

RUSH TOWNSHIP
TUSCARAWAS COUNTY, OHIO
REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023





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Columbus, Ohio 43215
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Board of Trustees
Rush Township
10306 Kennedy Hill Road SE
Uhrichsville, Ohio 44683

We have reviewed the *Independent Auditor's Report* of Rush Township, Tuscarawas County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2023 through December 31, 2024. 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. Rush Township is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

December 30, 2025

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**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Rush Township
Tuscarawas County
10306 Kennedy Hill Road SE
Uhrichsville, Ohio 44683

To the Board of Trustees:

Report on the Audit of the Financial Statements

Qualified and Adverse Opinions

We have audited the financial statements of Rush Township, Tuscarawas County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on Regulatory Basis of Accounting* section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revise 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, 2024 and 2023, 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 Qualified Opinion on Regulatory Basis of Accounting

The Fiscal Officer posted receipts and disbursements incorrectly to the wrong funds in prior periods. Due to the impact these adjustments would have on the General Fund, the Township has declined to make these adjustments.

Had the posting errors noted in the preceding paragraph been properly posted to the financial statements and the accounting system, the General Fund cash fund balance would have decreased \$42,238; the Road & Bridge Fund cash fund balance would have decreased \$1,133; the Motor Vehicle License Fund cash fund balance would have increased \$11,280; and the Gasoline Tax Fund cash fund balance would have increased \$32,091.

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 the 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.

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 July 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.

Charles E. Harris & Associates

Charles E. Harris & Associates, Inc.

July 25, 2025

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 62,465	\$ 53,253	\$ -	\$ 115,718
Intergovernmental	36,166	160,361	-	196,527
Earnings On Investments	18,403	5,562	-	23,965
Miscellaneous	3,566	7,485	-	11,051
<i>Total Cash Receipts</i>	<i>120,600</i>	<i>226,661</i>	<i>-</i>	<i>347,261</i>
Cash Disbursements				
Current:				
General Government	85,023	981	-	86,004
Public Safety	7,184	59,712	-	66,896
Public Works	-	165,608	-	165,608
Capital Outlay	-	25,364	-	25,364
Debt Service:				
Principal Retirement	12,383	-	-	12,383
Interest and Other Fiscal Charges	4,453	-	-	4,453
<i>Total Cash Disbursements</i>	<i>109,043</i>	<i>251,665</i>	<i>-</i>	<i>360,708</i>
<i>Net Change in Fund Cash Balances</i>	<i>11,557</i>	<i>(25,004)</i>	<i>-</i>	<i>(13,447)</i>
<i>Fund Cash Balances, January 1</i>	<i>52,871</i>	<i>551,915</i>	<i>59</i>	<i>604,845</i>
Fund Cash Balances, December 31	\$ 64,428	\$ 526,911	\$ 59	\$ 591,398

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

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Rush Township, Tuscarawas County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection services. The Township contracts with the Smith Ambulance Service to provide ambulance services.

Joint Venture, Jointly Governed Organization, and Public Entity Risk Pool

The Township participates in a jointly governed organization, joint venture, and a public entity risk pool. Notes 12, 11, and 6 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 is 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:

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

Fire Fund This fund receives property tax monies to pay for fire protection services.

Capital Project Fund These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Bond Fund The Township issued bonds to finance capital improvements. Proceeds are restricted for related capital projects.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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 Township 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) 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 2024 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.

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.

SBITAs

The Township had entered into noncancelable Subscription-Based Information Technology Agreements (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.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

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 fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

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 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.

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

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2024 follows:

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 91,322	\$ 120,600	\$ 29,278
Special Revenue	193,648	226,661	33,013
Capital Projects	-	-	-

2024 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 143,221	\$ 109,168	\$ 34,053
Special Revenue	745,563	251,841	493,722
Capital Projects	59	-	59

Contrary to Ohio Revised Code Section 5705.41(D), funds were not properly certified prior to commitment to expend the funds.

