



**PERRY**

**& Associates CPAs**

**PASSION** *Beyond the Numbers*

**LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY**

**REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2023 - 2022**





65 East State Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

Board of Trustees  
Lafayette Township  
19153 State Route 93  
West Lafayette, Ohio 43845

We have reviewed the *Independent Auditor's Report* of Lafayette Township, Coshocton County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2022 through December 31, 2023. 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. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

#### **Finding For Recovery Repaid Under Audit**

Ohio Rev. Code § 507.09(A)(4) provides that in a township having a budget of more than \$750,000 but not more than \$1,500,000, the compensation of the Township Fiscal Officer shall be \$20,062 in 2022 and \$20,413 in 2023.

Lafayette Township's budget in 2022 and 2023 was between \$750,000 and \$1,500,000 thus the Fiscal Officer was to be paid \$20,062 in 2022 and \$20,413 in 2023.

Lafayette Township's former Fiscal Officer mistakenly paid himself an extra paycheck in January 2023. He resigned as of February 28, 2023 and should have been paid \$3,402.17 for two months of service for 2023. Consequently, the former Fiscal Officer James Overholt received compensation in the amount of \$5,249.14 for 2023 resulting in an overpayment of \$1,846.97 and received compensation in the amount of \$19,377.97 for 2022 resulting in an underpayment of \$684.03. He also received an underpayment of \$310.79 in the prior audit period (2020-2021). This resulted in a total overpayment of \$852.15.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against former Township Fiscal Officer James Overholt and his bonding company, Ohio Township Association Risk Management Authority (OTARMA), in the amount of \$852.15, and in favor of Lafayette Township's General Fund in the amount of \$852.15.

On March 13, 2025, \$852.15 was paid to Lafayette Township's General Fund (Receipt #20-2025) for repayment of the finding for recovery.

Board of Trustees  
Lafayette Township  
19153 State Route 93  
West Lafayette, Ohio 43845  
Page -2-

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

KEITH FABER  
Ohio Auditor of State

A handwritten signature in black ink, reading "Tiffany L. Ridenbaugh". The signature is written in a cursive, flowing style.

Tiffany L. Ridenbaugh, CPA, CFE, CGFM  
Chief Deputy Auditor

**June 27, 2025**

**LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2023 .....	4
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - Fiduciary Fund Type - For the Year Ended December 31, 2023 .....	5
Notes to the Financial Statements For the Year Ended December 31, 2023 .....	6
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types - For the Year Ended December 31, 2022 .....	12
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - Fiduciary Fund Type - For the Year Ended December 31, 2023 .....	13
Notes to the Financial Statements For the Year Ended December 31, 2022 .....	14
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	21
Schedule of Findings.....	23
Summary Schedule of Prior Audit Findings .....	24

**This page intentionally left blank.**

## INDEPENDENT AUDITOR'S REPORT

Lafayette Township  
Coshocton County  
19153 SR 93  
West Lafayette, Ohio 43845

To the Board of Trustees:

### ***Report on the Audit of the Financial Statements***

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of the Lafayette Township, Coshocton County, Ohio (the Township), which comprises the cash balances, receipts and disbursements for each governmental and fiduciary fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and fiduciary fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2023 and 2022, or the changes in financial position thereof for the years then ended.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

**Perry & Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

March 7, 2025

**LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Total
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 104,571	\$ 209,072	\$ 313,643
Licenses, Permits and Fees	-	9,250	9,250
Intergovernmental	32,329	181,437	213,766
Earnings on Investments	183	419	602
Miscellaneous	3,789	15,621	19,410
<i>Total Cash Receipts</i>	<u>140,872</u>	<u>415,799</u>	<u>556,671</u>
<b>Cash Disbursements</b>			
Current:			
General Government	147,063	8,575	155,638
Public Safety	-	118,705	118,705
Public Works	1,563	106,814	108,377
Health	12,797	32,094	44,891
Capital Outlay	-	87,661	87,661
<i>Total Cash Disbursements</i>	<u>161,423</u>	<u>353,849</u>	<u>515,272</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(20,551)</u>	<u>61,950</u>	<u>41,399</u>
<b>Other Financing Receipts (Disbursements)</b>			
Other Financing Uses	(10)	-	(10)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(10)</u>	<u>-</u>	<u>(10)</u>
<i>Net Change in Fund Cash Balances</i>	(20,561)	61,950	41,389
<i>Fund Cash Balances, January 1</i>	<u>66,468</u>	<u>617,784</u>	<u>684,252</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 45,907</u></u>	<u><u>\$ 679,734</u></u>	<u><u>\$ 725,641</u></u>

