



Dave Yost • Auditor of State



**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

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# Dave Yost • Auditor of State

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

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS 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. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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

**Dave Yost**  
Auditor of State

September 16, 2011

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

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

To the Board of Trustees:

We have audited the accompanying financial statements of Rush Township, Tuscarawas 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. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the District because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audits provide 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 presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards requires 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, 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 September 16, 2011, or its 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 of Rush Township, Tuscarawas County, 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 September 16, 2011, 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.



**Dave Yost**  
Auditor of State

September 16, 2011



**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$29,582	\$29,489	\$0	\$59,071
Intergovernmental	35,572	104,337		139,909
Earnings on Investments	17	7		24
Other	9,374	418		9,792
Total Cash Receipts	74,545	134,251		208,796
<b>Cash Disbursements:</b>				
Current:				
General Government	67,157			67,157
Public Safety		11,301		11,301
Public Works		94,833		94,833
Health	2,497	1,156		3,653
Capital Outlay	4,950			4,950
Debt Service:				
Redemption of Principal	8,967	14,855		23,822
Interest and Other Fiscal Charges	1,214	2,218		3,432
Total Cash Disbursements	84,785	124,363		209,148
Total Cash Receipts Over/(Under) Cash Disbursements	(10,240)	9,888		(352)
Fund Cash Balances, January 1	(4,741)	42,299	59	37,617
<b>Fund Cash Balances, December 31</b>	<b>(\$14,981)</b>	<b>\$52,187</b>	<b>\$59</b>	<b>\$37,265</b>

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$26,069	\$27,894	\$0	\$53,963
Charges for Services		3,000		3,000
Intergovernmental	37,287	101,527		138,814
Earnings on Investments	28	23		51
Other	1	1,074		1,075
Total Cash Receipts	63,385	133,518		196,903
<b>Cash Disbursements:</b>				
Current:				
General Government	50,761			50,761
Public Safety		25,261		25,261
Public Works		70,896		70,896
Health	2,882	1,125		4,007
Debt Service:				
Redemption of Principal	7,934	28,275		36,209
Interest and Other Fiscal Charges	966	4,482		5,448
Total Cash Disbursements	62,543	130,039		192,582
Total Cash Receipts Over Cash Disbursements	842	3,479		4,321
Fund Cash Balances, January 1	(5,583)	38,820	59	33,296
<b>Fund Cash Balances, December 31</b>	<b>(\$4,741)</b>	<b>\$42,299</b>	<b>\$59</b>	<b>\$37,617</b>

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

Rush Township, Tuscarawas 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 general governmental services, including road and bridge maintenance, fire protection and cemetery maintenance. The Township contracts with Smith Ambulance for emergency medical services.

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

**B. Accounting Basis**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash**

The Township has no investments.

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

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from private-purpose 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 pay for constructing, maintaining, and repairing Township roads.

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued)**

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

Fire Levy Fund – This fund receives monies from other entities for fire protection and is used to account for ambulance and fire levy receipts used to provide fire, rescue and emergency medical services for Township Residents

**3. Capital Project Funds**

These funds 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

Bond Fund – This fund receives road use money from businesses for moving heavy equipment on township roads. This money is then used for road construction.

**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, 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.

**2. 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.

**3. Encumbrances**

Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

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

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**F. 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.

**2. Equity in Pooled Cash**

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

	2010	2009
Demand deposits	\$37,265	\$37,617

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**3. Budgetary Activity**

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

2010 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$68,280	\$74,545	\$6,265
Special Revenue	170,846	134,251	(36,595)
Capital Projects	59	0	(59)
Total	\$239,185	\$208,796	(\$30,389)

2010 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$79,256	\$84,785	(\$5,529)
Special Revenue	138,365	124,363	14,002
Capital Projects	59	0	59
Total	\$217,680	\$209,148	\$8,532

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$63,797	\$63,385	(\$412)
Special Revenue	164,214	133,518	(30,696)
Capital Projects	59	0	(59)
Total	\$228,070	\$196,903	(\$31,167)

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**3. Budgetary Activity (Continued)**

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$63,797	\$62,543	\$1,254
Special Revenue	147,150	130,039	17,111
Capital Projects	59	0	59
Total	\$211,006	\$192,582	\$18,424

Contrary to Ohio Rev. Code Sections 5735.27 and 5705.10, the Township used gasoline excise taxes for the payment of debt for land acquired by the Township and insurance premiums.

**4. Property Tax**

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

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

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, 2010 was as follows:

Land Loan	\$3,967	4%
Fire Tanker Loan	15,000	4.40%
Dump Truck	8,000	6%
Ash Bin Loan	11,666	4.52-7.92%
Total	\$38,633	

The loans were issued to finance the purchase of land, fire tanker, dump truck and an ash bin. The loans will be secured by the property financed.

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**5. Debt (Continued)**

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

Year ending December 31:	Land Loan	Fire Tanker Loan	Dump Truck	Ash Bin Loan
2011	\$4,128	\$5,223	\$4,230	\$7,407
2012		5,223	4,230	7,794
2013		5,223		
Total	<u>\$4,128</u>	<u>\$15,669</u>	<u>\$8,460</u>	<u>\$15,201</u>

**6. Retirement System**

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

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OPERS members contributed 10%, of their gross salaries and the Township contributed an amount equaling 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 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. American Risk Pooling Consultants, Inc. (ARPCO), 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, 2010, 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.

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**7. 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, 2010 and 2009.

