



**NEW HAVEN TOWNSHIP
HURON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



**JIM PETRO
AUDITOR OF STATE**

STATE OF OHIO

NEW HAVEN TOWNSHIP
HURON COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

New Haven Township
Huron County
4143 State Route 61 South
P.O. Box 94
New Haven, Ohio 44850-0094

To the Board of Trustees:

We have audited the accompanying financial statements of New Haven Township, Huron County, Ohio, (the Township) as of and for the years ended December 31, 2000 and 1999. 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 audits.

We conducted our audits in accordance with generally accepted auditing standards 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 audits 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 audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Township as of December 31, 2000 and 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2001 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

New Haven Township
Huron County
Report of Independent Accountants
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This report is intended solely for the information and use of management, the Board of Trustees, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

May 7, 2001

**NEW HAVEN TOWNSHIP
HURON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$34,295	\$73,884	\$108,179
Intergovernmental	49,318	71,877	121,195
Special Assessments		2,831	2,831
Licenses, Permits, and Fees		17,270	17,270
Earnings on Investments	17,586	3,098	20,684
Other Revenue	4,171	12,750	16,921
	<u>105,370</u>	<u>181,710</u>	<u>287,080</u>
Total Cash Receipts			
	<u>105,370</u>	<u>181,710</u>	<u>287,080</u>
Cash Disbursements:			
Current:			
General Government	51,683	2,536	54,219
Public Safety	762	46,918	47,680
Public Works	5,627	85,084	90,711
Health	1,881	30,575	32,456
Capital Outlay		1,350	1,350
	<u>59,953</u>	<u>166,463</u>	<u>226,416</u>
Total Cash Disbursements			
	<u>59,953</u>	<u>166,463</u>	<u>226,416</u>
Total Receipts Over/(Under) Disbursements	<u>45,417</u>	<u>15,247</u>	<u>60,664</u>
Other Financing Receipts/(Disbursements):			
Sale of Fixed Assets	177		177
Transfers-In		5,000	5,000
Transfers-Out	(5,000)		(5,000)
	<u>(4,823)</u>	<u>5,000</u>	<u>177</u>
Total Other Financing Receipts/(Disbursements)			
	<u>(4,823)</u>	<u>5,000</u>	<u>177</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	40,594	20,247	60,841
Fund Cash Balances, January 1	<u>171,705</u>	<u>226,648</u>	<u>398,353</u>
Fund Cash Balances, December 31	<u><u>\$212,299</u></u>	<u><u>\$246,895</u></u>	<u><u>\$459,194</u></u>
Reserve for Encumbrances, December 31	<u><u>\$852</u></u>	<u><u>\$6,986</u></u>	<u><u>\$7,838</u></u>

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

**NEW HAVEN TOWNSHIP
HURON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$33,791	\$63,931	\$97,722
Intergovernmental	36,299	67,973	104,272
Special Assessments		2,872	2,872
Licenses, Permits, and Fees		19,690	19,690
Earnings on Investments	11,480	1,695	13,175
Other Revenue	3,994	18,110	22,104
	<u>85,564</u>	<u>174,271</u>	<u>259,835</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
General Government	55,564	2,295	57,859
Public Safety	762	45,916	46,678
Public Works	4,519	71,131	75,650
Health	1,914	27,522	29,436
Capital Outlay		2,925	2,925
	<u>62,759</u>	<u>149,789</u>	<u>212,548</u>
Total Cash Disbursements			
Total Receipts Over/(Under) Disbursements	<u>22,805</u>	<u>24,482</u>	<u>47,287</u>
Other Financing Receipts:			
Sale of Fixed Assets	<u>100</u>		<u>100</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	22,905	24,482	47,387
Fund Cash Balances, January 1	<u>148,800</u>	<u>202,166</u>	<u>350,966</u>
Fund Cash Balances, December 31	<u>\$171,705</u>	<u>\$226,648</u>	<u>\$398,353</u>
Reserve for Encumbrances, December 31	<u>\$990</u>	<u>\$4,800</u>	<u>\$5,790</u>

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

**NEW HAVEN TOWNSHIP
HURON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

New Haven Township, Huron County, (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance, and cemetery maintenance. The Township contracts with the City of Willard and the Village of Plymouth to provide fire services and with the Village of Plymouth to provide ambulance services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

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 is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

**NEW HAVEN TOWNSHIP
HURON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

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

Fire District Levy - This fund receives property tax money to pay for fire protection in the Township.

Cemetery Fund - This fund receives monies from the sale of cemetery lots and burial fees to pay for the operation and maintenance of the Township Cemetery.

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. Unencumbered appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

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

A summary of 2000 and 1999 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

**NEW HAVEN TOWNSHIP
HURON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

	<u>2000</u>	<u>1999</u>
Total Demand Deposits	<u>\$459,194</u>	<u>\$398,353</u>

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

The Township did invest in certificates of deposit during the years ending December 31, 1999 and 2000, however, there were no certificates outstanding at the end of each of these years.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$78,562	\$105,547	\$26,985
Special Revenue	179,966	186,710	6,744
Total	<u>\$258,528</u>	<u>\$292,257</u>	<u>\$33,729</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$77,961	\$65,805	\$12,156
Special Revenue	295,538	173,449	122,089
Total	<u>\$373,499</u>	<u>\$239,254</u>	<u>\$134,245</u>

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$75,548	\$85,664	\$10,116
Special Revenue	163,595	174,271	10,676
Total	<u>\$239,143</u>	<u>\$259,935</u>	<u>\$20,792</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$83,770	\$63,749	\$20,021
Special Revenue	270,885	154,589	116,296
Total	<u>\$354,655</u>	<u>\$218,338</u>	<u>\$136,317</u>

**NEW HAVEN TOWNSHIP
HURON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, 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. RETIREMENT SYSTEMS

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% and 10.84% of participants' gross salaries for 1999 and 2000, respectively. The Township has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Wrongful Acts.



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

New Haven Township
Huron County
4143 State Route 61 South
P.O. Box 94
New Haven, Ohio 44850-0094

To the Board of Trustees:

We have audited the accompanying financial statements of New Haven Township, Huron County, Ohio, (the Township) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated May 7, 2001. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated May 7, 2001.

New Haven Township
Huron County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

Jim Petro
Auditor of State

May 7, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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NEW HAVEN TOWNSHIP

HURON 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
JUNE 5, 2001**