



**Auditor of State  
Betty Montgomery**



**CANAAN TOWNSHIP  
MADISON COUNTY**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Canaan Township  
Madison County  
7375 M. V. High Road  
Plain City, Ohio 43064

To the Board of Trustees:

We have audited the accompanying financial statements of Canaan Township, Madison County, Ohio, (the Township) as of and for the years ended December 31, 2002 and December 31, 2001. 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 the Township as of December 31, 2002 and December 31, 2001, 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 September 5, 2003 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.

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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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
**Auditor of State**

September 5, 2003

**CANAAN TOWNSHIP  
MADISON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$47,801	\$0	\$47,801
Intergovernmental	60,596	51,197	111,793
Licenses, Permits, and Fees	1,574	544	2,118
Earnings on Investments	8,284	2,037	10,321
Other Revenue	0	4,310	4,310
	<u>118,255</u>	<u>58,088</u>	<u>176,343</u>
<b>Total Cash Receipts</b>			
	<u>118,255</u>	<u>58,088</u>	<u>176,343</u>
<b>Cash Disbursements:</b>			
Current:			
General Government	61,418	0	61,418
Public Works	1,479	37,203	38,682
Health	607	2,350	2,957
Capital Outlay	189,538	4,894	194,432
	<u>253,042</u>	<u>44,447</u>	<u>297,489</u>
<b>Total Cash Disbursements</b>			
	<u>253,042</u>	<u>44,447</u>	<u>297,489</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(134,787)</u>	<u>13,641</u>	<u>(121,146)</u>
<b>Fund Cash Balances, January 1</b>	<u>406,444</u>	<u>90,470</u>	<u>496,914</u>
<b>Fund Cash Balances, December 31</b>	<u>\$271,657</u>	<u>\$104,111</u>	<u>\$375,768</u>
<b>Reserve for Encumbrances, December 31</b>	<u>\$125,297</u>	<u>\$4,296</u>	<u>\$129,593</u>

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

**CANAAN TOWNSHIP  
MADISON COUNTY**

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

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$46,576	\$0	\$46,576
Intergovernmental	68,559	64,019	132,578
Licenses, Permits, and Fees	1,278	4,047	5,325
Earnings on Investments	18,083	5,074	23,157
Other Revenue	982	4,310	5,292
	<u>135,478</u>	<u>77,450</u>	<u>212,928</u>
<b>Cash Disbursements:</b>			
Current:			
General Government	57,448	0	57,448
Public Works	2,122	39,394	41,516
Health	11,872	3,085	14,957
Capital Outlay	8,981	55,617	64,598
	<u>80,423</u>	<u>98,096</u>	<u>178,519</u>
Total Receipts Over/(Under) Disbursements	<u>55,055</u>	<u>(20,646)</u>	<u>34,409</u>
Fund Cash Balances, January 1	<u>351,389</u>	<u>111,116</u>	<u>462,505</u>
Fund Cash Balances, December 31	<u>\$406,444</u>	<u>\$90,470</u>	<u>\$496,914</u>
Reserve for Encumbrances, December 31	<u>\$1,990</u>	<u>\$0</u>	<u>\$1,990</u>

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



**CANAAN TOWNSHIP  
MADISON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Canaan Township, Madison 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, road and bridge maintenance and cemetery operations.

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 reported as part of the 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.

Certificates of deposit are valued at cost.

**D. Fund Accounting**

The Township uses fund accounting to segregate cash and equivalents 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 Fund:

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

**CANAAN TOWNSHIP  
MADISON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

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

**E. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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. The Township did not encumber all commitments required by Ohio law.

A summary of 2002 and 2001 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 AND EQUIVALENTS**

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

	<u>2002</u>	<u>2001</u>
Demand deposits	\$375,768	\$346,914
Certificates of deposit	0	150,000
Total deposits	<u>375,768</u>	<u>496,914</u>

**CANAAN TOWNSHIP  
MADISON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**2. EQUITY IN POOLED CASH AND EQUIVALENTS (Continued)**

**Deposits:** Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2002 and December 31, 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$100,634	\$118,255	\$17,621
Special Revenue	65,397	58,088	(7,309)
Total	\$166,031	\$176,343	\$10,312

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$451,150	\$378,339	\$72,811
Special Revenue	114,850	48,743	66,107
Total	\$566,000	\$427,082	\$138,918

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$82,161	\$135,478	\$53,317
Special Revenue	66,582	77,450	10,868
Total	\$148,743	\$212,928	\$64,185

**CANAAN TOWNSHIP  
MADISON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$431,700	\$82,413	\$349,287
Special Revenue	166,500	98,096	68,404
Total	\$598,200	\$180,509	\$417,691

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by 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.

