



**Auditor of State
Betty Montgomery**

SUFFIELD TOWNSHIP
PORTAGE COUNTY

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Suffield Township
Portage County
2239 Trares Road
Suffield, Ohio 44260

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Suffield Township, Portage County, Ohio (the Township), as of and for the year ended December 31, 2005, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Suffield Township, Portage County, Ohio, as of December 31, 2005, and the respective changes in cash financial position and the respective budgetary comparison for the General, Road and Bridge, and Fire District Funds thereof for the year then ended in conformity with the basis of accounting Note 1 describes.

For the year ended December 31, 2005, the Township revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2006, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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Management's discussion and analysis and the respective budgetary comparison for the General, Road and Bridge, and Fire District Funds are not a required part of the basic financial statements but are supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

May 2, 2006

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

This discussion and analysis of Suffield Township's (Township) financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2005, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2005 are as follows:

The year end net assets of the governmental activities increased \$129,040, or 23% over the prior year. This is a significant change however, this was primarily due to a \$69,200 encumbrance in the Fire District Fund.

The primary receipts for the Township is Property Taxes and Intergovernmental Sources. Respectively, these receipts represented 62 and 26 percent of the total cash received by the Township for governmental activities during the year. The property tax receipts for 2005 increased about 1% percent over 2004 and the intergovernmental receipts decreased about 4.6% percent since 2004.

The Township purchased a piece of property at a cost of \$100,000. This property, which adjoins existing property currently owned by the Township, and was purchased for the purpose of future expansion of township facilities. The Township obtained a promissory note in the amount of \$75,000 to cover 75 percent of the cost.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2005, within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

The Township only has the Governmental type of activities; thus, the statement of net assets and the statement of activities will show only Governmental type activities:

Governmental activities. All of the Township's basic services are reported here, including fire, streets and parks. State and federal grants and income and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Township's Most Significant Funds

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are all in the category of governmental funds.

Governmental Funds: All of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General Fund, the Road & Bridge Fund, the Fire District Fund and the Debt Retirement Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

The Government as a Whole

Table 1 provides a summary of the Township's net assets for 2005 compared to 2004 on a cash basis:

(Table 1)
Net Assets

	Governmental Activities		Total	
	2005	2004	2005	2004
Assets				
Cash and Cash Equivalents	\$690,457	\$561,417	\$690,457	\$561,417
Investments				
Total Assets	<u>690,457</u>	<u>561,417</u>	<u>690,457</u>	<u>561,417</u>
Net Assets				
Restricted for:				
Debt Service	13,026	13,626	13,026	13,626
Capital Outlay				
Other Purposes	508,747	390,312	508,747	390,312
Unrestricted	<u>168,684</u>	<u>157,479</u>	<u>168,684</u>	<u>157,479</u>
Total Net Assets	<u>\$690,457</u>	<u>\$561,417</u>	<u>\$690,457</u>	<u>\$561,417</u>

As mentioned previously, the net assets of the governmental activities increased \$129,040 or 23 percent over 2004. This, as also mentioned, was primarily due to a \$69,200 encumbrance in the Fire District Fund. Otherwise, there is no specific reason for the increase (i.e., the increases as illustrated for each of the various funds are in line with typical variances that are common between the receipts and the disbursements).

Table 2 reflects the changes in net assets in 2005. Since the Township did not prepare financial statements in this format for 2004, a comparative analysis of government-wide data has not been presented. In future years, when prior year information is available, a comparative analysis will be presented.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

