

**CRAWFORD TOWNSHIP**  
**COLUMBUS REGION, WYANDOT COUNTY**  
**REPORT ON FINANCIAL STATEMENTS**  
**DECEMBER 31, 2002 AND 2001**





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Crawford Township  
P.O. Box 275  
Carey, OH 43316

We have reviewed the Independent Auditor's Report of Crawford Township, Wyandot County, prepared by Holbrook & Manter, for the audit period January 1, 2001 through December 31, 2002. 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. Crawford Township is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

July 22, 2003

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**INDEPENDENT AUDITORS' REPORT**

Board of Trustees  
Crawford Township  
Wyandot County  
P. O. Box 275  
Carey, Ohio 43316

We have audited the accompanying financial statements of Crawford Township, Wyandot County, Ohio, (the Township) as of and for the years ended 2002 and 2001. 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 Crawford Township, Wyandot County, as of December 31, 2002 and December 31, 2001, 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 16, 2003 on our consideration of the Government'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 audit.

This report is intended solely for the information and use of management and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

*Holbrook & Manter*  
Certified Public Accountants

May 16, 2003  
Marion, Ohio

**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY**  
**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENT, AND CHANGES IN FUND**  
**CASH BALANCES - ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 2002**

	<b>General</b>	<b>Special Revenue</b>	<b>(Memorandum Only) Total</b>
<b>Cash receipts:</b>			
Local taxes	\$ 13,908	\$ 32,860	\$ 46,768
Intergovernmental	48,625	66,258	114,883
Interest	15,120	222	15,342
Fines, licenses, and permits	69,426	0	69,426
Miscellaneous	1,210	2,409	3,619
	<b>148,289</b>	<b>101,749</b>	<b>250,038</b>
<b>Cash disbursements:</b>			
Current:			
Public health services	9,170	0	9,170
Public works	0	61,424	61,424
General government	84,321	0	84,321
Public safety	9,025	0	9,025
Debt service			
Note principal payment	80,000	0	80,000
Interest and fiscal charges	3,465	0	3,465
Capital outlay	20,950	0	20,950
	<b>206,931</b>	<b>61,424</b>	<b>268,355</b>
<b>Total receipts over/(under) cash disbursements</b>	<b>( 58,642)</b>	<b>40,325</b>	<b>( 18,317)</b>
<b>Fund cash balances January 1, 2002</b>	<b>419,845</b>	<b>150,009</b>	<b>569,854</b>
<b>Fund cash balances, December 31, 2002</b>	<b>\$ 361,203</b>	<b>\$ 190,334</b>	<b>\$ 551,537</b>

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



**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY**  
**COMBINED STATEMENT OF CASH RECEIPTS CASH DISBURSEMENT, 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>(Memorandum Only) Total</b>
<b>Cash receipts:</b>			
Local taxes	\$ 11,560	\$ 29,916	\$ 41,476
Intergovernmental	64,590	66,743	131,333
Interest	31,310	654	31,964
Fines, licenses, and permits	82,887	0	82,887
Miscellaneous	20,556	2,409	22,965
<b>Total cash receipts</b>	<b>210,903</b>	<b>99,722</b>	<b>310,625</b>
<b>Cash disbursements:</b>			
Current:			
Public health services	11,008	0	11,008
Public works	0	47,107	47,107
General government	74,032	0	74,032
Public safety	28,949	0	28,949
Debt service			
Note principal payment	65,000	0	65,000
Interest and fiscal charges	7,325	0	7,325
Capital outlay	131,579	0	131,579
<b>Total cash disbursements</b>	<b>317,893</b>	<b>47,107</b>	<b>365,000</b>
<b>Total receipts over/(under) cash disbursements</b>	<b>( 106,990)</b>	<b>52,615</b>	<b>( 54,375)</b>
<b>Fund cash balances January 1, 2001</b>	526,835	97,394	624,229
<b>Fund cash balances, December 31, 2001</b>	<b>\$ 419,845</b>	<b>\$ 150,009</b>	<b>\$ 569,854</b>

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

**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2002 AND 2001**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:-**

**Description of the Entity** - Crawford Township, Wyandot 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 three publicly - elected Trustees. The Township provides general governmental services, road and bridge maintenance, and fire and ambulance protection.

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

**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.

**Cash and Investments** - Certificates of deposit are valued at cost.

**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:

**Motor Vehicle License Tax Fund**

This fund receives motor vehicle tax money for constructing, maintaining and repairing township roads.

