

**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY, OHIO**

*FINANCIAL STATEMENTS*  
DECEMBER 31, 2010 AND 2009

**WOLF, ROGERS, DICKEY & CO.**  
*Certified Public Accountants*





# Dave Yost • Auditor of State

Board of Trustees  
Crawford Township  
15411 Township Highway 27  
Carey, Ohio 43316

We have reviewed the *Independent Auditors' Report* of Crawford Township, Wyandot County, prepared by Wolf, Rogers, Dickey & Co., for the audit period January 1, 2009 through December 31, 2010. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditors' Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditors' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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

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

Dave Yost  
Auditor of State

September 1, 2011

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**Crawford Township  
Wyandot County, Ohio**

**For the Years Ended  
December 31, 2010 and 2009**

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# Wolf, Rogers, Dickey & Co.

Certified Public Accountants

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## **Independent Auditors' Report**

Crawford Township  
Wyandot County, Ohio

To the Board of Trustees:

We have audited the accompanying financial statements of Crawford Township, Wyandot County, Ohio (the Township), as of and for the years ended December 31, 2010 and 2009. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State of Ohio prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity-wide statements and also presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State of Ohio permits, but does not require townships to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2010 and 2009, or their changes in financial position for the years then ended.

Also, 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 Crawford Township, Wyandot County, Ohio as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2011, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts, grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. 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.

Wolf, Rogers, Dickey & Co.

Certified Public Accountants

June 27, 2011



**Crawford Township  
Wyandot County, Ohio  
Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
All Governmental Fund Types  
For the Year Ended December 31, 2010**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash receipts:			
Property and other local taxes	\$ 12,926	31,270	44,196
Licenses, permits and fees	40,211	-	40,211
Charges for services	-	218	218
Intergovernmental	48,152	106,543	154,695
Earnings on investments	2,435	3,536	5,971
Miscellaneous	<u>4,865</u>	<u>760</u>	<u>5,625</u>
Total cash receipts	108,589	142,327	250,916
Cash disbursements:			
Current:			
General government	89,824	-	89,824
Public safety	22,988	-	22,988
Public works	-	89,846	89,846
Health	2,543	-	2,543
Debt service:			
Redemption of principal	49,989	-	49,989
Interest	<u>3,040</u>	<u>-</u>	<u>3,040</u>
Total cash disbursements	<u>168,384</u>	<u>89,846</u>	<u>258,230</u>
Total receipts over (under) disbursements	<u>(59,795)</u>	<u>52,481</u>	<u>(7,314)</u>
Fund cash balances, January 1	<u>402,529</u>	<u>499,099</u>	<u>901,628</u>
Fund cash balances, December 31	\$ <u>342,734</u>	<u>551,580</u>	<u>894,314</u>
Reserves for encumbrances	\$ <u>6,094</u>	<u>723</u>	<u>6,817</u>

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

**Crawford Township  
Wyandot County, Ohio  
Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
All Governmental Fund Types  
For the Year Ended December 31, 2009**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash receipts:				
Property and other local taxes	\$ 12,910	30,691	-	43,601
Licenses, permits and fees	32,327	-	-	32,327
Charges for services	-	1,615	-	1,615
Intergovernmental	91,587	115,771	31,682	239,040
Earnings on investments	12,013	8,289	-	20,302
Miscellaneous	<u>4,650</u>	<u>1,386</u>	<u>-</u>	<u>6,036</u>
Total cash receipts	153,487	157,752	31,682	342,921
Cash disbursements:				
Current:				
General government	101,682	-	-	101,682
Public safety	31,433	-	-	31,433
Public works	-	79,657	-	79,657
Health	5,095	-	-	5,095
Capital outlay	-	-	31,682	31,682
Debt service:				
Redemption of principal	48,530	-	-	48,530
Interest	<u>4,500</u>	<u>-</u>	<u>-</u>	<u>4,500</u>
Total cash disbursements	<u>191,240</u>	<u>79,657</u>	<u>31,682</u>	<u>302,579</u>
Total receipts over (under) disbursements	(37,753)	78,095	-	40,342
Fund cash balances, January 1	<u>440,282</u>	<u>421,004</u>	<u>-</u>	<u>861,286</u>
Fund cash balances, December 31	\$ <u>402,529</u>	<u>499,099</u>	<u>-</u>	<u>901,628</u>
Reserves for encumbrances	\$ <u>4,438</u>	<u>1,010</u>	<u>-</u>	<u>5,448</u>

