



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY

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**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

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**REPORT OF INDEPENDENT ACCOUNTANTS**

Muskingum Township  
Washington County  
Route 3, Box 324A  
Marietta, Ohio 45750

To the Board of Trustees:

We have audited the accompanying financial statements of Muskingum Township, Washington County, Ohio (the Township), as of and for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Muskingum Township, Washington County, as of December 31, 2001 and 2000, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2002, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

April 10, 2002

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**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY**

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

	<u>Governmental Fund Types</u>				<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Fiduciary Funds</u>	
<b>Cash Receipts:</b>					
Local Taxes	\$67,538	\$274,539	\$	\$	\$342,077
Intergovernmental	323,271	161,255			484,526
Special Assessments		9,415			9,415
Charges for Services	500				500
Licenses, Permits, and Fees	924				924
Earnings on Investments	20,199	1,030		23	21,252
Other Revenue	4,845	19,487			24,332
<b>Total Cash Receipts</b>	<u>417,277</u>	<u>465,726</u>	<u>0</u>	<u>23</u>	<u>883,026</u>
<b>Cash Disbursements:</b>					
Current:					
General Government	144,268	137,400			281,668
Public Safety	600	37,903			38,503
Public Works	127,654	214,159			341,813
Health	25,813	2,930			28,743
Miscellaneous				5	5
Debt Service:					
Redemption of Principal		26,727			26,727
Interest and Fiscal Charges		4,739			4,739
Capital Outlay	6,075				6,075
<b>Total Cash Disbursements</b>	<u>304,410</u>	<u>423,858</u>	<u>0</u>	<u>5</u>	<u>728,273</u>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<u>112,867</u>	<u>41,868</u>	<u>0</u>	<u>18</u>	<u>154,753</u>
<b>Other Financing Receipts and (Disbursements):</b>					
Transfers-In	668				668
Advances-In	34,466	34,466			68,932
Transfers-Out				(668)	(668)
Advances-Out	(34,466)	(34,466)			(68,932)
<b>Total Other Financing Receipts/(Disbursements)</b>	<u>668</u>	<u>0</u>	<u>0</u>	<u>(668)</u>	<u>0</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>113,535</u>	<u>41,868</u>	<u>0</u>	<u>(650)</u>	<u>154,753</u>
<b>Fund Cash Balances, January 1</b>	<u>363,992</u>	<u>142,027</u>	<u>45</u>	<u>1,940</u>	<u>508,004</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$477,527</u></u>	<u><u>\$183,895</u></u>	<u><u>\$45</u></u>	<u><u>\$1,290</u></u>	<u><u>\$662,757</u></u>
Reserve for Encumbrances, December 31	<u>\$77</u>	<u>\$76</u>	<u>\$0</u>	<u>\$0</u>	<u>\$153</u>

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

**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>				<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Fiduciary Funds</u>	
<b>Cash Receipts:</b>					
Local Taxes	\$63,904	\$248,705	\$8,200	\$	\$320,809
Intergovernmental	184,580	158,028			342,608
Special Assessments		9,434			9,434
Licenses, Permits, and Fees	1,565	300		300	2,165
Earnings on Investments	20,370	743		31	21,144
Other Revenue	636	5,703			6,339
	<u>271,055</u>	<u>422,913</u>	<u>8,200</u>	<u>331</u>	<u>702,499</u>
<b>Cash Disbursements:</b>					
Current:					
General Government	132,414	137,412			269,826
Public Safety	600	25,573		900	27,073
Public Works	47,473	204,266			251,739
Health	17,885	6,345			24,230
Debt Service:					
Redemption of Principal			33,413		33,413
Interest and Fiscal Charges			6,453		6,453
Capital Outlay	12,937				12,937
	<u>211,309</u>	<u>373,596</u>	<u>39,866</u>	<u>900</u>	<u>625,671</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>59,746</u>	<u>49,317</u>	<u>(31,666)</u>	<u>(569)</u>	<u>76,828</u>
<b>Other Financing Receipts and (Disbursements):</b>					
Transfers-In		31,873	31,466		63,339
Advances-In	3,000	3,000			6,000
Transfers-Out		(63,339)			(63,339)
Advances-Out	(3,000)	(3,000)			(6,000)
	<u>0</u>	<u>(31,466)</u>	<u>31,466</u>	<u>0</u>	<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	59,746	17,851	(200)	(569)	76,828
Fund Cash Balances, January 1	304,246	124,176	245	2,509	431,176
<b>Fund Cash Balances, December 31</b>	<u><u>\$363,992</u></u>	<u><u>\$142,027</u></u>	<u><u>\$45</u></u>	<u><u>\$1,940</u></u>	<u><u>\$508,004</u></u>
Reserve for Encumbrances, December 31	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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



**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Muskingum Township, Washington County (the Township), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance, cemetery maintenance, and fire protection services.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e. when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

Investments are included in fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

**D. Fund Accounting**

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

**1. General Fund**

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

**2. Special Revenue Funds**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Gasoline Tax Fund - This fund receives gasoline tax money to construct, maintain and repair Township roads.

**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

Road and Bridge Fund – This fund receives property tax money to maintain Township roads and bridges.

East Fire District Fund – This fund receives property tax money and revenue from contractual agreements with other governmental entities to provide and maintain fire protection for the East Fire District.

West Fire District Fund – This fund receives property tax money and revenue from contractual agreements with other governmental entities to provide and maintain fire protection for the West Fire District.

Permissive Sales Tax Fund – This fund accounts for County permissive sales tax revenues spent on the Township's behalf by Washington County.

**3. Debt Service Fund**

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

General Bond (Note) Retirement Fund – This fund receives property tax money and transfers from other governmental funds to retire the principal and interest due on notes.