	<u>2010</u>	<u>2009</u>
Assets	\$35,855,252	\$38,982,088
Liabilities	(10,664,724)	(12,880,766)
Net Assets	<u>\$25,190,528</u>	<u>\$26,101,322</u>

At December 31, 2010 and 2009, respectively, the liabilities above include approximately \$9.9 and \$12.0 million of estimated incurred claims payable. The assets above also include approximately \$9.5 and \$11.5 million of unpaid claims to be billed to approximately 940 member governments in the future, as of December 31, 2010 and 2009, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2010, the Township's share of these unpaid claims collectible in future years is approximately \$8,025.

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.

<u>Contributions to OTARMA</u>	
<u>2010</u>	<u>2009</u>
\$10,844	\$8,390

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's 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. Jointly Governed Organizations**

The Township is associated with the Tuscarawas County Regional Planning Commission, (the Commission) as a Jointly Governed Organization. The Commission is a statutorily created political subdivision of the State. The commission is jointly governed among Tuscarawas County municipalities and townships. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economical and Governmental characteristics, functions and services of the county. The Township contributed \$124 in both 2010 and 2009 to the Regional Planning Commission.





# Dave Yost • Auditor of State

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

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

To the Township Board of Trustees:

We have audited the financial statements of the Rush Township, Tuscarawas County, Ohio, (the Township) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated September 16, 2011 wherein we noted the Township followed accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We also noted the Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code § 117.11(A) mandates the Auditor of State to audit Ohio governments. 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*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Government's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Government's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Government's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal controls over financial reporting, that we consider material weaknesses.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2010-01 through 2010-02 described in the accompanying schedule of findings to be material weaknesses.

We also noted certain internal control matters that we reported to the Township's management in a separate letter dated September 16, 2011.

#### **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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2010-001.

We also noted certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated September 16, 2011.

We intend this report solely for the information and use of the Township Trustees, management, and others within the Township. We intend it for no one other than these specified parties.



**Dave Yost**  
Auditor of State

September 16, 2011

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**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**

**Noncompliance/Material Weakness**

**Ohio Const. Art. XII, Section 5a and Ohio Rev. Code Section 5735.27(A)(5)(d)** permits the use of gasoline excise taxes for planning, construction and maintenance of suitable buildings for housing road machinery and equipment. However, pursuant to 1964 Op. Att’y Gen. No. 1499, this authority does not imply the authority to acquire real estate or fire trucks with gasoline excise taxes. Furthermore **Ohio Rev. Code Section 5705.10** requires money paid into a fund to be used only for the purposes for which such fund has been established. During 2010, the Township used gasoline excise taxes of \$4,289, and \$10,844 for a debt payment for land acquired and an insurance premium, respectively. During 2009, the Township used gasoline excise taxes of \$8,390 for payment of a liability insurance premium.

The debt payments for land and the insurance premium made from the Gasoline Tax Fund were adjusted on the financial statements to be reflected in the General Fund. These audit adjustments resulted in a deficit General Fund balance of \$14,981 at December 31, 2010 and \$4,741 at December 31, 2009.

**FINDING NUMBER 2010-02**

**Material Weakness**

**Classification of Expenditures**

The Township improperly recorded expenditures resulting in several reclassifications at December 31, 2010 and 2009:

Debt payments in various funds were originally classified as a current expenditures rather than debt principal and interest payments. The table below documents the original expenditure account charged:

<u>2010</u>	<u>Debt Issue</u>	<u>Expenditure Account Charged</u>	<u>Amount</u>
<b>Gasoline Tax Fund</b>	Dump Truck Debt Payment	Expenditure Line-Other	\$4,699
	Land Debt Payment	Expenditure Line-Other	4,289
<b>Fire Levy Fund</b>	Ash Bin Debt Payment	Expenditure Line-Other	6,800
		Expenditure Line-Repairs and Maintenance	245
	Fire Truck Debt Payment	Expenditure- Machinery, Equipment and Furniture	9,617
<b>General Fund</b>	Fire Tanker Debt Payment	Expenditure-Other	5,892

**FINDING NUMBER 2010-02 (Continued)**

**Material Weakness (Continued)**

<u>2009</u>	<u>Debt Issue</u>	<u>Expenditure Account Charged</u>	<u>Amount</u>
<b>Gasoline Tax Fund</b>	Dump Truck Debt Payment	Expenditure-Other	\$4,935
<b>Fire Levy Fund</b>	Fire Tanker Debt Payment	Expenditure-Machinery&Equip.	6,115
	Ash Bin Debt Payment	Expenditure-Other	6,707
	Fire Truck Debt Payment	Expenditure-Other Salaries	1,000
		Expenditure-Machinery, Equipment & Furniture	14,000

As a result, the above expenditure lines were initially overstated by these amounts and debt payments were not properly reflected on the financial statements.

Sound financial reporting is the responsibility of the Fiscal Officer and Board of Trustees and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The Township Fiscal Officer and the Board of Trustees should periodically monitor the classification and posting of all receipts and expenditures to help ensure Township receipts and expenditures are accurately recorded in accordance with the Ohio Township Handbook.

**Officials' Response:** The Officials' elected not to respond to the findings.

**RUSH TOWNSHIP  
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2010 AND 2009**

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>
2008-001	<b>Ohio Const. Art. XII, Section 5a and Ohio Rev. Code Section 5735.27(A)(5)(d)</b> - restricts use of the use of motor vehicle license tax monies and <b>Ohio Rev. Code Section 5705.10</b> - fund use is limited to established purpose.	No	See Finding 2010-01
2008-002	Classification of expenditures	No	See Finding 2010-02

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# Dave Yost • Auditor of State

**RUSH TOWNSHIP**

**TUSCARAWAS 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  
OCTOBER 11, 2011**