cash Balance	68,068	298,091	-	1,826	367,985
Fund Cash Balances, January 1, restated	<u>9,827</u>	<u>205,295</u>	<u>-</u>	<u>50,509</u>	<u>265,631</u>
Fund Cash Balances, December 31					
Nonspendable	-	-	-	200	200
Restricted	-	503,386	-	52,135	555,521
Unassigned (Deficit)	77,895	-	-	-	77,895
Fund Cash Balances, December 31	<u>\$ 77,895</u>	<u>\$ 503,386</u>	<u>\$ -</u>	<u>\$ 52,335</u>	<u>\$ 633,616</u>

See notes to financial statements.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Fiduciary Fund Type
	Road Bond
Operating Cash Receipts:	
Charges for Services	\$ -
Licenses, Permits and Fees	-
Fine and Forfeitures	-
Miscellaneous	-
Total Operating Cash Receipts	-
Operating Cash Disbursements:	
Salaries	-
Employee Fringe Benefits	-
Purchased Services	-
Supplies and Materials	-
Other	50,000
Total Operating Cash Disbursements	50,000
Operating Income (Loss)	(50,000)
Non-Operating Receipts (Disbursements)	
Miscellaneous Receipts	-
Total Non-Operating Receipts (Disbursements)	-
Net Change in Fund Cash Balance	(50,000)
Fund Cash Balances, January 1	51,085
Fund Cash Balances, December 31	\$ 1,085

See notes to financial statements.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

1. REPORTING ENTITY

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Pultney Township, Belmont County, (the Township) as a body corporate and politic. A publically-elected three-member Board of Trustees directs the Township. The Township provides general government services, road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Neffs and Spirit of 76 Volunteers Fire Departments to provide fire and ambulance services.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. 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 and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary and fiduciary fund types which are organized on a fund type basis.

B. 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:

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

Road and Bridge Fund – This fund receives property tax monies to pay for constructing, maintaining, and repairing township road and bridges.

Fire Levy Fund – This fund receives tax levy money for fire protection to township residents.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Permanent Funds

These funds account for and report financial resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

Cemetery Bequest Fund – This fund receives interest used for permanent care and decoration of graves of the cemeteries.

Fiduciary Funds

Agency funds are purely custodial in nature and are used to hold resources for individuals, organization or other governments. The Township disburses these funds as directed by the individual, organization or other government. The Township's Agency fund accounts for road bonds received to cover damages that may potentially effect the Township's roads

C. 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 and object level of control and appropriations may not exceed estimated resources. The 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 2017 appears in Note 3.

D. Deposits and Investments

The Township's accounting basis includes investment as assets. This basis does not record disbursement for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Stock was recorded at Fair Market Value at time of donation.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. 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.

F. 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.

G. 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.

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*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Township applies restricted resources first 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.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 45,959	\$ 152,989	\$ 107,030
Special Revenue	916,058	984,385	68,327
Capital Projects	-	120,000	120,000
Permanent	30	1,826	1,796
Total	\$ 962,047	\$ 1,259,200	\$ 297,153

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 105,400	\$ 84,921	\$ 20,479
Special Revenue	1,088,274	686,294	401,980
Capital Projects	120,000	120,000	-
Permanent	49,000	-	49,000
Total	\$ 1,362,674	\$ 891,215	\$ 471,459

Contrary to 5705.39, the Township had funds with appropriations greater than estimated resources.
Contrary to 5705.41(D), the Township made expenditures prior to certification.

4. EQUITY IN POOLED CASH

The Township maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

Demand deposits	2017 \$ 632,721
Total Deposits	632,721
Common Stock (At fair value at time of donation)	1,980
	\$ 634,701

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

Investments: CSX stock is held in certificate form in the custody of the Township. The fair market value of the stock at December 31, 2017 is \$21,839.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Township Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township.

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

6. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and Omissions.

The Township also provides health insurance coverage to elected officials and full-time employees through a private carrier.

7. DEFINED BENEFIT PENSION PLANS

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

The Ohio Revised Code also prescribes contribution rates. For 2017, OPERS members contributed 10.0% of their gross wages and the Township contributed an amount equal to 14.0% of participant's gross salaries. The Township has paid all contributions required through December 31, 2017.