**4. Fiduciary Funds (Trust and Agency Funds)**

These funds are used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in an agency capacity. If the agreement requires the Township to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. The Township had the following significant Nonexpendable Trust Funds:

Rayley Cemetery Bequest Fund – This fund maintains the trust corpus and receives the interest income earned. The income is used for perpetual care of the cemetery.

Highland Cemetery Bequest Fund – This fund maintains the trust corpus and receives the interest income earned. The income is used for perpetual care of the cemetery.

The Township had the following Agency Fund:

Unclaimed Money Fund – This fund is used for checks issued by the Township that have not been cashed. The money is left in this fund for five years then remitted to the General Fund.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**1. 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. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated in the subsequent year.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

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

**2. EQUITY IN POOLED CASH**

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

	2001	2000
Demand deposits	\$662,757	\$508,004
Total deposits	\$662,757	\$508,004

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

**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$141,466	\$417,945	\$276,479
Special Revenue	473,364	465,726	(7,638)
Fiduciary	13	23	10
Total	\$614,843	\$883,694	\$268,851

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$433,600	\$304,487	\$129,113
Special Revenue	574,016	423,934	150,082
Fiduciary	286	5	281
Total	\$1,007,902	\$728,426	\$279,476

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$255,374	\$271,055	\$15,681
Special Revenue	402,140	454,786	52,646
Debt Service	34,258	39,666	5,408
Fiduciary	614	331	(283)
Total	\$692,386	\$765,838	\$73,452

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$390,484	\$211,309	\$179,175
Special Revenue	521,173	436,935	84,238
Debt Service	34,500	39,866	(5,366)
Fiduciary	855	900	(45)
Total	\$947,012	\$689,010	\$258,002

**Accountability and Compliance**

Contrary to Ohio Rev. Code Section 5705.41(D), the Township did obtain the Clerk's prior certification for expenditures during 2001 and 2000.

**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 proceeding the October 1 date for which rates are adopted by the Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**5. DEBT**

Debt outstanding at December 31, 2001 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Promissory Note - Tanker Truck	\$58,158	5.50%
Total	<u>\$58,158</u>	

The promissory note was issued to finance the purchase of a new tanker truck in 1999. The note is collateralized by the tanker truck that was purchased by the Township with the note proceeds.

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

Year ending December 31:	
2002	\$31,466
2003	<u>31,534</u>
Total	<u>\$63,000</u>

**6. RETIREMENT SYSTEMS**

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for the period January 1, 2000 through through June 30, 2000 and for 2001. For the period July 1, 2000 through December 31, 2000, PERS temporarily reduced the employer's contribution rate to 8.13% of participant's gross salaries. The Township has paid all contributions required through December 31, 2001.

**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**7. RISK MANAGEMENT**

**Risk Pool Membership**

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio Townships. OTARMA provides property and casualty insurance for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Insurance

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

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

Property Insurance

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

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2001 and 2000 (the latest information available):

<u>Casualty Coverage</u>	<u>2001</u>	<u>2000</u>
Assets	\$23,703,776	\$22,684,383
Liabilities	9,379,003	8,924,977
Retained Earnings	\$14,324,773	\$13,759,406

<u>Property Coverage</u>	<u>2001</u>	<u>2000</u>
Assets	\$5,011,131	\$4,156,784
Liabilities	647,667	497,831
Retained Earnings	\$4,363,464	\$3,658,953



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

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

Muskingum Township  
Washington County  
Route 3, Box 324A  
Marietta, Ohio, 45750

To the Board of Trustees:

We have audited the accompanying financial statements of Muskingum Township, Washington County, Ohio (the Township), as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated April 10, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2001-41084-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated April 10, 2002.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated April 10, 2002.

Muskingum Township  
Washington County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a cursive "Petro".

**Jim Petro**  
Auditor of State

April 10, 2002



**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY  
  
SCHEDULE OF FINDINGS  
DECEMBER 31, 2001 AND 2000**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2001-41084-001**

**Noncompliance Citation**

Ohio Rev. Code § 5705.41(D) states that no subdivision or taxing unit shall make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund from any previous encumbrances. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon. This section also provides two "exceptions" to the above requirements:

- A. Then and Now Certificate - This exception provides that, if the fiscal officer can certify that both at the time that the contract or order was made and at the time the certification is being completed, 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 Board of Trustees may authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal liability on the part of the Township.
  
- B. If the amount involved is less than one thousand dollars, the fiscal officer may authorize it to be paid without the affirmation of the Board of Trustees.

33 percent of expenditures tested in 2001 and 2000 were not certified by the Clerk until after the liability had been incurred. The commitments greater than \$1,000 were not subsequently approved by the Board of Trustees within the aforementioned 30 day time period.

We recommend the Township obtain prior certification of the availability of appropriated funds for proposed purchases before the liability is incurred. In cases where prior certification is not practicable, the use of a "then and now" certificate should be considered.

**MUSKINGUM TOWNSHIP  
WASHINGTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2001 AND 2000**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
1999-41084-001	Ohio Rev. Code Section 135.14(N) states that investments or deposits cannot be made unless a written investment policy has been approved.	Partially Corrected	Citation repeated in the management letter. Township does not own any security type investments.
1999-41084-002	Ohio Rev. Code Section 5705.41(B) states that the Township cannot make any expenditures unless it has been appropriated	Partially Corrected	Citation repeated in the management letter. Variances not significant to any fund.
1999-41084-003	Ohio Rev. Code Section 5705.41 (D) states that a subdivision should not make any expenditure unless there is attached thereto a certificate of the fiscal officer that the amount required to meet the same has been lawfully appropriated.	Not Corrected	Citation repeated in the GAGAS letter.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**MUSKINGUM TOWNSHIP**

**WASHINGTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JUNE 20, 2002**