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

LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Private Purpose Trust
<b>Cash Receipts</b>	
Earnings on Investments	<u>\$ 4</u>
<i>Total Cash Receipts</i>	4
<i>Fund Cash Balances, January 1</i>	<u>16,644</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 16,648</u></u>

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

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

---

**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Lafayette Township, Coshocton County, Lafayette Township as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection. The Lafayette Township Trustees contracts with the Village of West Lafayette Fire Department to provide fire services to the residences of the township. A one mill property tax levy provides yearly funds to support the volunteer fire department. The General Fund is supported by a seven tenth inside mill and the Cemetery Fund is supported by a one tenth inside mill and fees from sale of cemetery lots and burials. Current Expense Fund is supported by a one mill levy. All funds are managed by an elected Fiscal Officer. All transactions are reviewed and approved by the board of trustees. The Township has not been declared in any state of fiscal distress by the Auditor of State's office.

***Public Entity Risk Pools***

The Township participates in a public entity risk pool. Note 6 to the financial statements provide additional information for this entity. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all organized on a fund type basis.

***Fund Accounting***

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

***Gas Tax Fund*** The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

***Motor Vehicle License Tax Fund*** The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within the Township.

***Road and Bridge Fund*** The road and bridge fund accounts for and reports that portion of a voted levy for maintenance and repair of roads and bridges within the Township.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

---

**Note 2 – Summary of Significant Accounting Policies (Continued)**

**Cemetery Fund** The cemetery fund accounts for reports that portion of seven tenths inside mill and portion derived from sale of cemetery lots and fees from burials for the care and maintenance of Fairfield Cemetery.

**Fire District Fund** The fire district fund accounts for and reports that portion of a voted levy for fire protection provided by West Lafayette Volunteer Fire Department.

**Permissive Motor Vehicle Fund** The permissive motor vehicle fund accounts for and reports that portion permits and fees for maintenance and repair of roads.

**Fiduciary Funds** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

**Cemetery Endowment Fund** The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery. The Township only has permanent funds to provide tombstone decorations. Only the interest is used to purchase decorations for contributing occupants.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund 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. Unencumbered appropriations lapse at year end.

**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 approve estimated resources.

**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.

A summary of 2023 budgetary activity appears in Note 3.

**Lafayette Township**  
Coshocton County  
*Notes to the Financial Statements*  
For the Year Ended December 31, 2023

---

**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Deposits and Investments***

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

***Capital Assets***

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 upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$134,274	\$140,872	\$6,598
Special Revenue	425,070	415,799	(9,271)
Total	<u>\$559,344</u>	<u>\$556,671</u>	<u>(\$2,673)</u>

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$233,718	\$164,191	\$69,527
Special Revenue	1,176,590	466,230	710,360
Total	<u>\$1,410,308</u>	<u>\$630,421</u>	<u>\$779,887</u>

**Note 4 – Deposits**

To improve cash management, cash received by the Township is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Township's deposit and investment accounts are as follows:

	2023
Demand deposits	<u>\$725,641</u>
Certificates of deposit	<u>16,648</u>
Total deposits	<u>742,289</u>

**Deposits**

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Township.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

---

**Note 5 – Property Taxes**

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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.

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

**Note 6 – Risk Management**

***Risk Pool Membership***

The Township is a member of the Ohio Township Association Risk Management Authority (the Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

- General liability and casualty;
- Public official's liability;
- Vehicles;
- Cyber;
- Law enforcement liability;
- Automotive liability;
- Property; and
- Equipment breakdown

The Pool reported the following summary of actuarially-measured liabilities and the assets available to pay those liabilities as of December 31:

	<u>2023</u>
Cash and investments	\$33,494,457
Actuarial liabilities	\$10,885,549

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2023.



**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

---

**Note 8 – Postemployment Benefits**

OPERS offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. Accounts that retirees use to be reimbursed for health care expenses. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

**Note 9 – Construction and Contractual Commitments**

The Township has one outstanding payment to Melway Paving Company for \$110,713.57 for the resurfacing of Cherry Street, Chestnut Street, Edwards Street, Elm Street, Welker Drive, and a portion of Township Road 161.