8. POSTEMPLOYMENT BENEFITS

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include 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. OPERS contributes 2 percent of the employer contribution to fund these benefits.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

9. DEBT

Debt outstanding at December 31, 2017 was as follows:

	Principal	Interest rate
General Obligation Bonds 2014 Truck	23,700	4.0%
John Deere Tractor	94,460	0.0%
USDA Backhoe and Pickup	70,000	4.0%
Total	\$ 188,160	

The Township issued general obligation bonds in the amount of \$32,000 in 2014 to finance the purchase of a truck for Township road maintenance. The Township's taxing authority collateralizes the bonds. This is paid from the Road & Bridge Fund.

In 2015, the Township entered into a agreement with the Director of Development Services Agency of the State of Ohio for the amount of \$99,432 to purchase a John Deere Tractor and additional equipment to be used for Township road maintenance. There is a 12 month grace period after disbursement of funds before re-payment begins. It will repaid quarterly in the amount of \$2,486.

The Township issued general obligation bonds in the amount of \$70,000 in 2017 to finance the purchase of a backhoe and truck for Township road maintenance. The Township's taxing authority collateralizes the bonds. This is paid from the Road & Bridge Fund.

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

Year Ended December 31	2014 GO Bonds	Development Services	2017 Bonds
2018	\$ 3,948	\$ 9,943	\$ 8,205
2019	3,928	9,943	8,380
2020	4,004	9,943	8,275
2021	3,972	9,943	8,267
2022	3,936	9,943	8,353
2023-2027	7,848	44,745	41,561
Total	\$ 27,636	\$ 94,460	\$ 83,041

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Permanent</u>	
Cash Receipts:				
Property and Other Local Taxes	\$ 9,957	\$ 447,730	\$ -	\$ 457,687
Intergovernmental	53,834	265,265	-	319,099
Earnings on Investments	6	37	1,729	1,772
Miscellaneous	19,201	137,346	-	156,547
Total Cash Receipts	<u>82,998</u>	<u>850,378</u>	<u>1,729</u>	<u>935,105</u>
Cash Disbursements:				
Current:				
General Government	71,753	52,107	-	123,860
Public Safety	-	137,252	-	137,252
Public Works	-	544,374	-	544,374
Health	29,353	-	-	29,353
Capital Outlay	23,658	76,139	-	99,797
Debt Service:				
Principal Retirement	7,700	-	-	7,700
Interest and Fiscal Charges	4,672	-	-	4,672
Total Cash Disbursements	<u>137,136</u>	<u>809,872</u>	<u>-</u>	<u>947,008</u>
Net Change in Fund cash Balance	(54,138)	40,506	1,729	(11,903)
Fund Cash Balances, January 1, restated	<u>63,965</u>	<u>164,789</u>	<u>48,780</u>	<u>277,534</u>
Fund Cash Balances, December 31				
Nonspendable	-	-	200	200
Restricted	-	205,295	50,309	255,604
Unassigned (Deficit)	9,827	-	-	9,827
Fund Cash Balances, December 31	<u>\$ 9,827</u>	<u>\$ 205,295</u>	<u>\$ 50,509</u>	<u>\$ 265,631</u>

See notes to financial statements.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Fiduciary Fund Type
	Road Bond
Operating Cash Receipts:	
Charges for Services	\$ -
Licenses, Permits and Fees	-
Fine and Forfeitures	-
Miscellaneous	-
Total Operating Cash Receipts	-
Operating Cash Disbursements:	
Salaries	-
Employee Fringe Benefits	-
Purchased Services	-
Supplies and Materials	-
Other	-
Total Operating Cash Disbursements	-
Operating Income (Loss)	-
Non-Operating Receipts (Disbursements)	
Miscellaneous Receipts	-
Total Non-Operating Receipts (Disbursements)	-
Net Change in Fund Cash Balance	-
Fund Cash Balances, January 1	51,085
Fund Cash Balances, December 31	\$ 51,085

See notes to financial statements.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

1. REPORTING ENTITY

Description of the Entity

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Permanent Funds

These funds account for and report financial resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

Cemetery Bequest Fund – This fund receives interest used for permanent care and decoration of graves of the cemeteries.

Fiduciary Funds

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C. 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 and object level of control and appropriations may not exceed estimated resources. The 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 2016 appears in Note 3.

D. Deposits and Investments

The Township's accounting basis includes investment as assets. This basis does not record disbursement for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Stock was recorded at Fair Market Value at time of donation.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. 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.