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:

	2024
<i>Cash Management Pool:</i>	
Demand deposits	\$ 128,358
Total deposits	<u>128,358</u>
STAR Ohio	463,040
Total investments	<u>463,040</u>
<i>Total carrying amount of deposits and investments held in the Pool</i>	<u><u>\$ 591,398</u></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, 2024, the Township is holding no unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Investments

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

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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

Risk Pool Membership

The 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 the 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 (Most Current Information Available)

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

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.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some 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, 2024.

Social Security

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2024.

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 2024, 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 2024, 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 – Debt

Debt outstanding at December 31, 2024, was as follows:

	Interest	
	Principal	Rate
Grader	\$57,891	6.25%

During 2023, the Township obtained a loan for the purchase of a Grader. The Township's taxing authority collateralized the loan.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 9 – Debt (Continued)

Amortization

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

Year Ending	
December 31:	Grader
2025	\$ 16,836
2026	16,836
2027	16,836
2028	<u>16,848</u>
Total	<u>\$ 67,356</u>

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	Special		Revenue	Total
Outstanding Encumbrances	General	\$ 125	\$ 176	\$ 301

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

Note 11 – Joint Ventures

Rush Township-Uhrichsville Joint Economic Development District (JEDD) was created on September 27, 2013 pursuant to Revised Code §715.72 to 715.83. The JEDD was created to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the County, the City, the Townships and the JEDD. The term of the agreement is fifty years unless terminated prior to that date.

The JEDD board shall consist of 5 members, one member representing the Township to serve a term of one year, one member representing the City to serve a term of two years, one member representing the business owners located in the District to serve a term of three years, one member representing the persons working in the District to serve a term of four years and one member selected by the other members to serve a term of four years as chairperson of the District Board. The JEDD's Board pursuant to Revised Code 715.74 has implemented a 1.75% income tax (that will change to match the City's rate if it changes) to be used for purposes of the JEDD. The contract can be terminated at any time by mutual consent of the City and Township. The City serves as fiscal agent for the JEDD. Complete financial information can be obtained from the Rush Township-Uhrichsville Joint Economic Development District, Uhrichsville, Ohio.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 12 – Jointly Governed Organizations

The Township is associated with the Tuscarawas County Regional Planning Commission (the Commission) as a jointly governed organization. The Commission is a statutorily created political subdivision of the state. The Commission is jointly governed among Tuscarawas County municipalities and townships. Each member's control over the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the county. The Township contributed \$166 in 2024 to the Regional Planning Commission.

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$ 63,569	\$ 54,560	\$ -	\$ 118,129
Charges for Services	- 3,000	3,000	- -	3,000
Intergovernmental	37,110	159,519	- -	196,629
Earnings On Investments	20,430	2,157	- -	22,587
Miscellaneous	8,390	837	- -	9,227
<i>Total Cash Receipts</i>	<i>129,499</i>	<i>220,073</i>	<i>-</i>	<i>349,572</i>
Cash Disbursements				
Current:				
General Government	94,178	5,565	- -	99,743
Public Safety	7,052	42,669	- -	49,721
Public Works	694	193,521	- -	194,215
Capital Outlay	75,000	15,000	- -	90,000
<i>Total Cash Disbursements</i>	<i>176,924</i>	<i>256,755</i>	<i>-</i>	<i>433,679</i>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>(47,425)</i>	<i>(36,682)</i>	<i>-</i>	<i>(84,107)</i>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets	1,237	- -	- -	1,237
Loan Proceeds	70,274	- -	- -	70,274
<i>Total Other Financing Receipts (Disbursements)</i>	<i>71,511</i>	<i>- -</i>	<i>- -</i>	<i>71,511</i>
<i>Net Change in Fund Cash Balances</i>	<i>24,086</i>	<i>(36,682)</i>	<i>-</i>	<i>(12,596)</i>
<i>Fund Cash Balances, January 1</i>	<i>28,785</i>	<i>588,597</i>	<i>59</i>	<i>617,441</i>
Fund Cash Balances, December 31	\$ 52,871	\$ 551,915	\$ 59	\$ 604,845

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

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Rush Township, Tuscarawas County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection services. The Township contracts with the Smith Ambulance Service to provide ambulance services.