(Table 2)
Changes in Net Assets

	Governmental Activities 2005	Total 2005
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$22,711	\$22,711
Operating Grants and Contributions	186,760	186,760
Total Program Receipts	209,471	209,471
General Receipts:		
Property and Other Local Taxes	683,475	683,475
Debt Retirement	137,419	137,419
Grants and Entitlements Not Restricted to specific Programs	160,223	
Notes	75,000	75,000
Interest	22,315	22,315
Miscellaneous	36,860	36,860
Total General Receipts	1,115,292	1,115,292
Total Receipts	1,324,764	1,324,764
Disbursements:		
General Government	202,725	202,725
Public Safety	361,017	361,017
Public Works	361,452	361,452
Health	4,161	4,161
Capital Outlay	128,350	128,350
Debt Retirement	138,019	138,019
Total Disbursements	1,195,724	1,195,724
Excess (Deficiency) Before Transfers	129,039	129,039
Increase (Decrease) in Net Assets	129,039	129,039
Net Assets, January 1, 2005	561,417	561,417
Net Assets, December 31, 2005	\$690,456	\$690,456

Program receipts represent only 16 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license, gas tax money, and the Roll Back/Homestead fees in the Road & Bridge and Fire District Funds.

General receipts represent 84 percent of the Township's total receipts, and of this amount, over 74 percent are local taxes. State and federal grants, entitlements and a promissory note of \$75,000 make up the balance of the Township's general receipts at 21 percent. Other receipts are very insignificant and are somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Government activities. These include the costs of council, the auditor and treasurer fees as well as internal services such as payroll and purchasing.

Public Safety is the cost of fire protection; Public Works is the cost of Road Maintenance, Health is the cost of maintaining the cemeteries and Debt Retirement is the cost of paying off the promissory notes.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

Governmental Activities

If you look at the Statement of Activities, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for the security of persons and property (Public Safety) and for transportation (Public Works), which respectively accounts for 30 and 30 percent of all the governmental disbursements. The General Government represents about 17 percent of the governmental disbursements. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)

Governmental Activities

	Total Cost Of Services 2005	Net Cost of Services 2005
	2005	2005
General Government	\$202,725	\$11,773
Public Safety	361,017	342,497
Public Works	361,452	361,452
Health	4,161	4,161
Economic Development		
Basic Utilities		
Transportation		
Capital Outlay	128,350	128,350
Debt. Retirement	138,019	138,019
Interest and Fiscal Charges		
Total Expenses	\$1,195,724	\$986,252

The dependence upon property tax receipts is apparent as over 62 percent of governmental activities are supported through these general receipts.

The Township's Funds

Total governmental funds had receipts of \$ 1,249,764 and disbursements of \$ 1,195,724. The greatest change within governmental funds occurred within the Fire District Fund. The fund balance of the Fire District Fund increased \$ 123,753 which is primarily due to a substantial carryover from 2004.

None of the other funds showed any reason for concern, (i.e., they each fell within the range of normal variation from year to year). Our biggest concerns are Tax adjustments that the State of Ohio may make, including the reduction or elimination of the Local Government and Local Government Revenue

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

Assistance funds that would affect the tax resources applied to the General Fund. The General Fund receipts, however, have been consistently reliable in supporting the needed disbursement requirements.

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During 2005, the Township amended its General Fund budget one time to reflect the addition of \$75,000 obtained through a promissory note. The additional funds were needed to support the purchase of an adjoining piece of property. Final budgeted receipts & disbursements (appropriations) were increased accordingly. The differences between the final budgeted receipts and actual receipts were not significant.

The Final disbursements were budgeted at \$400,000 while the actual disbursements were \$314,830. The result was a \$85,169 decrease in spending which was in the range of expectation.

Debt Administration

As of December 31, 2005, the Township has a total of five outstanding promissory notes totaling \$274,909. Refer to Note 10 in the Financial Statement Notes for details.

Current Issues

The challenge for all Townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. We also rely heavily on levies that are approved and routinely renewed or replaced when due. We monitor these very closely and budget our planned programs and capital requirements accordingly. As an example, some serious upgrading is needed for the Fire Station, thus, we are monitoring the Fire Departments resources and disbursements along with anticipated future equipment requirements so that upcoming new or replacement levies can be proposed to include funds for upgrading the Fire Station.

