

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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AUDITED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2006 AND 2005





# Mary Taylor, CPA

Auditor of State

Board of Trustees  
Jackson Township  
14130 St. Hwy 37  
Forest, Ohio 45843

We have reviewed the *Independent Auditor's Report* of Jackson Township, Wyandot County, prepared by E. S. Evans and Company, for the audit period January 1, 2005 through December 31, 2006. 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 Auditor's 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 Auditor's 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. Jackson Township is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

October 9, 2007

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JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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# ***E.S. Evans and Company***

**Certified Public Accountants and Consultants**

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Robert E. Wendel, CPA • Dan F. Clifford, CPA • E.S. Evans, CPA, PFS (1930-1999)

September 5, 2007

## INDEPENDENT AUDITOR'S REPORT

Jackson Township  
Wyandot County, Ohio

We have audited the accompanying financial statements of Jackson Township, Wyandot County, (the Township) as of and for the years ended December 31, 2006 and 2005. 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 described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State 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.

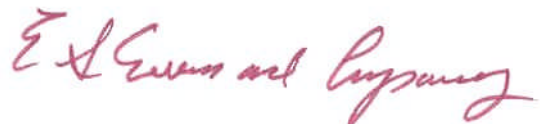
Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also to present its larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State 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, 2006 and 2005 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, 2006 and 2005, 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 the Township as of December 31, 2006 and 2005, 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 September 5, 2007, 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. 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. You should read it in conjunction with this report in assessing the results of our audit.

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JACKSON 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, 2006

	Governmental Fund Types			Totals
	General	Special Revenue	Capital Projects	(Memorandum Only)
<u>Cash Receipts:</u>				
Local Taxes	\$ 13,103	\$ 7,660	\$ -	\$ 20,763
Licenses, Permits, and Fees	165	850	-	1,015
Intergovernmental Revenues	15,786	85,604	27,604	128,994
Interest Revenues	2,052	4,892	-	6,944
Miscellaneous	-	875	-	875
Total Cash Receipts	31,106	99,881	27,604	158,591
<u>Cash Disbursements:</u>				
Current -				
General Government	29,566	-	-	29,566
Public Safety	11,550	-	-	11,550
Public Works	-	72,986	-	72,986
Health	3,322	1,400	-	4,722
Capital Outlay	-	1,050	27,604	28,654
Total Cash Disbursements	44,438	75,436	27,604	147,478
Total Cash Receipts Over/(Under)				
Cash Disbursements	(13,332)	24,445	-	11,113
<u>Other Financing Receipts/Disbursements:</u>				
Other Financing Sources	2,051	-	-	2,051
Other Financing Uses	(7,114)	-	-	(7,114)
Total Financing Sources Over/(Under)				
Financing Uses	(5,063)	-	-	(5,063)
<u>Excess of Cash Receipts and Other</u>				
Financing Sources Over/(Under) Cash				
Disbursements and Other Financing Uses	(18,395)	24,445	-	6,050
<u>Fund Cash Balance - January 1, 2006</u>	48,916	92,539	-	141,455
<u>Fund Cash Balance - December 31, 2006</u>	\$ 30,521	\$ 116,984	\$ -	\$ 147,505
<u>Reserve for Encumbrances, Dec. 31, 2006</u>	\$ 65	\$ 42	\$ -	\$ 107

The accompanying notes are an integral part  
of these financial statements.