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

**Crawford Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements**  
**December 31, 2010 and 2009**

(1) Summary of Significant Accounting Policies

Description of the Entity

Crawford Township, Wyandot County, Ohio (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides road and bridge maintenance. The Township contracts with the Village of Carey, Ohio to provide fire and emergency medical services.

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

Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State of Ohio, 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 of Ohio.

Cash

Certificates of deposit are reported as cash. Accordingly, purchases of certificates of deposit are not recorded as disbursements, and sales of certificates of deposit are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

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:

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.

**Crawford Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2010 and 2009**

(1) Summary of Significant Accounting Policies, continued

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:

Motor Vehicle License Tax Fund – This fund receives vehicle registration tax money.

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

Road and Bridge Fund – This fund receives local real estate, property tax and other revenues collected to construct, maintain and repair Township roads.

Capital Projects Fund

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except for those financed through enterprise or trust funds). The Township had the following Capital Project Fund:

Issue II Fund – The Township received a grant from the State of Ohio to repair Township roads.

Budgetary Process

The Ohio Revised Code (ORC) requires each fund to 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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

Estimated Resources

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

**Crawford Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2010 and 2009**

(1) Summary of Significant Accounting Policies, continued

Budgetary Process, continued

Encumbrances

The ORC requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2010 and 2009 budgetary activity appears in Note 3.

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 ORC prescribes allowable deposits. The carrying amount of cash at December 31 was as follows:

	<u>2010</u>	<u>2009</u>
Demand deposits	\$ 494,314	501,628
Certificates of deposit	<u>400,000</u>	<u>400,000</u>
Total deposits	\$ <u>894,314</u>	<u>901,628</u>

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

(3) Budgetary Activity

Budgetary activity for the years ended December 31, 2010 and 2009 follows:

<u>Fund Type</u>	<u>2010 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 104,902	108,589	3,687
Special Revenue	<u>68,976</u>	<u>142,327</u>	<u>73,351</u>
Total	\$ <u>173,878</u>	<u>250,916</u>	<u>77,038</u>

**Crawford Township**  
**Wyandot County, Ohio**  
**Notes to the Financial Statements, continued**  
**December 31, 2010 and 2009**

(3) Budgetary Activity, continued

<u>Fund Type</u>	<u>2010 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 449,300	174,478	274,822
Special Revenue	<u>319,500</u>	<u>90,569</u>	<u>228,931</u>
Total	\$ <u>768,800</u>	<u>265,047</u>	<u>503,753</u>

<u>Fund Type</u>	<u>2009 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 114,902	153,487	38,585
Special Revenue	68,976	157,752	88,776
Capital Projects	<u>-</u>	<u>31,682</u>	<u>31,682</u>
Total	\$ <u>183,878</u>	<u>342,921</u>	<u>159,043</u>

<u>Fund Type</u>	<u>2009 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 439,300	195,678	243,622
Special Revenue	309,500	80,667	228,833
Capital Projects	<u>-</u>	<u>31,682</u>	<u>(31,682)</u>
Total	\$ <u>748,800</u>	<u>308,027</u>	<u>440,773</u>

(4) Property Tax

Real property taxes become a lien on January 1 preceding 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 of Ohio, 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 payments, the first half is due December 31. The second half payment is due the following June 20.

**Crawford Township  
Wyandot County, Ohio  
Notes to the Financial Statements, continued  
December 31, 2010 and 2009**

(4) Property Tax, continued

Tangible personal property 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, 2010 was as follows:

<u>Description</u>	<u>2010</u>	<u>2009</u>
2008 Commercial Savings Bank for construction of new emergency services building, due in annual installments of \$53,030 through 2011 at a rate of 3.00%, secured by a 36 month \$150,000 certificate of deposit at 3.00%	\$ <u>53,030</u>	<u>106,060</u>

The building is jointly funded with the Village of Carey, Ohio and the Wyandot County Commissioners. Future debt repayments, including interest, total \$53,030 in 2011.