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. RETIREMENT SYSTEMS**

The Township 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 postretirement 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 2002 and 2001, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2002 and 2001. The Township has paid all contributions required through December 31, 2002.

**6. 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 coverage 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.

**CANAAN TOWNSHIP  
MADISON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**6. RISK MANAGEMENT (Continued)**

**Risk Pool Membership (Continued)**

Casualty Coverage

OTARMA retains casualty risks up to \$250,000 per occurrence. 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, which the General Reinsurance Corporation will reinsure.

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 Coverage

OTARMA retains property risks, including automobile physical damage, up to \$10,000 on any specific loss with an annual aggregate of \$700,000 for 2001 and \$1,250,000 for 2002. The Travelers Indemnity Company reinsures losses exceeding \$10,000 if the annual aggregate is reached and all specific losses exceeding \$100,000. APEEP's Operating Fund and Guarantee Fund pay for losses and loss adjustment expenses should they exceed operating contributions.

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:

<u>Casualty Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$23,757,036	\$23,703,776
Liabilities	9,197,512	(9,379,003)
Retained earnings	\$14,559,524	\$14,324,773

<u>Property Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$6,596,996	\$5,011,131
Liabilities	(1,204,326)	(647,667)
Retained earnings	\$5,392,670	\$4,363,464

The Township also provides dental, disability and life insurance coverage to full-time employees through private carriers.

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**Auditor of State  
Betty Montgomery**

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

Canaan Township Trustees  
Madison County  
7375 M. V. High Road  
Plain City, Ohio 43064

To the Board of Trustees:

We have audited the accompanying financial statements of Canaan Township, Madison County, Ohio, (the Township) as of and for the years ended December 31, 2002 and December 31, 2001, and have issued our report thereon dated September 5, 2003. 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2002-001 through 2002-004.

**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 a matter involving the internal control over financial reporting that does not require inclusion, in this report, that we have reported to management of the Township in a separate letter dated September 5, 2003.

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We also noted a matter involving the internal control over financial reporting that does not require inclusion, in this report, that we have reported to management of the Township in a separate letter dated September 5, 2003.

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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
**Auditor of State**

September 5, 2003



**CANAAN TOWNSHIP  
MADISON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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<b>FINDING NUMBER</b>	<b>2002-001</b>
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**FINDING NUMBER 2002-001**

Ohio Rev. Code Section 5705.41(D) states that no subdivision shall make any contract or order any expenditure of money unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

The following exceptions to this basic requirement are provided by statute:

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 that he is completing his certification, 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. 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 subdivision or taxing district.

Amounts of less than \$100 for counties, or less than \$1,000 (3,000 effective April 7, 2003) for other political subdivisions, may be paid by the fiscal officer without such affirmation of the taxing authority 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.

Sixty-one percent of the expenditures tested were not certified by the Clerk prior to the commitment being incurred, nor were they certified using then-and-now certification. This procedure is not only required by Ohio law but is a key control in the disbursement process to assure that purchase commitments receive prior approval, and to help reduce the possibility of Township funds being over expended or exceeding budgetary spending limitations as set by the Board.

We recommend that all monies be encumbered via a purchase order prior to entering into an obligation to purchasing goods and/or services.