JACKSON 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, 2005

	<u>Governmental Fund Types</u>			<u>Totals</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
<u>Cash Receipts:</u>				
Local Taxes	\$ 12,922	\$ 7,528	\$ -	\$ 20,450
Licenses, Permits, and Fees	145	750	-	895
Intergovernmental Revenues	22,229	117,369	-	139,598
Interest Revenues	1,625	2,205	-	3,830
Miscellaneous	-	-	-	-
Total Cash Receipts	<u>36,921</u>	<u>127,852</u>	<u>-</u>	<u>164,773</u>
<u>Cash Disbursements:</u>				
Current -				
General Government	33,390	-	-	33,390
Public Safety	12,363	-	-	12,363
Public Works	-	73,620	-	73,620
Health	890	1,713	-	2,603
Capital Outlay	-	29,127	-	29,127
Total Cash Disbursements	<u>46,643</u>	<u>104,460</u>	<u>-</u>	<u>151,103</u>
Total Cash Receipts Over/(Under)				
Cash Disbursements	<u>(9,722)</u>	<u>23,392</u>	<u>-</u>	<u>13,670</u>
<u>Other Financing Receipts/Disbursements:</u>				
Other Financing Sources	2,508	300	-	2,808
Other Financing Uses	-	-	-	-
Total Financing Sources Over/(Under)				
Financing Uses	<u>2,508</u>	<u>300</u>	<u>-</u>	<u>2,808</u>
<u>Excess of Cash Receipts and Other</u>				
Financing Sources Over/(Under) Cash				
Disbursements and Other Financing Uses	(7,214)	23,692	-	16,478
<u>Fund Cash Balance - January 1, 2005</u>	<u>56,130</u>	<u>68,847</u>	<u>-</u>	<u>124,977</u>
<u>Fund Cash Balance - December 31, 2005</u>	<u>\$ 48,916</u>	<u>\$ 92,539</u>	<u>\$ -</u>	<u>\$ 141,455</u>
<u>Reserve for Encumbrances, Dec. 31, 2005</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part  
of these financial statements.

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 1 - Summary of Significant Accounting Policies

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Jackson Township, Wyandot County, (the Township), as a political and corporate body. A publicly-elected three-member Board of Trustees directs the Township. The Township provides general government services and road and bridge maintenance. The Township contracts with Jackson Township in Hardin County to provide fire protection services to its' residents.

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

Basis of Accounting

These financial statements follow the accounting basis prescribed or permitted by the Auditor of State. This basis is similar to the cash receipts and disbursements basis of accounting. Consequently, receipts are recognized when received 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.

Cash and Investments

The Township maintains a checking account which is valued at cost.

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 reports all financial resources except those required to be accounted for in another fund.

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 1 - Summary of Significant Accounting Policies - (continued)

Fund Accounting - (continued)

Special Revenue Funds

The Special Revenue Funds account for proceeds from specific sources (other than 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 pay for constructing, maintaining, and repairing Township roads.

Motor Vehicle License Fund – This fund receives motor vehicle license tax money to pay for constructing, maintaining, and repairing Township roads.

Road and Bridge Fund – This fund receives property tax money to pay for constructing, maintaining, and repairing Township roads and bridges.

Cemetery Fund – This fund receives money from fees and services to maintain the general upkeep of the cemeteries.

Capital Project Funds

The Capital Project Funds are used to account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant capital project funds:

Issue II Fund – The Township received a grant from the State of Ohio through the Wyandot County Auditor for repaving of roads.

Budgetary Process

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

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.

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 1 - Summary of Significant Accounting Policies - (continued)

Budgetary Process – (continued)

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.

Encumbrances

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

A summary of 2006 and 2005 budgetary activity appears in Note 3.

Property, Plant and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Note 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:

	2006		2005
Demand Deposits	\$ 147,505	\$	141,455
Total Deposits	\$ 147,505	\$	141,455

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

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 3 – Budgetary Activity

Budgetary activity for the years ending December 31, 2006 and 2005 follows:

2006 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 76,370	\$ 33,157	\$ (43,213)
Special Revenue	153,887	99,881	(54,006)
Capital Projects	27,604	27,604	-
	<u>\$ 257,861</u>	<u>\$ 160,642</u>	<u>\$ (97,219)</u>

2006 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 76,249	\$ 51,617	\$ 24,632
Special Revenue	153,653	75,478	78,175
Capital Projects	-	27,604	(27,604)
	<u>\$ 229,902</u>	<u>\$ 154,699</u>	<u>\$ 75,203</u>

2005 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 80,125	\$ 39,429	\$ (40,696)
Special Revenue	129,445	128,152	(1,293)
Capital Projects	-	-	-
	<u>\$ 209,570</u>	<u>\$ 167,581</u>	<u>\$ (41,989)</u>

2005 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 79,910	\$ 46,643	\$ 33,267
Special Revenue	129,296	104,460	24,836
Capital Projects	-	-	-
	<u>\$ 209,206</u>	<u>\$ 151,103</u>	<u>\$ 58,103</u>

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Capital Projects Fund – Issue II by \$27,604 in 2006.