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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 is 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.

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Fire Fund This fund receives property tax monies to pay for fire protection services.

Capital Project Fund These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Bond Fund The Township issued bonds to finance capital improvements. Proceeds are restricted for related capital projects.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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 Township 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. Appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) 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 canceled and reappropriated in the subsequent year.

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.

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.

SBITAs

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

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

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 Fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

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 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.

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

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2023, follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 191,147	\$ 201,010	\$ 9,863
Special Revenue	211,418	220,073	8,655
Capital Projects	-	-	-

2023 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 220,871	\$ 176,924	\$ 43,947
Special Revenue	823,180	256,755	566,425
Capital Projects	59	-	59

Contrary to Ohio Revised Code Section 5705.41(D), funds were not properly certified prior to commitment to expend the funds.

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
<i>Cash Management Pool:</i>	
Demand deposits	\$ 165,697
Total deposits	<u>165,697</u>
STAR Ohio	439,148
Total investments	<u>439,148</u>
<i>Total carrying amount of deposits and investments held in the Pool</i>	<u>\$ 604,845</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 holding no unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Investments

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

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

Risk Pool Membership

The 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 the 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 and Investments	\$ 33,494,457
Actuarial Liabilities	\$ 10,885,549

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.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some 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.

Social Security

Some Township employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 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 – Debt

Debt outstanding at December 31, 2023, was as follows:

	Principal	Interest
		Rate
Grader	\$70,274	6.25%

During 2023, the Township obtained a loan for the purchase of a Grader. The Township's taxing authority collateralized the loan.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Debt (Continued)

Amortization

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

Year Ending December 31:	Grader
2024	\$ 16,836
2025	16,836
2026	16,836
2027	16,836
2028	16,836
<hr/> Total	<hr/> \$ 84,180

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.

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds is restricted, committed, or assigned. These restricted, committed, and assigned amounts in the special revenue and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances would be considered assigned. There were no encumbrances at year end.

Note 11 – Joint Ventures

Rush Township-Uhrichsville Joint Economic Development District (JEDD) was created on September 27, 2013 pursuant to Revised Code §715.72 to 715.83. The JEDD was created to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the County, the City, the Townships and the JEDD. The term of the agreement is fifty years unless terminated prior to that date.

The JEDD board shall consist of 5 members, one member representing the Township to serve a term of one year, one member representing the City to serve a term of two years, one member representing the business owners located in the District to serve a term of three years, one member representing the persons working in the District to serve a term of four years and one member selected by the other members to serve a term of four years as chairperson of the District Board. The JEDD's Board pursuant to Revised Code 715.74 has implemented a 1.75% income tax (that will change to match the City's rate if it changes) to be used for purposes of the JEDD. The contract can be terminated at any time by mutual consent of the City and Township. The City serves as fiscal agent for the JEDD. Complete financial information can be obtained from the Rush Township-Uhrichsville Joint Economic Development District, Uhrichsville, Ohio.

Rush Township
Tuscarawas County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 12 – Jointly Governed Organizations

The Township is associated with the Tuscarawas County Regional Planning Commission, (the Commission) as a jointly governed organization. The Commission is a statutorily created political subdivision of the state. The Commission is jointly governed among Tuscarawas County municipalities and townships. Each member's control over the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the county. The Township contributed \$139 in 2023 to the Regional Planning Commission.

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

Rush Township
Tuscarawas County
10306 Kennedy Hill Road SE
Uhrichsville, Ohio 44683

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type of Rush Township, Tuscarawas County, (the Township) as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, and have issued our report thereon dated July 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 qualified our opinion on the financial statements for 2024 and 2023 due to the Township not making a \$42,238 and \$1,133 adjustment against the General Fund and Road & Bridge Fund, respectively, and in favor of the Motor Vehicle License Fund and Gasoline Tax Fund in the amounts of \$11,280 and \$32,091, respectively.