**Note 10 – Contingent Liabilities**

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 11 – Public Entity Risk Pool**

The Township participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Note 12 – Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

	Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$	2,758	\$ 112,381	\$ 115,139
Total	\$	2,758	\$ 112,381	\$ 115,139

The fund balance of special revenue funds is either restricted or committed. These restricted or committed amounts in the special revenue fund would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Total
<b>Cash Receipts</b>			
Property and Other Local Taxes	\$ 105,405	\$ 211,490	\$ 316,895
Licenses, Permits and Fees	-	18,994	18,994
Intergovernmental	31,948	269,090	301,038
Earnings on Investments	223	332	555
Miscellaneous	447	7,040	7,487
<i>Total Cash Receipts</i>	<u>138,023</u>	<u>506,946</u>	<u>644,969</u>
<b>Cash Disbursements</b>			
Current:			
General Government	139,610	138,486	278,096
Public Works	9,000	254,649	263,649
Health	16,645	43,631	60,276
Capital Outlay	-	216,929	216,929
<i>Total Cash Disbursements</i>	<u>165,255</u>	<u>653,695</u>	<u>818,950</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(27,232)</u>	<u>(146,749)</u>	<u>(173,981)</u>
<b>Other Financing Receipts (Disbursements)</b>			
Other Financing Sources	876	-	876
<i>Total Other Financing Receipts (Disbursements)</i>	<u>876</u>	<u>-</u>	<u>876</u>
<i>Net Change in Fund Cash Balances</i>	(26,356)	(146,749)	(173,105)
<i>Fund Cash Balances, January 1</i>	<u>92,824</u>	<u>764,533</u>	<u>857,357</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 66,468</u></u>	<u><u>\$ 617,784</u></u>	<u><u>\$ 684,252</u></u>

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

LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Private Purpose Trust
<i>Fund Cash Balances, January 1</i>	<u>16,644</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 16,644</u></u>

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

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Lafayette Township, Coshocton County, Lafayette Township as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection. The Lafayette Township Trustees contracts with the Village of West Lafayette Fire Department to provide fire services to the residences of the township. A one mill property tax levy provides yearly funds to support the volunteer fire department. The General Fund is supported by a seven tenth inside mill and the Cemetery Fund is supported by a one tenth inside mill and fees from sale of cemetery lots and burials. Current Expense Fund is supported by a one mill levy. All funds are managed by an elected Fiscal Officer. All transactions are reviewed and approved by the board of trustees. The Township has not been declared in any state of fiscal distress by the Auditor of State's office.

***Public Entity Risk Pools***

The Township participates in a public entity risk pool. Note 6 to the financial statements provide additional information for this entity. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all organized on a fund type basis.

***Fund Accounting***

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

***Gas Tax Fund*** The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

***Motor Vehicle License Tax Fund*** The motor vehicle license tax fund accounts for and reports that portion of motor vehicle license registration fees restricted for maintenance and repair of roads within the Township.

***Road and Bridge Fund*** The road and bridge fund accounts for and reports that portion of a voted levy for maintenance and repair of roads and bridges within the Township.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Cemetery Fund*** The cemetery fund accounts for reports that portion of a seven tenths inside mill and portion derived from sale of cemetery lots and fees from burials for the care and maintenance of Fairfield Cemetery.

***Fire District Fund*** The fire district fund accounts for and reports that portion of a voted levy for fire protection provided by West Lafayette Volunteer Fire Department.

***Permissive Motor Vehicle Fund*** The permissive motor vehicle fund accounts for and reports that portion permits and fees for maintenance and repair of roads.

***American Rescue Plan Fund*** The American rescue plan fund accounts for and reports restricted federal monies received through the American Rescue Plan Act to help the Township sustain safe operation and to aid in the impact of the Coronavirus pandemic.

***Fiduciary Funds*** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

***Cemetery Endowment Fund*** The cemetery endowment fund accounts for and reports interest earned on the nonexpendable corpus from a trust agreement restricted for the general maintenance and upkeep of the Township's cemetery. The Township only has permanent funds to provide tombstone decorations. Only the interest is used to purchase decorations for contributing occupants.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

***Budgetary Process***

The Ohio Revised Code requires that each fund 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. Unencumbered 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 approve estimated resources.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 2 – Summary of Significant Accounting Policies (Continued)**

**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.

A summary of 2022 budgetary activity appears in Note 3.