F. 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.

G. 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.

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*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

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.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Township applies restricted resources first 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.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2016 follows:

2016 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 70,320	\$ 82,998	\$ 12,678
Special Revenue	877,931	850,378	(27,553)
Permanent	630	1,729	1,099
Total	\$ 948,881	\$ 935,105	\$ (13,776)

2016 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 131,376	\$ 137,136	\$ (5,760)
Special Revenue	919,818	809,872	109,946
Permanent	49,410	-	49,410
Total	\$ 1,100,604	\$ 947,008	\$ 153,596

Contrary to ORC 5705.41(B), the General Fund had expenditures that exceed appropriations.
 Contrary to ORC 5705.41(D), the Township made expenditures prior to certification.
 Contrary to ORC 5705.39, the Township's Ambulance Special Levy had appropriations greater than estimated resources.

4. EQUITY IN POOLED CASH

The Township maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	2016
Demand deposits	\$ 314,736
Total Deposits	314,736
Common Stock (At fair value at time of donation)	1,980
	\$ 316,716

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

Investments: CSX stock is held in certificate form in the custody of the Township. The fair market value of the stock at December 31, 2016 is \$21,228.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Township Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township.

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

6. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and Omissions.

The Township also provides health insurance coverage to elected officials and full-time employees through a private carrier.

7. DEFINED BENEFIT PENSION PLANS

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

The Ohio Revised Code also prescribes contribution rates. For 2016, OPERS members contributed 10.0% of their gross wages and the Township contributed an amount equal to 14.0% of participant's gross salaries. The Township has paid all contributions required through December 31, 2016.

8. POSTEMPLOYMENT BENEFITS

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include 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. OPERS contributes 2 percent of the employer contribution to fund these benefits.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

9. DEBT

Debt outstanding at December 31, 2016 was as follows:

	<u>Principal</u>	<u>Interest rate</u>
General Obligation Bonds 2010 Dump Truck	\$ 22,400	4.0%
General Obligation Bonds 2014 Truck	26,600	4.0%
John Deere Tractor	99,432	0.00%
Total	<u>\$ 148,432</u>	

The Township issued general obligation bonds in the amount of \$50,000 to finance the purchase of a dump truck and plowing equipment for Township road maintenance. The Township's taxing authority collateralizes the bonds. This is paid from the Road & Bridge Fund.

The Township issued general obligation bonds in the amount of \$32,000 in 2014 to finance the purchase of a truck for Township road maintenance. The Township's taxing authority collateralizes the bonds. This is paid from the Road & Bridge Fund.

In 2015, the Township entered into an agreement with the Director of Development Services Agency of the State of Ohio for the amount of \$99,432 to purchase a John Deere Tractor and additional equipment to be used for Township road maintenance. There is a 12-month grace period after disbursement of funds before repayment begins. It will re-paid quarterly in the amount of \$2,486.

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

<u>Year Ended December 31</u>	<u>GO Bonds</u>	<u>2014 GO Bonds</u>	<u>Development Services</u>
2017	\$ 6,196	\$ 3,964	\$ 4,972
2018	6,184	3,948	9,943
2019	6,164	3,928	9,943
2020	6,136	4,004	9,943
2021	-	3,972	9,943
2022-2026	-	11,784	54,688
Total	<u>\$ 24,680</u>	<u>\$ 31,600</u>	<u>\$ 99,432</u>

10. RESTATEMENT OF FUND BALANCES

Fund balances in the General and Special Revenue Funds have been restated for the year beginning January 1, 2016 as voided checks and bank reconciliation errors were added back along with the 2012-2013 audit adjustments:

	<u>General</u>	<u>Special Revenue</u>
Fund Balance at December 31, 2015	\$ 59,799	\$ 136,481
Adjustments	4,166	28,308
Fund Balance at January 1, 2016	<u>\$ 63,965</u>	<u>\$ 164,789</u>

**WILSON, PHILLIPS & AGIN, CPA'S, INC.
1100 BRANDYWINE BLVD. BUILDING G
ZANESVILLE, OHIO 43701**

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

Pultney Township
Belmont County
P.O. Box 225
Bellaire, Ohio 43906

To the Township Trustees:

We have audited, in accordance with auditing standards general accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Pultney Township, Belmont County as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements and have issued our report thereon dated May 10, 2018, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered Pultney Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control over financial reporting, that we consider a material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Township's financial statements. 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. We consider Finding 2017-004, 2017-005 and 2017-006 described in the accompanying schedule of findings to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pultney Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed four instances of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as items 2017-001, 2017-002, 2017-003 and 2017-006.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilson, Phillips & Agin, CPA's, Inc.
Zanesville, Ohio
May 10, 2018

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2017 AND 2016**

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

FINDING NUMBER 2017-001

Noncompliance – Appropriations Exceeding Estimated Resources

Ohio Revised Code Section 5705.39 provides that total appropriations from each fund shall not exceed the total of the estimated revenues available for expenditure as certified by the budget commission. In addition, no appropriation measure is to become effective until the County Auditor files a certificate that the total appropriations from each fund do not exceed the total estimate or amended official estimate.