Report on 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 purposes 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. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2024-001 and 2024-002 that we consider to be material weaknesses.

*Rush Township
Tuscarawas County*

Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*

Page 2

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2024-003 and 2024-004.

We also noted certain other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated July 25, 2025.

Township's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Township's responses to the findings identified in our audit and described in the accompanying Corrective Action Plan. The Township's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the responses.

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.

Charles E. Harris & Associates

Charles E. Harris & Associates, Inc.

July 25, 2025

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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

FINDING 2024-001 - Material Weakness

Financial Reporting - Posting Receipts and Disbursements

The Township should have procedures and controls in place to prevent and detect errors in financial reporting. During 2024 and 2023, receipts and disbursements were not consistently posted or accurately classified. The following posting errors were noted:

For 2024

- STAR Ohio interest revenue was improperly allocated entirely to the General Fund. The General Fund owes \$515 to the Motor Vehicle License Tax Fund and \$5,030 to the Gasoline Tax Fund to properly distribute the earnings.
- Homestead and Rollback revenue was misclassified as Property and Other Local Taxes instead of being recorded as Intergovernmental Revenue. Specifically, \$6,162 was misclassified in the General Fund, \$1,680 in the Road and Bridge Fund, and \$2,479 in the Fire Levy Fund.
- A loan debt service payment in the amount of \$16,836 was improperly recorded as a Public Safety expense in the General Fund. Of this amount, \$12,282 should be reclassified to Principal Retirement and \$4,553 should be reclassified to Interest and Other Fiscal Charges.
- A payment of \$7,184 for the purchase of concrete floor slabs was recorded under Public Safety and should be reclassified as Capital Outlay within the General Fund.
- A \$25,000 dump truck purchase was recorded as Public Works in the Gasoline Tax Fund but should be reclassified to Capital Outlay.
- A \$2,680 payment for pressure washing fences and mowing at the cemetery was incorrectly classified under Public Safety. This expense should be reclassified to Public Works within the Miscellaneous Special Revenue Fund.
- A \$49,511 payment for cemetery setting stones was posted to General Government and should be reclassified to Public Works within the Miscellaneous Special Revenue Fund.
- An expense of \$9,562 for the restoration of cemetery tombs was misclassified as General Government and should be recorded under Public Works in the Miscellaneous Special Revenue Fund.

For 2023

- STAR Ohio interest revenue was improperly allocated. The Miscellaneous Special Revenue Fund owes \$1,911 to the General Fund, \$297 to the Motor Vehicle License Tax Fund, and \$1,854 to the Gasoline Tax Fund.
- Motor Vehicle License Tax revenue in the amount of \$878 was improperly posted to the Gasoline Tax Fund and should be reclassified to the Motor Vehicle License Tax Fund.
- Loan proceeds in the amount of \$70,274 were posted to Other Financing Sources instead of Loan Proceeds in the General Fund.
- Homestead and Rollback revenue was misclassified as Property and Other Local Taxes rather than Intergovernmental Revenue. Specifically, \$5,912 was misclassified in the General Fund, \$837 in the Road and Bridge Fund, and \$2,377 in the Fire Levy Fund.
- Fire contract revenue in the amount of \$3,000 was posted to Intergovernmental Revenue and should be reclassified to Charges for Services within the Fire Levy Fund.
- A \$70,000 payment for the purchase of a grader was posted as a debt service payment in the General Fund. This should have been classified as Capital Outlay.
- A \$15,000 final grader payment was posted as Public Works in the Gasoline Tax Fund and should be reclassified to Capital Outlay.
- A \$5,000 hot water pressure washer purchase was classified under Public Safety and should be reclassified to Capital Outlay in the General Fund.