(6) Retirement Systems

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple-employer plan. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the ORC.

Contribution rates are also prescribed by the ORC. For 2010 and 2009, OPERS members contributed 10% of their gross salaries. The Township contributed an amount equal to 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2010.

(7) Risk Management

The Township is exposed to various risks of property and casualty losses, and injuries to employees. The Township insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO),

**Crawford Township  
Wyandot County, Ohio  
Notes to the Financial Statements, continued  
December 31, 2010 and 2009**

(7) Risk Management, continued

a division of York Insurance Services Group, Inc. (York), functions as the administrator of OTARMA and provides underwriting, claims, loss control, risk management, and reinsurance services for OTARMA. OTARMA is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. 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 and Property Coverage*

APEEP provides OTARMA with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2009, OTARMA retained \$350,000 for casualty claims and \$150,000 for property claims.

The aforementioned casualty and property reinsurance agreement does 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, 2009 and 2008 (the latest information available):

	<u>2009</u>	<u>2008</u>
Assets	\$ 38,982,088	40,737,740
Liabilities	(12,880,766)	(12,981,818)
Net Assets	\$ <u>26,101,322</u>	<u>27,755,922</u>

At December 31, 2009 and 2008, respectively, liabilities above include approximately \$12.0 million and \$12.1 million of estimated incurred claims payable. The assets above also include approximately \$11.5 and \$10.9 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2009 and 2008, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2009, the Township's share of these unpaid claims collectible in future years is approximately \$12,000.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.



**Crawford Township  
Wyandot County, Ohio  
Notes to the Financial Statements, continued  
December 31, 2010 and 2009**

(7) Risk Management, continued

Contributions to OTARMA

2008	\$ 7,863
2009	6,089
2010	7,332

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they provide 60 days written notice to OTARMA. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

(8) Commitments

The Township is committed to a contract through October 1, 2012 with the Village of Carey, Ohio and the Wyandot County Commissioners for fire and EMS services requiring the Township to pay 25% of certain operating costs plus \$3,000 annually for fire calls and radio dispatcher.

(9) Subsequent Events

Subsequent events have been evaluated through June 27, 2011, which is the date the financial statements were available to be issued.

(10) Compliance

Contrary to Ohio law:

- The Township did not obtain an amended appropriation measure to reflect the anticipated Issue II expenditure of \$31,682 in 2009.
- The Township did not encumber \$6,279 and \$4,930 for contracts that extended beyond the end of the 2010 and 2009, respectively. ORC Section 5705.44 requires such encumbrances. The Township financial statements were adjusted to reflect the encumbrances.
- Material reclassifications to the financial statements were necessary in order for them to be fairly stated.

# Wolf, Rogers, Dickey & Co.

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**Independent Auditors' Report On Internal Control Over  
Financial Reporting And On Compliance And Other Matters,  
Based On An Audit Of Financial Statements  
Performed In Accordance With *Government Auditing Standards***

Crawford Township  
Wyandot County, Ohio

To the Board of Trustees:

We have audited the financial statements of Crawford Township, Wyandot County, Ohio (the Township), as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated June 27, 2011, wherein we noted the Township followed accounting practices the Auditor of State of Ohio prescribes rather than accounting principles generally accepted in the United States of America. 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.

## Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect and timely correct misstatements. A material weakness is a deficiency, or combination of deficiencies in internal control such that there is a reasonable possibility that material financial statement misstatements will not be prevented or detected and timely corrected. We did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness, as defined above.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies

in internal control that might be deficiencies, significant deficiencies or material weaknesses. However, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider Findings 2010-01 and 2010-03 described in the accompanying Schedule of Findings to be significant deficiencies.

#### Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, 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 certain instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as Findings 2010-02 and 2010-04.

We noted certain noncompliance or other matters not requiring inclusion in this report that we reported to management of the Township in a separate letter dated June 27, 2011.

The Township's response to the findings identified in our audit is described in the accompanying Schedule of Findings. We did not audit the Township's response and, accordingly, we express no opinion on it.