**Deposits and Investments**

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**Capital Assets**

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 upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Nonspendable** The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

**Restricted** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Committed** Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 2 – Summary of Significant Accounting Policies (Continued)**

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	\$134,028	\$138,899	\$4,871
Special Revenue	504,962	506,946	1,984
Total	<u>\$638,990</u>	<u>\$645,845</u>	<u>\$6,855</u>

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	\$226,852	\$198,231	\$28,621
Special Revenue	1,269,495	787,949	481,546
Total	<u>\$1,496,347</u>	<u>\$986,180</u>	<u>\$510,167</u>

**Note 4 – Deposits**

To improve cash management, cash received by the Township is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Township's deposit and investment accounts are as follows:

	2022
Demand deposits	\$ 684,252
Certificates of deposit	16,644
Total deposits	<u>700,896</u>

**Deposits**

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Township.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 5 – Property Taxes**

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 non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction 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.

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

**Note 6 – Risk Management**

***Risk Pool Membership***

The Township is a member of the Ohio Township Association Risk Management Authority (the Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool covers the following risks:

- General liability and casualty;
- Public official's liability;
- Cyber;
- Law enforcement liability;
- Automotive liability;
- Vehicles;
- Property; and
- Equipment breakdown

The Pool reported the following summary of actuarially-measured liabilities and the assets available to pay those liabilities as of December 31:

	<u>2022</u>
Cash and investments	\$ 32,288,098
Actuarial liabilities	\$ 9,146,434

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2022.



**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 8 – Postemployment Benefits**

OPERS offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

**Note 9 – Construction and Contractual Commitments**

The Township has one outstanding payment to Shelley Company for \$79,199.13 for paving projects in the Township.

**Note 10 – Contingent Liabilities**

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 11 – Public Entity Risk Pool**

The Township participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

**Note 12 – Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	\$ 32,976	\$ 134,254	\$ 167,230
Total	<u>\$ 32,976</u>	<u>\$ 134,254</u>	<u>\$ 167,230</u>

The fund balance of special revenue funds is either restricted or committed. These restricted or committed amounts in the special revenue fund would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Lafayette Township**  
*Coshocton County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 13 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

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

Lafayette Township  
Coshocton County  
19153 SR 93  
West Lafayette, Ohio 43845

To the Board of Trustees:

We have audited, in accordance the 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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements of the Lafayette Township, Coshocton County, (the Township) and have issued our report thereon dated March 7, 2025, wherein we noted the Township followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

***Report on Internal Control Over Financial Reporting***

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

A *deficiency in internal control* 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 and correct misstatements on a timely basis. 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 Township's financial statements will not be prevented, or detected and corrected, on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as items 2023-01 that we consider to be material a weakness.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Township's financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2023-002.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

March 7, 2025

**LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY**

**SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2023-001**

**Material Weakness**

The District is responsible for establishing procedures and controls to help prevent and detect errors in financial reporting.

During 2023 and 2022, receipts and expenditures were not always posted or classified correctly. The following posting errors were noted:

- State rollback receipts were misclassified in 2023 as General Property Taxes instead of Intergovernmental.
- State rollback receipts were misclassified in 2022 as General Property Taxes instead of Intergovernmental.
- The reported Permanent Fund was adjusted to a Private Purpose Trust Fund based on documentation indicating the amounts given are required to be used for the beautification of specific burial lots.
- Contracted service expenditures were misclassified in 2022 as Public Works instead of Public Safety in the Fire District Fund.

Not posting receipts accurately resulted in the financial statements requiring several reclassification and adjusting entries. The Financial Statements reflect all reclassifications and adjustments. The District has made these adjustments to their accounting system.

To help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues are properly identified and classified on the financial statements.

**Officials' Response** – We did not receive a response from Township officials.

**FINDING NUMBER 2023-002**

**Salary Overpayment**

**Ohio Revised Code Sections 505.24 and 507.09** set compensation amounts for Trustees and the Fiscal Officer based on a Township's annual budget amount and the term of the elected official.

During our testing, it was noted that the prior Fiscal Officer ended his term on March 1, 2023. However, the prior Fiscal Officer received an extra paycheck before he stepped down. As a result, the Fiscal Officer was overpaid in 2023 by \$1,847.

We recommend the Township utilize the compensation charts as determined by the Ohio Revised Code Sections 505.24 and 507.09 to determine the annual compensation for Township Officials.

**Officials' Response** – We did not receive a response from Township officials.

**LAFAYETTE TOWNSHIP  
COSHOCOTON COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

Finding Number	Finding Summary	Status	Additional Information
2021-001	Mis-postings of transactions and errors in the footnotes to the financial statements.	Not Corrected	Repeated as Finding 2023-001
2021-002	Mis-posting of Budgetary measures.	Corrected	N/A

# OHIO AUDITOR OF STATE KEITH FABER



**LAFAYETTE TOWNSHIP**

**COSHOCTON COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 7/10/2025**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)