



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**WINDSOR TOWNSHIP  
MORGAN COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

Windsor Township  
Morgan County  
P.O. Box 65  
Stockport, Ohio 43787

To the Board of Trustees:

We have audited the accompanying financial statements of Windsor Township, Morgan 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 the 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 audit 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 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 Windsor Township, Morgan County, 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 February 2, 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 audit.

This report is intended solely for the information and use of the 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

February 2, 2001

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WINDSOR TOWNSHIP  
MORGAN COUNTY

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

	<u>Governmental Fund Types</u>				<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Fiduciary Funds</u>	
<b>Cash Receipts:</b>					
Local Taxes	\$ 14,179	\$ 49,375	\$	\$	\$ 63,554
Intergovernmental	25,596	56,854	14,057		96,507
Earnings on Investments	3,119	2,776			5,895
Other Revenue	612	12,269			12,881
<b>Total Cash Receipts</b>	<u>43,506</u>	<u>121,274</u>	<u>14,057</u>	<u>0</u>	<u>178,837</u>
<b>Cash Disbursements:</b>					
Current:					
General Government	33,142	18			33,160
Public Safety		27,413			27,413
Public Works		104,738			104,738
Health	14,524			283	14,807
Debt Service:					
Redemption of Principal			11,556		11,556
Interest and Fiscal Charges			2,501		2,501
Capital Outlay	296				296
<b>Total Cash Disbursements</b>	<u>47,962</u>	<u>132,169</u>	<u>14,057</u>	<u>283</u>	<u>194,471</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(4,456)</u>	<u>(10,895)</u>	<u>0</u>	<u>(283)</u>	<u>(15,634)</u>
<b>Other Financing Receipts/(Disbursements):</b>					
Transfers-In	300		300		600
Transfers-Out	(300)		(300)		(600)
Other Uses	(532)				(532)
<b>Total Other Financing Receipts/(Disbursements)</b>	<u>(532)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(532)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(4,988)	(10,895)	0	(283)	(16,166)
Fund Cash Balances, January 1	15,389	86,694	3,663	283	106,029
<b>Fund Cash Balances, December 31</b>	<u>\$ 10,401</u>	<u>\$ 75,799</u>	<u>\$ 3,663</u>	<u>\$ 0</u>	<u>\$ 89,863</u>

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

WINDSOR TOWNSHIP  
MORGAN COUNTY

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

	Governmental Fund Types					Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Fiduciary Funds	
<b>Cash Receipts:</b>						
Local Taxes	\$ 12,480	\$ 49,706	\$ 940	\$	\$	\$ 63,126
Intergovernmental	28,286	60,996	12,533			101,815
Earnings on Investments	2,784	1,975				4,759
Other Revenue	499	10,658				11,157
<b>Total Cash Receipts</b>	<b>44,049</b>	<b>123,335</b>	<b>13,473</b>	<b>0</b>	<b>0</b>	<b>180,857</b>
<b>Cash Disbursements:</b>						
Current:						
General Government	26,230	4				26,234
Public Safety		22,185				22,185
Public Works		105,752				105,752
Health	13,543	50			360	13,953
Debt Service:						
Redemption of Principal			8,873			8,873
Interest and Fiscal Charges			1,968			1,968
Capital Outlay	23,700			1,372		25,072
<b>Total Cash Disbursements</b>	<b>63,473</b>	<b>127,991</b>	<b>10,841</b>	<b>1,372</b>	<b>360</b>	<b>204,037</b>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<b>(19,424)</b>	<b>(4,656)</b>	<b>2,632</b>	<b>(1,372)</b>	<b>(360)</b>	<b>(23,180)</b>
<b>Other Financing Receipts/(Disbursements):</b>						
Proceeds from Sale of Public Debt:						
Sale of Notes	13,700					13,700
Other Uses	(52)					(52)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>13,648</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,648</b>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<b>(5,776)</b>	<b>(4,656)</b>	<b>2,632</b>	<b>(1,372)</b>	<b>(360)</b>	<b>(9,532)</b>
Fund Cash Balances, January 1	21,165	91,350	1,031	1,372	643	115,561
<b>Fund Cash Balances, December 31</b>	<b>\$ 15,389</b>	<b>\$ 86,694</b>	<b>\$ 3,663</b>	<b>\$ 0</b>	<b>\$ 283</b>	<b>\$ 106,029</b>

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



**WINDSOR TOWNSHIP  
MORGAN COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Windsor Township, Morgan 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 and a publicly-elected Clerk. The Township provides general governmental services, including road and bridge maintenance, cemetery maintenance, 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.

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

**C. 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:

*Motor Vehicle License Tax Fund* - This fund receives motor vehicle license 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 property tax money for constructing, maintaining and repairing Township roads and bridges.