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

*Wolf, Rogers, Dickey & Co.*

Certified Public Accountants

June 27, 2011

**Crawford Township  
Wyandot County, Ohio  
Schedule of Findings  
December 31, 2010 and 2009**

**Findings Related to the Financial Statements  
Required to be Reported in Accordance with GAGAS**

Finding Number 2010-01  
Significant deficiency

Ohio Revised Code (ORC) Section 5705.36 requires the Township to certify available revenue by fund for the coming year on or about January 1. On this certification, the Township reports actual unencumbered cash balances by fund at the end of the previous year and expected revenues for the coming year by fund to arrive at estimated total revenues available for expenditure. The County Budget Commission provides the Official Certificate of Estimated Revenues to the Township based on the amounts reported by the Township. Estimated revenues expected to be received during the year and reported to the County Budget Commission should be entered into the Uniform Accounting Network (UAN) program as estimated receipts. Although the certification was filed in a timely manner each year, the estimated receipts in the UAN system did not agree to the Certificate of Estimated Resources for the Capital Project Fund in 2009.

ORC Section 5705.38 requires that on or about the first day of each fiscal year, an appropriation measure is to be passed. The Ohio Administrative Code Section 117-2-02(c)(1) states in part: all local public offices should integrate the budgetary accounts into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted appropriation balances. Although the appropriation measure was passed timely, the appropriation amounts in the UAN system did not agree to the appropriation measure for the Capital Projects Fund in 2009.

Having budgetary information in UAN that does not agree to the official budgetary documents limits the Township's ability to monitor budget versus actual and recognize when an amended certificate might be necessary.

Response by Township

No response received.

Finding Number 2010-02  
Noncompliance

ORC Section 5705.44 states that for contracts extending beyond the fiscal year end, the fiscal officer of the taxing authority shall make a certification for the amount required to meet the obligation of such contract maturing in a subsequent fiscal year. The amount of the unfilled obligation under such contract shall be included in the annual appropriation measure for the next year as a fixed charge. We identified contract payments for \$6,279 and \$4,930 extending beyond the 2010 and 2009 year ends, respectively, that were not encumbered. These encumbrances are reflected in the audited financial statements.

**Crawford Township  
Wyandot County, Ohio  
Schedule of Findings, continued  
December 31, 2010 and 2009**

**Findings Related to the Financial Statements  
Required to be Reported in Accordance with GAGAS**

Finding Number 2010-02, continued

Response by Township

No response received.

Finding Number 2010-03  
Significant deficiency

In 2010 and 2009 the Tangible Personal Property Tax Replacement receipts were included in the Local Taxes line item instead of Intergovernmental. In order for the audited financial statements to be fairly stated, these amounts have been reclassified. Total reclassifications were \$9,654 and \$9,583 for 2010 and 2009, respectively.

Response by Township

No response received.

Finding Number 2010-04  
Noncompliance

ORC Section 5705.41(B) provides that no money is to be expended unless it has been appropriated. Budgetary expenditures exceeded appropriation authority by \$31,682 in the Capital Projects Fund for 2009.

Response by Township

No response received.

**Crawford Township  
Wyandot County, Ohio  
Schedule of Prior Audit Findings  
December 31, 2010 and 2009**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	<u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid: Explain:</u>
2008-01	Budgeted receipts/ Appropriations in UAN did not agree to Certificate of Estimated Resources/ Appropriation measure	No	Reissued as Finding 2010-01.
2008-02	ORC 5705.44 Contracts extending Beyond fiscal year End	No	Reissued as Finding 2010-02.
2008-03	ORC 5705.41 Fiscal Officer must certify the commitment of money prior to the expenditure taking place.	Yes	Finding no longer valid.
2008-04	Material reclassifications	No	Reissued as Finding 2010-03.
2008-05	ORC 5705.39 Appropriations not to exceed estimated resources	Yes	Finding no longer valid.
2008-06	ORC 5705.41(B) No money to be expended unless appropriated	No	Reissued as Finding 2010-04.



# Dave Yost • Auditor of State

**CRAWFORD TOWNSHIP**

**WYANDOT 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  
SEPTEMBER 15, 2011**