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 4 - Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board of Trustees adopts tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The State pays the Township amounts equaling these deductions. The Township includes these with Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half payment 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.

Property owners assess tangible personal property tax. They must file a list of tangible 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 the Township's behalf.

Note 5 – Retirement Systems

Ohio Public Employees Retirement System (OPERS)

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

The Ohio Revised Code also prescribes contribution rates. For 2005, OPERS members contributed 8.5 percent of their gross salary. The Township contributed an amount equal to 13.55 percent of participants' gross salaries. For 2006, OPERS members contributed 9.0 percent of their gross salary. The Township contributed an amount equaling 13.70 percent of participants' gross salaries. The Township has paid all required contributions through December 31, 2006.

Note 6 - Risk Management

Risk Pool Membership

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 Worker's 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. 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' deductible.

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 6 - Risk Management – (continued)

Casualty Coverage

OTARMA retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. Townships can elect additional coverage, from \$2,000,000 to \$12,000,000 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 Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500,000,000 per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers' provides aggregate stop-loss coverage based upon the combined members' total insurable value. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2005 was \$1,682,589.

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 township.



JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 6 - Risk Management – (continued)

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, 2005 and 2004 (the latest information available):

<u>Casualty Coverage</u>		<u>2005</u>		<u>2004</u>
Assets	\$	30,485,638	\$	28,132,620
Liabilities		(12,344,576)		(11,086,379)
Retained Earnings	\$	<u>18,141,062</u>	\$	<u>17,046,241</u>
<u>Property Coverage</u>		<u>2005</u>		<u>2004</u>
Assets	\$	9,177,796	\$	7,588,343
Liabilities		(1,406,031)		(543,176)
Retained Earnings	\$	<u>7,771,765</u>	\$	<u>7,045,167</u>

At December 31, 2005 and 2004, respectively, casualty coverage liabilities noted above include approximately \$11.6 million and \$10.3 million of estimated incurred claims payable. The casualty coverage assets and retained earnings above also include approximately \$11.6 million and \$10.3 million of unpaid claims to be billed to approximately 950 member townships in the future, as of December 31, 2005 and 2004, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$6,561. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

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.

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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NOTES TO FINANCIAL STATEMENTS  
December 31, 2006 and 2005

Note 6 - Risk Management – (continued)

	Township Contributions to OTARMA
2003	\$ 3,238
2004	3,268
2005	3,278
2006	3,283

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



# ***E.S. Evans and Company***

**Certified Public Accountants and Consultants**

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Robert E. Wendel, CPA • Dan F. Clifford, CPA • E.S. Evans, CPA, PFS (1930-1999)

September 5, 2007

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

Jackson Township  
Wyandot County, Ohio

We have audited the financial statements of the Jackson Township, Wyandot County, Ohio, (the Township) as of and for the years ended December 31, 2006 and 2005, and have issued our report thereon dated September 5, 2007, wherein we noted the Township followed accounting practices the Auditor of State 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 Jackson Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jackson Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Jackson Township's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Jackson Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that a misstatement of Jackson Township's financial statements that is more than inconsequential will not be prevented or detected by the Township's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Jackson Township's internal control.

Our consideration of the 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

However, we noted certain internal control matters that we reported to Jackson Township's management in separate letter dated September 5, 2007.

#### Compliance and Other Matters

As part of reasonably assuring whether Jackson Township's financial statements are free of 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 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

In a separate letter to Jackson Township's management dated September 5, 2007, we reported matters related to noncompliance.

We intend this report solely for the information and use of management of Jackson Township and the Auditor of State of Ohio. It is not intended for anyone other than these specified parties.

A handwritten signature in red ink, appearing to read "E. J. ... and ...", is located in the lower right quadrant of the page.

JACKSON TOWNSHIP  
WYANDOT COUNTY, OHIO

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SCHEDULE OF PRIOR AUDIT FINDINGS  
December 31, 2006 and 2005

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2005-001	Issue II Funding, receipts and disbursements	No	Partially Corrected - Receipts and disbursements issued and budgeted. However, not done in a Capital Projects fund for 2005 - current year management letter comment.





**Mary Taylor, CPA**  
Auditor of State

**JACKSON 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  
NOVEMBER 8, 2007**