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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

FINDING 2024-001 - Material Weakness (Continued)

Financial Reporting - Posting Receipts and Disbursements (Continued)

- Audit fees of \$4,860 were posted to Public Safety instead of General Government in the General Fund.
- Fuel purchases for a road vehicle totaling \$694 were posted to Public Safety and should be reclassified to Public Works in the General Fund.
- A cemetery stone purchase of \$4,274 was posted to General Government and should be reclassified to Public Works in the Miscellaneous Special Revenue Fund.
- Tree removal payments totaling \$24,300 for cemetery maintenance were incorrectly classified under Public Safety in the Miscellaneous Special Revenue Fund. These included two payments—one for \$9,300 and another for \$15,000—which should have been recorded under Public Works.
- A mowing payment of \$2,056 for cemetery maintenance was posted to Public Safety and should be reclassified to Public Works in the Miscellaneous Special Revenue Fund.
- Proceeds from scrapping a grader and truck, totaling \$1,237, were mis-posted as Miscellaneous revenues. This amount was reclassified to Sale of capital assets.

Posting errors required reclassification entries, which have been reflected in the financial statements and posted to the Township records.

Also, during 2024 and 2023, aspects of the notes to the financial statements were corrected from the Hinkle filing to agree to the financial statements in the audit report and to include all necessary note disclosures. We made corrections to the following note disclosures:

- Deposits and Investments
- Postemployment Benefits
- Risk Management
- Fund Balances
- Debt

We recommend the Fiscal Officer refer to the Ohio Township Handbook, Uniform Accounting Network (UAN) manual and other Auditor of State guidance to determine the proper establishment of disbursement accounts and proper posting. Also, to help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements and notes to the financial statements. Such review should include procedures to ensure that all receipts and disbursements are properly identified and classified on the financial statements. We recommend the Township use the most current available templates for financial statements and notes to the financial statements on the Auditor of State's website <http://www.ohioauditor.gov/references/shells/regulatory.html> to prepare an accurate annual financial report.

Management's Response – See Corrective Action Plan.

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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

FINDING 2024-002 – Material Weakness

Appropriations and Estimated Resources Posted to the Accounting System

The Township did not have a control procedure in place to ensure that budgetary amounts, as authorized by Township Trustees and approved by the County Budget Commission, were reconciled to the budgetary amounts posted to the accounting system. This resulted in incorrect amounts being recorded in the accounting system and inaccurate budgetary information available to Township officials for their monitoring.

Variances between approved appropriation amounts and amounts recorded in the UAN system at December 31, 2024 and 2023 were as follows:

2024 Fund	Appropriations Posted in the Accounting System		Appropriations Approved by Resolution		Variance
	\$	-	\$	59	\$ (59)
2023 Fund					
General	\$ 192,454	-	\$ 220,871	\$ 22,417	\$ (28,417)
Gasoline Tax	155,319		169,252		(13,933)
Fire Levy	122,275		125,285		(3,010)
Miscellaneous Special Revenue	60,000		487,475		(427,475)
Road Bond	-		59		(59)

Variances between approved estimated receipt amounts and amounts recorded in the UAN system at December 31, 2023 were as follows:

2023 Fund	Amounts Posted Accounting System		Amended Certificate		Variance
	\$	179,230	\$	191,147	\$ (11,917)
General	\$ 179,230	-	\$ 191,147	\$ 11,917	\$ (11,917)
Gasoline Tax	130,000		143,932		(13,932)
Fire Levy	36,000		39,000		(3,000)
Miscellaneous Special Revenue	-		837		(837)

Adjustments were made to the budgetary activity reported in notes to the financial statements in order to accurately present estimated receipts as certified by the County Budget Commission and approved by the Trustees.

We recommend the Township implement procedures to ensure budgetary amounts are accurately posted to the accounting system and financial statements and reconciled to the amounts approved by Township Trustees and the County Budget Commission after each amendment.

Management's Response – See Corrective Action Plan.

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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

Finding 2024-003 - Noncompliance

Certifying the Availability of Funds

Ohio Revised 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 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. Only the subdivision's fiscal officer need sign the certificate. 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.