<b>FINDING NUMBER</b>	<b>2002-002</b>
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**FINDING FOR RECOVERY  
In-term Increase in Compensation**

Canaan Township passed a resolution in December 2002 to reimburse its Trustees for their out-of-pocket insurance premiums pursuant to Ohio Rev. Code section 505.601. Trustee Clyde Archer was reimbursed for insurance premiums on December 2, 2002. He received \$2,328--\$924 of which was for his spouse's portion of the premium payment. Ohio Const. Art II, Section 20 prohibits "in-term" increases (or decreases) in compensation, and states that the General Assembly shall fix the compensation of all officers, but no change therein shall affect the salary of any officer during his existing term. The reimbursement for the insurance premium payments constitutes compensation and since the resolution authorizing the reimbursements was passed during Mr. Archer's same term of office, this constitutes a prohibited in-term increase. In addition, R.C. section 505.601 limits reimbursement of insurance premium to township officers and employees.

**CANAAN TOWNSHIP  
MADISON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>FINDING NUMBER</b>	<b>2002-002 (Continued)</b>
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In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against the following: Clyde Archer, Trustee; Phyllis Sparks, Clerk and OTARMA their bonding company, jointly and severally, in the amount of two thousand three hundred twenty eight dollars (\$2,328) and in favor of the General Fund.

<b>FINDING NUMBER</b>	<b>2002-003</b>
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**FINDING FOR RECOVERY  
Reimbursement of Insurance Premiums**

Trustee Don Whitmer was reimbursed, pursuant to Ohio Revised Code section 505.601, for his insurance deductibles that he paid directly to individual providers in the amount of \$4,145.50. According to Ohio Rev. Code Section 505.60(F)(2), however, the term "premium" as used in Ohio Rev. Code Section 505.601 does not include any deductible or health care costs paid directly by a township officer or employee. As a result, a township officer or employee may not be reimbursed for a deductible pursuant to Ohio Rev. Code section 505.601.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against the following: Don Whitmer, Trustee; Phyllis Sparks, Clerk and OTARMA their bonding company, jointly and severally, in the amount of four thousand one hundred forty five dollars and fifty cents (\$4,145.50) and in favor of the General Fund.

<b>FINDING NUMBER</b>	<b>2002-004</b>
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**FINDING FOR RECOVERY  
Reimbursement of Insurance Premiums**

Ohio Rev. Code Section 505.601 states if a board of township trustees does not procure an insurance policy or group health care services as provided in section 505.60 of the Revised Code, the board of township trustees may reimburse any township officer or employee for each out-of-pocket premium that the officer or employee incurs for insurance policies described in division (A) of section 505.60 of the Revised Code that the officer or employee otherwise obtains, if all of the following conditions are met:

(A) The board of township trustees adopts a resolution that states that the township has chosen not to procure a health care plan under section 505.60 of the Revised Code and has chosen instead to reimburse its officers and employees for each out-of-pocket premium that they incur for insurance policies described in division (A) of section 505.60 of the Revised Code that they otherwise obtain.

(B) That resolution provides for a uniform maximum monthly or yearly payment amount for each officer or employee, beyond which the township will not reimburse the officer or employee.

**CANAAN TOWNSHIP  
MADISON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>FINDING NUMBER</b>	<b>2002-004 (Continued)</b>
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(C) That resolution states the specific benefits listed in division (A) of section 505.60 of the Revised Code for which the township will reimburse all officers and employees of the township. The township may not reimburse officers and employees for benefits other than those listed in division (A) of section 505.60 of the Revised Code.

Quarterly assessment payments in the amount of \$ 450 were made by the Township on behalf of Trustee Joseph Beachy spouse (\$3,750) to the United Bethel Brotherhood Aid. The United Bethel Brotherhood Aid collected these payments on behalf of the Conservative Amish Mennonite Group based out of Middlebury, Indiana. However, according to the Ohio Department of Insurance, United Bethel Brotherhood Aid is "not authorized to transact business in the State of Ohio, and thus may not provide the "insurance policies" that are the subject of Ohio Rev. Code sections 505.60 and 505.601. In addition, R.C. section 505.601 limits reimbursement of insurance premiums to township officers and employees spouses are not eligible for reimbursement of their insurance premiums.

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against the following: Joseph Beachy, Trustee; Phyllis Sparks, Clerk and OTARMA, their bonding company, jointly and severally, in the amount of three thousand seven hundred fifty dollars (\$3,750 ) and in favor of the General Fund.

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**Auditor of State  
Betty Montgomery**

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**CANAAN TOWNSHIP**

**MADISON 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  
JANUARY 15, 2004**