**Gasoline Tax Fund**

This fund receives gasoline tax money for constructing, maintaining and repairing township roads.

**Road and Bridge Fund**

This fund receives county auditor tax settlements for maintaining and repairing Township roads and bridges

**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2002 AND 2001**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:-** (continued)

**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. 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.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

**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

**NOTE 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>2002</u>		<u>2001</u>
Deposits	\$ 76,537	\$	94,854
Certificates of Deposit	<u>475,000</u>		<u>475,000</u>
	\$ <u>551,537</u>	\$	<u>569,854</u>

**Deposits** - The Townships deposits are insured by the Federal Depository Insurance Corporation, and collateralized by the financial institution's public entity deposit pool.

**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2002 AND 2001**

**NOTE 3 – BUDGETARY ACTIVITY:-**

Budgetary activity for the years ending December 31, 2002 and 2001 was as follows:

**2002 Budgeted VS. Actual Receipts**

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 121,670	\$ 148,289	\$ 26,619
Special Revenue	<u>66,100</u>	<u>101,749</u>	<u>35,649</u>
Total	\$ <u><u>187,770</u></u>	\$ <u><u>250,038</u></u>	\$ <u><u>62,268</u></u>

**2002 Budgeted VS. Actual Budgetary Basis Expenditures**

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 507,344	\$ 206,931	\$ 300,413
Special Revenue	<u>216,109</u>	<u>61,424</u>	<u>154,685</u>
Total	\$ <u><u>723,453</u></u>	\$ <u><u>268,355</u></u>	\$ <u><u>455,098</u></u>

**2001 Budgeted VS. Actual Receipts**

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 87,500	\$ 210,903	\$ 123,403
Special Revenue	<u>66,100</u>	<u>99,722</u>	<u>33,622</u>
Total	\$ <u><u>153,600</u></u>	\$ <u><u>310,625</u></u>	\$ <u><u>157,025</u></u>

**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2002 and 2001**

**NOTE 3 – BUDGETARY ACTIVITY:-** (continued)

**2001 Budgeted VS. Actual Budgetary Basis Expenditures**

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 614,335	\$ 317,893	\$ 296,442
Special Revenue	<u>163,494</u>	<u>47,107</u>	<u>116,387</u>
Total	<u>\$ 777,829</u>	<u>\$ 365,000</u>	<u>\$ 412,829</u>

**NOTE 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 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 payment, the first half is due December 31. The second half payment is due the following June 20.

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.

**NOTE 5 - RETIREMENT SYSTEMS:-**

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost – sharing, multiple-employee 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 2002 and 2001, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2002.

**NOTE 6 – RISK MANAGEMENT:-**

The Township has obtained commercial insurance for the following:

- Building and contents and general liability
- Inland marine
- Destruction of cemetery

**CRAWFORD TOWNSHIP**  
**WYANDOT COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2002 and 2001**

**NOTE 7 – DEBT:-**

The note to finance a fire truck was paid off during 2001. It was a general obligation note in the amount of \$125,000 with an interest rate of 5.25% per annum. The note was repaid in annual installments over five years. Annual principle payments of \$25,000 plus interest, were required until note payoff; the final payment made was on April 16, 2001.

The note to finance a building was paid off during 2002. It was a general obligation note in the amount of \$200,000 with an interest rate of 5.5% per annum. The note was repaid in annual installments over five years. Annual principle payments of \$40,000 plus interest, were required until note payoff; the final payment made was on May 6, 2002.



**Report on Compliance and on Internal Control Required by *Government Auditing Standards***

Board of Trustees  
Crawford Township  
Wyandot County  
P.O. Box 275  
Carey, Ohio 43316

We have audited the accompanying financial statements of Crawford Township, Wyandot County, Ohio (the Township), as of and for the years ended December 31, 2002 and December 31, 2001, and have issued our report thereon dated May 16, 2003. 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 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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered 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 matter 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 of 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.

We noted other matters involving compliance and internal control over financial reporting that we have reported to the Management of the Township in a separate letter dated May 16, 2003.

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

*Holbrook & Manter*

Certified Public Accountants

May 16, 2003  
Marion, Ohio







**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

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800-282-0370

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**CRAWFORD TOWNSHIP**

**WYANDOT 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 14, 2003**