*Fire Fund* - This fund receives property tax money to provide fire protection through contracts with the Village of Stockport Volunteer Fire Department and the M & M Volunteer Fire Department.

**WINDSOR TOWNSHIP  
MORGAN COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

*Cemetery Fund* - This fund receives property tax money for maintaining the Township's cemeteries.

*Permissive Motor Vehicle Tax Fund* - This fund receives a portion of the County's permissive motor vehicle license tax for constructing, maintaining, and repairing Township roads.

**3. Debt Service Fund**

This fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township had the following Debt Service Fund:

*Note Retirement Fund* - This fund receives a portion of the Township's gasoline tax monies to retire the principal and interest on debt associated with equipment purchases.

**4. Capital Projects Fund**

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Township had the following Capital Projects Fund:

*Building Fund* - This fund accounts for the receipts and disbursements related to the construction of a new Township hall and garage.

**5. Fiduciary Funds**

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Township to maintain the corpus of the trust, the fund is classified as a Nonexpendable Trust Fund. During 2000 and 1999, the Township had one cemetery bequest fund, classified as an Expendable Trust Fund.

**D. 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 and function 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.

**WINDSOR TOWNSHIP  
MORGAN COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Budgetary Process (Continued)**

**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 1999 budgetary activity appears in Note 3.

**E. 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>\$89,863</u>	<u>\$106,029</u>

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation.

**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	\$ 43,546	\$ 43,806	\$ 260
Special Revenue	106,320	121,274	14,954
Debt Service	13,873	14,357	484
Expendable Trust	0	0	0
Total	\$ 163,739	\$ 179,437	\$ 15,698

**WINDSOR TOWNSHIP  
MORGAN COUNTY**

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

**3. BUDGETARY ACTIVITY (Continued)**

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 56,036	\$ 48,794	\$ 7,242
Special Revenue	155,893	132,169	23,724
Debt Service	14,357	14,357	0
Expendable Trust	283	283	0
Total	<u>\$ 226,569</u>	<u>\$ 195,603</u>	<u>\$ 30,966</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 47,972	\$ 57,749	\$ 9,777
Special Revenue	105,022	123,335	18,312
Debt Service	9,900	13,473	3,573
Capital Projects	0	0	0
Expendable Trust	68	0	(68)
Total	<u>\$ 162,962</u>	<u>\$ 194,557</u>	<u>\$ 31,595</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 65,993	\$ 63,525	\$ 2,468
Special Revenue	185,216	127,991	57,225
Debt Service	10,850	10,841	9
Capital Projects	1,372	1,372	0
Expendable Trust	643	360	283
Total	<u>\$ 264,073</u>	<u>\$ 204,089</u>	<u>\$ 59,984</u>

**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 payment, 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 in 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.

**WINDSOR TOWNSHIP  
MORGAN COUNTY**

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

**4. PROPERTY TAX (Continued)**

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**5. DEBT**

Debt outstanding at December 31, 2000, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Notes:		
Truck Purchase	\$ 11,274	5.50%
Backhoe Purchase	2,179	5.95%
Lightner Ridge Road Building	4,072	5.95%
	<u>15,781</u>	5.45%
Total	<u>\$ 33,306</u>	

The general obligation notes were issued to finance the purchase of equipment and construction of a building. The notes are secured by the goods or property being purchased. The full faith and credit of the Township is pledged for the repayment of the debt.

Amortization of the above debt, including interest of \$4,046, is scheduled as follows:

<u>Year ending December 31:</u>	<u>General Obligation Notes</u>
2001	\$ 14,049
2002	9,054
2003	8,217
2004	<u>6,032</u>
Total	<u>\$ 37,352</u>

**6. RETIREMENT SYSTEM**

The Township's elected officials and 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% of participants' gross salaries through June 30, 2000. Effective July 1, 2000 the employers' contribution rate decreased to 8.13% of the participants' gross salaries. The Township has paid all contributions required through December 31, 2000.

**WINDSOR TOWNSHIP  
MORGAN COUNTY**

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

**7. RISK MANAGEMENT**

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles

The Township also provides health insurance coverage to full-time employees and elected officials through a private carrier.



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

Windsor Township  
Morgan County  
P.O. Box 65  
Stockport, Ohio 43737

To the Board of Trustees:

We have audited the accompanying financial statements of Windsor Township, Morgan County, Ohio (the Township), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated February 2, 2001. 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.

**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 audit 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 an immaterial instance of noncompliance that we have reported to the management of the Township in a separate letter dated February 2, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, 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 February 2, 2001.

Windsor Township  
Morgan 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 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

February 2, 2001





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**WINDSOR TOWNSHIP**

**MORGAN 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  
MARCH 6, 2001**