		Estimated			
Fund	Year	Resources		Appropriations	Variance
Fire Levy	2017	\$ 157,192		\$ 177,517	\$ (20,325)
Capital Projects	2017	-		120,000	(120,000)
Ambulance/EMS	2016	17,500		19,316	(1,816)

We recommend the Township review estimated resources versus appropriations throughout the year. Also, the Trustees should not approve appropriations greater than estimated resources. This could result in the Township spending more money than it receives and could cause possible negative fund balances.

Client Response: We have not received a response from client.

FINDING NUMBER 2017-002

Noncompliance – Expenditures Exceeding Appropriations

Ohio Revised Code Section 5705.41 (B) states no subdivision or taxing unit is to expend money unless it has been appropriated. The Township had the following fund which had expenditures greater than appropriation authority.

		Appropriation			
Fund	Year	Authority		Expenditures	Variance
General Fund	2016	\$ 131,376		\$ 137,136	\$ (5,760)

We recommend the Trustees review expenditures versus appropriation authority throughout the year. Also, the Trustees should not approve expenditures greater than appropriations. This results in the Township spending more money than it appropriated and could cause possible negative fund balances.

Client Response: We have not received a response from the client.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2017 AND 2016**

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

FINDING NUMBER 2017-003

Noncompliance – Certification of Funds

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

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

- 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 30 days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts less than \$3,000 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 the expenditures by the Township.
- Blanket Certificates. Fiscal officers may prepare "blanket" certificates if the Township has approved their use and established maximum amounts.
- Super Blanket Certificates. 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 reasonable predictable operation expense. This certification is not to extend beyond the current year. More than one so-called "super blanket" certificate may be outstanding at a particular time for any line item appropriation.

The Township did not certify the availability of funds prior to the purchase commitment for 41% of expenditures tested. For these items the Township also did not prepare blanket certificates, super blankets certificates or then and now certificates in accordance with the Ohio Revised Code. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

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

Client Response: We have not received a response from the client.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2017 AND 2016**

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

FINDING NUMBER 2017-004

Material Weakness-Financial Reporting

All public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, and prepare financial statements.

The Ohio Township Handbook (Revised March 2017) provides suggested accounts classifications. These accounts classify receipts by fund and source (property taxes or intergovernmental revenue, for example) and classify disbursements by fund, program (general government, for example) or object (personal services, for example). Using these classifications and the aforementioned accounting records will provide the Township with information required to monitor compliance with the budget, and prepare annual reports in the format required by the Auditor of State.

The Township did not properly post and classify all receipts and expenditures. Errors were made in recording various transactions. Amounts were not always posted to the correct fund and/or line item. The following reclassifications and adjustments were made to the financial statements and accounting records.

For 2017

- An adjustments decreasing General Fund Balance by \$38,135 and increasing MVL Tax Fund and Gasoline Tax Fund by \$29,526 and \$8,609 to the Gasoline Tax Fund for incorrect posting of payroll.
- An adjustment increasing General Fund Balance by \$11,140 and decreasing MVL Tax Fund Balance by \$11,140 for the misposting of cable fees.
- Reclassification from Miscellaneous to Intergovernmental Revenue in the amount of \$5,166 in the General Fund.
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$1,433 in the General Fund.
- Reclassification from General government to Public Works in the amount of \$4,850 in the General Fund.
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$33,183 in the Road & Bridge Fund.
- Reclassification from Miscellaneous to Intergovernmental Revenue in the amount of \$107,258 in the Road & Bridge Fund.
- Reclassification from Public Works in the amount of \$33,354 to Principal Retirement of \$30,272 and to Interest and Other Fiscal Charges in the amount of \$3,082 in the Road & Bridge Fund.
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$17,849 in the Fire Levy Fund
- Reclassification from General Government to Public Safety in the amount of \$177,577 in the Fire Levy Fund.
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$9,459 in the Ambulance/EMS Fund.
- Reclassification from Other Financing Sources in the amount of \$120,000 to Intergovernmental Revenue in the amount of \$50,000 and Bond Proceeds of \$70,000 in the Capital Projects Fund.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2017 AND 2016**