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 taxing authority can authorize the drawing of a warrant for the payment of the amount due. The taxing authority has thirty days from the receipt of the "then and now" certificate to approve payment by resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution 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 taxing authority.

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution 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. 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. Only one super blanket certificate may be outstanding at a particular time for any one line-item appropriation.

The Township did not properly certify the availability of funds prior to purchase commitment for 35% and 40% of the expenditures tested for 2024 and 2023, respectively.

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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

Finding 2024-003 – Noncompliance (Continued)

Certifying the Availability of Funds (Continued)

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, we recommend that the Fiscal Officer certify that the funds are or will be available prior to an obligation being incurred by the Township. When prior certification is not possible, "then and now" certification can be used to assist in compliance.

Management's Response – See Corrective Action Plan.

Finding 2024-004 - Noncompliance

Improper Debt Issuance

Ohio Rev. Code Chapter 133 authorizes certain methods by which subdivisions may incur debt.

Ohio Rev. Code § 133.22 provides that a subdivision may issue anticipatory-securities if it meets the requirements outlined in the statute. **Ohio Rev. Code § 133.10** permits a subdivision to issue anticipation securities in anticipation of current property tax revenues or other revenues from any source during the fiscal year, including distribution of any federal or state monies, other than the proceeds of property taxes levied by the subdivision. **Ohio Rev. Code § 133.15** provides a subdivision is authorized to issue securities for the purpose of paying all or any portion of the costs of any permanent improvement that the subdivision is authorized, alone or in cooperation with other persons, to acquire, improve, or construct. **Ohio Rev. Code § 133.18** provides the taxing authority of a subdivision, may by legislation submit to the electors of the subdivision the question of issuing any general obligation bonds, for one purpose, that the subdivision had power or authority to issue.

During 2023, the Township issued a promissory note in the amount of \$70,274. The promissory note was used by the Township to purchase a grader. Promissory notes are not authorized debt instruments under Ohio Rev. Code Chapter 133. The Township had no statutory authority to incur debt through either installment loans or promissory notes with any banking institutions. Inadequate policies and procedures related to debt issuance can result in illegal expenditures by the Township.

We recommend that management review the requirements of this section prior to issuing debt and only issue allowable debt. The Township can consult with legal counsel before incurring debt to determine if the debt is authorized by statute.

Management's Response – See Corrective Action Plan.

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS –
PREPARED BY MANAGEMENT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Finding Number	Finding Summary	Status	Additional Information
2022-001	Material Weakness - Financial Reporting – Posting Receipts and Disbursements	Not Corrected	N/A
2022-002	Material Weakness - Appropriations and Estimated Resources Posted to the Accounting System	Not Corrected	N/A
2022-003	Noncompliance – ORC 5705.41(D) – Certifying the Availability of Funds	Not Corrected	N/A

**RUSH TOWNSHIP
TUSCARAWAS COUNTY**

**CORRECTIVE ACTION PLAN - PREPARED BY MANAGEMENT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	Fiscal Officer will follow the guidance obtained during the current audit process to complete upcoming annual financial reports filed on the Hinkle System.	Immediately	Myron Armstrong – Fiscal Officer
2024-002	Fiscal Officer will reconcile amounts in the Township's Accounting System to the Certificate of Estimated Resources and Appropriations.	Immediately	Myron Armstrong – Fiscal Officer
2024-003	The Fiscal Officer will follow the guidelines outlined in the Ohio Revised Code concerning certification of funds.	Immediately	Myron Armstrong – Fiscal Officer
2024-004	The Fiscal Officer will consult the Ohio Revised Code and Auditor of State guidance before entering into any future debt to ensure compliance. All debt issuances will be approved by the Board of Trustees and properly documented.	Immediately	Myron Armstrong – Fiscal Officer

OHIO AUDITOR OF STATE KEITH FABER



RUSH TOWNSHIP

TUSCARAWAS 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 1/13/2026

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