

**WASHINGTON TOWNSHIP**  
**HARDIN COUNTY, OHIO**  
**AUDITED FINANCIAL STATEMENTS**  
**JANUARY 1, 2000 – DECEMBER 31, 2001**





STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
Columbus, Ohio 43215

Telephone 614-466-4514  
800-282-0370

Facsimile 614-728-7398  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Board of Township Trustees  
Washington Township  
Dola, OH 45835

We have reviewed the Independent Auditor's Report of Washington Township, Hardin County, prepared by Vanessa L. Blevins, for the audit period January 1, 2000 through December 31, 2001. 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.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO  
Auditor of State

July 22, 2002

**This Page is Intentionally Left Blank.**

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

JANUARY 1, 2000 TO DECEMBER 31, 2001

Table of Contents

Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – All Governmental Fund Types For the Year Ended December 31, 2001	2
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – All Governmental Fund Types For the Year Ended December 31, 2000	3
Notes to the Financial Statements	4
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	9

**This Page is Intentionally Left Blank.**

**Vanessa L Blevins, CPA**

757 W. Elm Street  
P.O. Box 472  
Washington C.H., OH 43160

Phone: 740-333-1318  
Fax: 740-333-3193

**REPORT OF INDEPENDENT ACCOUNTANTS**

Washington Township  
11369 State Route 81  
Dola, Ohio 45835-9706

To the Board of Township Trustees:

We have audited the accompanying financial statements of Washington Township, Hardin County, Ohio, (the Township) as of and for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the 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 audit provides a reasonable basis for our opinion.

As described 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 Washington Township, Hardin County, Ohio, as of December 31, 2001 and 2000, 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 or report dated June 10, 2002, 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 is considering the results of our audit.

Vanessa L. Blevins, CPA

June 10, 2002

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES- ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001

	<b>General</b>	<b>Special Revenue</b>	<b>Total (Memorandum Only)</b>
<b>Cash receipts:</b>			
Taxes	\$ 31,679	\$ 11,103	\$ 42,782
Intergovernmental	50,780	61,168	111,949
Fines, licenses, and permits	-	-	-
Interest Revenue	1,470	2,209	3,678
Miscellaneous	2,659	2,145	4,804
	86,588	76,625	163,213
<b>Cash disbursements:</b>			
Current:			
Public safety	8,958	-	8,958
Public health services	-	2,281	2,281
Public works	1,877	77,275	79,152
Conservation- Recreation	-	1,802	1,802
General government	27,754	-	27,754
Capital outlay	2,494	30,000	32,494
	41,083	111,359	152,441
Total cash disbursements	41,083	111,359	152,441
Total receipts over/(under) disbursements	45,505	(34,734)	10,771
<b>Other Financing Sources (Uses)</b>			
Other Financing Sources	78	-	78
	78	-	78
Total Other Financing Sources (Uses)	78	-	78
Total of Receipts and Other Sources Over (Under) Disbursements and Other Uses	45,583	(34,734)	10,849
Fund cash balances, January 1, 2001	74,049	173,900	247,949
	74,049	173,900	247,949
Fund cash balances, December 31, 2001	\$ 119,632	\$ 139,167	\$ 258,798

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

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

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

	<b>General</b>	<b>Special Revenue</b>	<b>Total (Memorandum Only)</b>
<b>Cash receipts:</b>			
Taxes	\$ 39,509	\$ 10,195	\$ 49,704
Intergovernmental	33,328	63,676	97,003
Fines, licenses, and permits	-	-	-
Interest Revenue	2,027	3,328	5,354
Miscellaneous	1,928	5,423	7,351
	76,791	82,622	159,413
<b>Cash disbursements:</b>			
Current:			
Public safety	26,546	-	26,546
Public health services	-	2,765	2,765
Public Works	1,229	59,625	60,854
Conservation- Recreation	-	1,112	1,112
General government	28,182	-	28,182
Capital outlay	-	-	-
	55,957	63,502	119,459
Total cash disbursements	55,957	63,502	119,459
Total receipts over/(under) disbursements	20,834	19,120	39,954
<b>Other Financing Sources (Uses)</b>			
Other Financing Sources	-	-	-
	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Total of Receipts and Other Sources Over (Under) Disbursements and Other Uses	20,834	19,120	39,954
Fund cash balances, January 1, 2000	53,630	154,380	208,010
Fund Balance Adjustments	(415)	415	(0)
Fund Balance After Adjustments	53,214	154,795	208,009
Fund cash balances, December 31, 2000	74,049	173,915	247,963

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

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Washington Township, Hardin 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. The Township provides general governmental services, including street maintenance and cemetery management. The Township also contracts out for emergency medical services and fire protection.

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**

Certificates of deposit are valued at cost.

**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:

**General Fund** - The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

**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:

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000  
(continued)

*Gasoline Tax Fund* - This fund receives gasoline tax money for constructing, maintaining and repairing Township streets.

*Road and Bridge Fund* - This fund receives tax money for road maintenance.

*Motor Vehicle License Fund* - This fund receives tax money for maintaining and repairing Township roads.

*Cemetery Fund* - This fund receives tax revenue and sale of lot receipts for the upkeep of the Township cemetery.

**E. 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 must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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 also approve estimated resources.

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

A summary of 2001 and 2000 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.

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000  
(continued)

**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>2001</u>	<u>2000</u>
Demand deposits	\$ 258,797	\$ 247,949
Certificates of deposit	-	-
Total deposits	\$ 258,797	\$ 247,949

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

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2001 and 2000 was as follows:

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 59,126	\$ 96,588	\$ 37,462
Special Revenue	76,974	76,625	(349)
Total	\$ 136,100	\$ 173,213	\$ 37,113

2001 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 133,030	\$ 41,083	\$ 91,947
Special Revenue	248,500	111,359	137,141
Total	\$ 381,530	\$ 152,442	\$ 229,088

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000  
(continued)

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 51,430	\$ 76,791	\$ 25,361
Special Revenue	69,387	82,622	13,235
Total	<u>\$ 120,817</u>	<u>\$ 159,413</u>	<u>\$ 38,596</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 100,530	\$ 55,957	\$ 44,573
Special Revenue	219,800	63,502	156,298
Total	<u>\$ 320,330</u>	<u>\$ 119,459</u>	<u>\$ 200,871</u>

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board. 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.

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000  
(continued)

**5. RETIREMENT SYSTEMS**

The Township's full-time 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 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 1999 and 1998, PERS members contributed 8.5 percent of their gross salaries. The Township contributed an amount equal to 13.55 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 1999.

**6. RISK MANAGEMENT**

The Township has obtained commercial insurance for the following risks:

- General liability
- Public Officials Liability
- Automobile Liability, Comprehensive and Collision
- Property Coverage

The Township provides health coverages for an official through a private carrier.

**Vanessa L Blevins, CPA**

757 W. Elm Street  
P.O. Box 472  
Washington C.H., OH 43160

Phone: 740-333-1318  
Fax: 740-333-3193

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

Washington Township  
11369 State Route 81  
Dola, Ohio 45835-9706

To the Board of Township Trustees:

We have audited the financial statements of Washington Township, Hardin County, (the Township) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated June 10, 2002. 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 the 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*. The results of our tests disclosed an immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated June 10, 2002.

**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 June 10, 2002.

This report is intended for the information of the board of trustees and management and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Vanessa L. Blevins, CPA

June 10, 2002





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

**WASHINGTON TOWNSHIP**

**HARDIN 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  
AUGUST 8, 2002**