

**WASHINGTON TOWNSHIP**

**HARDIN COUNTY, OHIO**

**AUDITED FINANCIAL STATEMENTS**

*JANUARY 1, 1998 - DECEMBER 31, 1999*

WASHINGTON TOWNSHIP  
HARDIN, OHIO

JANUARY 1, 1998 TO DECEMBER 31, 1999

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Township Trustees  
Washington Township  
Dola, Ohio 45835

We have reviewed the Independent Auditor's Report of Washington Township, Hardin County, prepared by Vanessa L. Blevins, CPA, for the audit period January 1, 1998 through December 31, 1999. 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 10, 2000

**Vanessa L. Blevins, CPA**

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## REPORT OF INDEPENDENT ACCOUNTANTS

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

To the Members of 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, 1999 and 1998. 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.

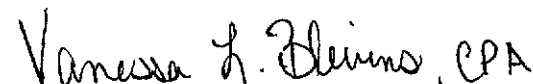
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable 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 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, 1999 and 1998, 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 June 1, 2000, 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.

This report is intended solely for the information and use of the 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. However, this report is a public record and is available upon specific request.

  
Vanessa L. Blevins, CPA

June 1, 2000

**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, 1999**

	General	Special Revenue	Total (Memorandum Only)
<b>Cash receipts:</b>			
Taxes	\$ 35,638	\$ 7,819	\$ 43,457
Intergovernmental	28,212	65,602	93,814
Fines, licenses, and permits	-	-	-
Interest Revenue	1,736	3,165	4,901
Miscellaneous	997	4,437	5,434
	<hr/>	<hr/>	<hr/>
Total cash receipts	66,583	81,023	147,606
<b>Cash disbursements:</b>			
Current:			
Public safety	17,328	-	17,328
Public health services	-	3,081	3,081
Public works	1,130	56,146	57,276
Conservation- Recreation	-	-	-
General government	18,977	-	18,977
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Total cash disbursements	37,435	59,227	96,662
Total receipts over/(under) disbursements	29,148	21,796	50,944
<b>Other Financing Sources (Uses)</b>			
Other Financing Sources	198	-	198
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	198	-	198
Total of Receipts and Other Sources Over (Under) Disbursements and Other Uses	29,346	21,796	51,142
Fund cash balances, January 1, 1999	23,037	133,831	156,868
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Fund cash balances, December 31, 1999	\$ 52,383	\$ 155,627	\$ 208,010
	<hr/>	<hr/>	<hr/>

*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, 1998**

	General	Special Revenue	Total (Memorandum Only)
<b>Cash receipts:</b>			
Taxes	\$ 13,441	\$ 7,967	\$ 21,408
Intergovernmental	12,493	56,216	68,709
Fines, licenses, and permits	-	-	-
Interest Revenue	2,103	3,369	5,472
Miscellaneous	-	3,091	3,091
	<hr/>		
Total cash receipts	28,037	70,643	98,680
<b>Cash disbursements:</b>			
Current:			
Public safety	19,212	-	19,212
Public health services	-	1,206	1,206
Public Works	1,243	96,803	98,046
Conservation- Recreation	-	-	-
General government	18,937	18,718	37,655
Capital outlay	-	-	-
	<hr/>		
Total cash disbursements	39,392	116,727	156,119
Total receipts over/(under) disbursements	(11,355)	(46,084)	(57,439)
<b>Other Financing Sources (Uses)</b>			
Other Financing Sources	1,170	-	1,170
	<hr/>		
Total Other Financing Sources (Uses)	1,170	-	1,170
Total of Receipts and Other Sources Over (Under) Disbursements and Other Uses	(10,185)	(46,084)	(56,269)
Fund cash balances, January 1, 1998	41,222	171,915	213,137
Fund Balance Adjustments	(8,000)	8,000	-
Fund Balance After Adjustments	33,222	179,915	213,137
	<hr/>		
Fund cash balances, December 31, 1998	23,037	133,831	156,868

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

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

**NOTES TO FINANCIAL STATEMENTS**

**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  
(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.

**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 1999 and 1998 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>1999</u>	<u>1998</u>
Demand deposits	\$ 168,010	\$ 116,869
Certificates of deposit	40,000	40,000
Total deposits	<u>\$ 208,010</u>	<u>\$ 156,869</u>

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



**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

NOTES TO FINANCIAL STATEMENTS  
(Continued)

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1999 and 1998 was as follows:

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 49,930	\$ 66,583	\$ 16,653
Special Revenue	68,852	81,023	12,171
Total	<u>\$ 118,782</u>	<u>\$ 147,606</u>	<u>\$ 28,824</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 73,230	\$ 37,435	\$ 35,795
Special Revenue	201,400	59,227	142,173
Total	<u>\$ 274,630</u>	<u>\$ 96,662</u>	<u>\$ 177,968</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 23,050	\$ 28,037	\$ 4,987
Special Revenue	56,755	70,643	13,888
Total	<u>\$ 79,805</u>	<u>\$ 98,680</u>	<u>\$ 18,875</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 65,030	\$ 39,391	\$ 25,639
Special Revenue	228,200	116,727	111,473
Total	<u>\$ 293,230</u>	<u>\$ 156,118</u>	<u>\$ 137,112</u>

**WASHINGTON TOWNSHIP  
HARDIN COUNTY, OHIO**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**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.

**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**

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P.O. Box 472  
Washington C.H., OH 43160

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

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

To the Members of 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, 1999 and 1998, and have issued our report thereon dated June 1, 2000. 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. However, we noted certain immaterial instances of noncompliance that we have reported to management of Washington Township in a separate letter dated June 1, 2000.


**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 1, 2000.

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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. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

  
Vanessa L. Blevins, CPA

June 1, 2000



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.

By: Susan Babbitt

Date: AUG 03 2000