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

FINDING NUMBER 2017-004 (Continued)

For 2016

- An adjustments decreasing General Fund Balance by \$44,904 and increasing MVL Tax Fund and Gasoline Tax Fund by \$24,575 and \$20,329 to the Gasoline Tax Fund for incorrect posting of payroll.
- An adjustment increasing General Fund Balance by \$7,460 and decreasing MVL Tax Fund Balance by \$7,460 for the misposting of cable fees.
- An adjustment increasing General Fund Balance by \$740, increasing Fire Levy Fund Balance by \$8,224, increasing Ambulance/EMS Fund Balance by \$1,173 and decreasing Road & Bridge Fund Balance by \$10,137 for correcting Rollback postings.
- Reclassification from Miscellaneous to Intergovernmental Revenue in the amount of \$10,000 in the General Fund.
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$689 in the General Fund.
- Reclassification from General government to Public Works in the amount of \$10,000 in the General Fund.
- Reclassification from General Government in the amount of \$12,372 to Principal Retirement in the amount of \$7,700 and \$4,672 to Interest and Other Fiscal Charges,
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$115,759 in the Road & Bridge Fund.
- Reclassification from Public Works in the amount of \$64,220 to Capital Outlay in the Road & Bridge Fund.
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$9,490 in the Fire Levy Fund
- Reclassification from General Government to Public Safety in the amount of \$129,573 in the Fire Levy Fund.
- Reclassification from Property and Other Local Taxes to Intergovernmental Revenue in the amount of \$8,296 in the Ambulance/EMS Fund.
- Reclassification from General Government to Public safety in the amount of \$7,679 in the Ambulance/EMS Fund.

We recommend the Township utilize available authoritative resources to appropriately classify and record all receipt and expenditure transactions. This guidance will help ensure the Fiscal Officer makes proper postings to receipt and expenditure account classifications based on the source of the receipt and purpose of the expenditure.

Client Response: We have not received a response from the client.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2017 AND 2016**

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

FINDING NUMBER 2017-005

Material Weakness – Posting of Budget

The Township should have internal controls in place to reasonably assure that budgetary accounts are integrated into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and disbursements.

The Township does enter budgetary data for estimated receipts. However, the amounts entered do not agree with the Official Certificate of Estimated Resources. This can lead to decisions being made on faulty budgetary data and can lead to overspending and creating a negative fund balance if not monitored.

We recommend that the Township post the official certificate of estimated resources to the UAN system around the first of each year. Then any amendments to those official documents be posted to the system upon approval. This will lead to correct budgetary information and Township decisions can be made on accurate data.

Client Response: We have not received a response from the client.

FINDING NUMBER 2017-006

Noncompliance/Material Weakness

Ohio Rev. Code § 507.09 (C) states a township fiscal officer and Trustees may be compensated from the township general fund or from other township funds based on the proportion of time the township fiscal officer spends providing services related to each fund. A township fiscal officer and Trustees must document the amount of time the township fiscal officer and Trustees spend providing services to each fund by certification specifying the percentage of time spent working on matters to be paid from the township general fund or from other township funds in such proportions as the kinds of services performed.

During 2017 and 2016, Township Trustees and Fiscal Officer's wages were posted to funds other than the General Fund without certifications stating what fund they worked in. This resulted in making fund adjustments in the amount of \$(83,039) to the General Fund, \$54,101 to the MVL Tax Fund and \$28,938 to the Gasoline tax Fund. These adjustments have been posted to the accounting records and financial statements.

We recommend competing certifications if planning on paying wages from funds other than the General Fund.

Client Response: We have not received a response from the client.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2017**

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2013-001	Finding for adjustment	Yes	Finding No Longer Valid Adjustment has been posted
2013-002	Finding for adjustment	Yes	Finding No Longer Valid Adjustment has been posted
2015-001	ORC 5705.39 Appropriations exceeding estimated resources	No	Not Corrected - Refer to Findng 2017-001
2015-002	ORC 5705.41 (D) expenditures made prior to certification	No	Not Corrected - Refer to Findng 2017-003
2015-003	Material Weakness Posting of reconciling items and adjustments	Yes	Finding No Longer Valid
2015-004	Material Weakness Reclassifications of receipt and disbursements	No	Not Corrected - Refer to Findng 2017-004
2015-005	Material Weakness Budgetary Postings	No	Not Corrected - Refer to Findng 2017-005



Dave Yost • Auditor of State

PULTNEY TOWNSHIP

BELMONT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 8, 2018**