



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

VAN BUREN TOWNSHIP
PUTNAM COUNTY

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Van Buren Township
Putnam County
400 North Street
P.O. Box 291
Leipsic, Ohio 45856-0291

To the Board of Trustees:

We have audited the accompanying financial statements of Van Buren Township, Putnam 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 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 29, 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.

Van Buren Township
Putnam County
Report of Independent Accountants
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This report is intended solely for the information and use of the audit committee, 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 29, 2001

**VAN BUREN TOWNSHIP
PUTNAM 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>	<u>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$81,388	\$42,643		\$124,031
Intergovernmental	49,966	69,195		119,161
Licenses, Permits, and Fees	850	6,300		7,150
Earnings on Investments	4,770	868		5,638
Other Revenue	5,733	9,059		14,792
	<u>142,707</u>	<u>128,065</u>		<u>270,772</u>
Cash Disbursements:				
Current:				
General Government	90,086			90,086
Public Safety		63,585		63,585
Public Works		88,883		88,883
Health	21,736	6,841		28,577
Debt Service:				
Redemption of Principal			\$14,450	14,450
Interest and Fiscal Charges	107		77	184
Capital Outlay	17,585	32,755		50,340
	<u>129,514</u>	<u>192,064</u>	<u>14,527</u>	<u>336,105</u>
Total Receipts Over/(Under) Disbursements	<u>13,193</u>	<u>(63,999)</u>	<u>(14,527)</u>	<u>(65,333)</u>
Other Financing Receipts:				
Transfers-In			14,400	14,400
Transfers-Out	(14,400)			(14,400)
	<u>(14,400)</u>		<u>14,400</u>	
Excess of Cash Disbursements and Other Financing Disbursements Over Cash Receipts and Other Financing Receipts	(1,207)	(63,999)	(127)	(65,333)
Fund Cash Balances, January 1	<u>85,054</u>	<u>91,474</u>	<u>127</u>	<u>176,655</u>
Fund Cash Balances, December 31	<u>\$83,847</u>	<u>\$27,475</u>		<u>\$111,322</u>

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

**VAN BUREN TOWNSHIP
PUTNAM 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>	<u>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$75,102	\$38,408		\$113,510
Intergovernmental	42,250	71,162		113,412
Licenses, Permits, and Fees	1,235	8,460		9,695
Earnings on Investments	5,216	770		5,986
Other Revenue	11,782	9,709		21,491
	<u>135,585</u>	<u>128,509</u>		<u>264,094</u>
Total Cash Receipts				
	<u>135,585</u>	<u>128,509</u>		<u>264,094</u>
Cash Disbursements:				
Current:				
General Government	79,370			79,370
Public Safety		8,521		8,521
Public Works		75,463		75,463
Health	20,201	13,259		33,460
Debt Service:				
Redemption of Principal			\$8,300	8,300
Interest and Fiscal Charges			829	829
Capital Outlay	11,305			11,305
	<u>110,876</u>	<u>97,243</u>	<u>9,129</u>	<u>217,248</u>
Total Cash Disbursements				
	<u>110,876</u>	<u>97,243</u>	<u>9,129</u>	<u>217,248</u>
Total Receipts Over/(Under) Disbursements	<u>24,709</u>	<u>31,266</u>	<u>(9,129)</u>	<u>46,846</u>
Other Financing Receipts:				
Transfers-In			9,000	9,000
Transfers-Out	(9,000)			(9,000)
Other Sources	782			782
	<u>(8,218)</u>		<u>9,000</u>	<u>782</u>
Total Other Financing Receipts/(Disbursements)				
	<u>(8,218)</u>		<u>9,000</u>	<u>782</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	16,491	31,266	(129)	47,628
Fund Cash Balances, January 1	<u>68,563</u>	<u>60,208</u>	<u>256</u>	<u>129,027</u>
Fund Cash Balances, December 31	<u><u>\$85,054</u></u>	<u><u>\$91,474</u></u>	<u><u>\$127</u></u>	<u><u>\$176,655</u></u>

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

**VAN BUREN TOWNSHIP
PUTNAM COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Van Buren Township, Putnam 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, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Villages of Leipsic and Belmore to provide fire services and the County 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

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

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

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

**VAN BUREN TOWNSHIP
PUTNAM 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 Fund - This fund receives property tax money for fire expenses.

3. Debt Service Fund

The Debt Service Fund is used to accumulate resources for the payment of note indebtedness from the purchase of a dump truck. The note debt was retired during 2000.

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

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:

	<u>2000</u>	<u>1999</u>
Demand Deposits	<u>\$111,322</u>	<u>\$176,655</u>

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

**VAN BUREN TOWNSHIP
PUTNAM COUNTY**

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

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	\$120,458	\$142,707	\$22,249
Special Revenue	134,669	128,065	(6,604)
Debt Service	14,400	14,400	0
Total	<u>\$269,527</u>	<u>\$285,172</u>	<u>\$15,645</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$205,513	\$143,914	\$61,599
Special Revenue	226,143	192,064	34,079
Debt Service	14,527	14,527	0
Total	<u>\$446,183</u>	<u>\$350,505</u>	<u>\$95,678</u>

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$118,143	\$136,367	\$18,224
Special Revenue	125,936	128,509	2,573
Debt Service	9,000	9,000	0
Total	<u>\$253,079</u>	<u>\$273,876</u>	<u>\$20,797</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$186,707	\$119,876	\$66,831
Special Revenue	186,144	97,243	88,901
Debt Service	9,256	9,129	127
Total	<u>\$382,107</u>	<u>\$226,248</u>	<u>\$155,859</u>

**VAN BUREN TOWNSHIP
PUTNAM 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. This plan provides retirement benefits, including post-retirement 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;
- Public officials' liability;
- EDP coverage;
- Miscellaneous property coverage;
- Boiler and machinery;
- Earthquake; and
- Flood.

The Township also provides health insurance with a drug card, life, and cancer insurance coverage to officials and full-time employees through a private carrier.



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One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

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

Van Buren Township
Putnam County
400 North Street
P.O. Box 291
Leipsic, Ohio 45856-0291

To the Board of Trustees:

We have audited the accompanying financial statements of Van Buren Township, Putnam County, Ohio, (the Township) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated May 29, 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*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated May 29, 2001.

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 29, 2001.

Van Buren Township
Putnam 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 the audit committee, 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 29, 2001

**VAN BUREN TOWNSHIP
PUTNAM COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2000 AND 1999**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1998-40269-001	ORC § 5705.42 not recording the benefit of Issue II funds	Yes	No evidence of any benefits from Issue II funds this audit period



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

VAN BUREN TOWNSHIP

PUTNAM 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 19, 2001**