Contacting the Government's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Paul Young, Fiscal Officer, Suffield Township at 2239 Trares Road, Suffield, Ohio 44260.

Suffield Township, Portage County
Statement of Net Assets - Cash Basis
December 31, 2005

	Governmental Activities	Total
Assets		
Equity in Pooled Cash and Cash Equivalents	\$690,457	\$690,457
<i>Total Assets</i>	<i>\$690,457</i>	<i>\$690,457</i>
 Net Assets		
Restricted for:		
Debt Service	13,026	13,026
Other Purposes (Special Revenue)	508,747	508,747
Unrestricted (General Fund)	168,684	168,684
<i>Total Net Assets</i>	<i>\$690,457</i>	<i>\$690,457</i>

See accompanying notes to the basic financial statements

Suffield Township, Portage County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2005

	Program Cash Receipts		
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities			
General Government	\$202,725	\$4,191	\$186,760
Public Safety	361,017	18,520	
Public Works	361,452		
Health	4,161		
Capital Outlay	128,350		
Debt Service	138,019		
<i>Total Governmental Activities</i>	1,195,724	22,711	186,760
Total	\$1,195,724	\$22,711	\$186,760

General Receipts

Property Taxes Levied for:

General Purposes

Debt Service

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Bonds Issued

Notes Issued

Premium on Debt Issue

Sale of Capital Assets

Interest

Miscellaneous

Total General Receipts

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Disbursements)	
Receipts and Changes in Net Assets	
Governmental Activities	Total
(\$11,774)	(\$11,774)
(342,497)	(342,497)
(361,452)	(361,452)
(4,161)	(4,161)
(128,350)	(128,350)
(138,019)	(138,019)
(986,253)	(986,253)
(986,253)	(986,253)
683,476	683,476
137,419	137,419
	0
160,223	160,223
	0
75,000	75,000
	0
	0
22,315	22,315
36,860	36,860
1,115,293	1,115,293
129,040	129,040
561,417	561,417
<u>\$690,457</u>	<u>\$690,457</u>

Suffield Township, Portage County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2005

	General	Road & Bridge Fund	Fire District Fund	Debt Retirement Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$168,684	\$72,437	\$343,593	\$13,026
<i>Total Assets</i>	<u>\$168,684</u>	<u>\$72,437</u>	<u>\$343,593</u>	<u>\$13,026</u>
Fund Balances				
Reserved:				
Reserved for Encumbrances			\$69,200	
Unreserved:				
Undesignated, Reported in:				
General Fund	168,684			
Special Revenue Funds		72,437	274,393	
Debt Service Fund				13,026
<i>Total Fund Balances</i>	<u>\$168,684</u>	<u>\$72,437</u>	<u>\$343,593</u>	<u>\$13,026</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
\$92,717	\$690,457
<u>\$92,717</u>	<u>\$690,457</u>
	\$69,200
	168,684
92,717	439,547
	13,026
<u>\$92,717</u>	<u>\$690,457</u>

Suffield Township, Portage County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2005

	General	Road & Bridge Fund	Fire District Fund	Debt Retirement Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$49,001	\$175,248	\$421,446	\$137,419	\$37,781	\$820,895
Charges for Services			18,520			18,520
Licenses, Permits and Fees	4,191					4,191
Intergovernmental	148,889	29,230	63,321		105,543	346,983
Interest	19,612				2,703	22,315
Other	29,342		7,518			36,860
<i>Total Receipts</i>	<u>251,035</u>	<u>204,478</u>	<u>510,805</u>	<u>137,419</u>	<u>146,027</u>	<u>1,249,764</u>
Disbursements						
Current:						
General Government	202,725					202,725
Public Safety			361,017			361,017
Public Works	6,922	233,615			120,915	361,452
Health	4,161					4,161
Capital Outlay	101,022	454	26,035		839	128,350
Debt Service:						
Principal Retirement				124,440		124,440
Interest and Fiscal Charges				13,579		13,579
<i>Total Disbursements</i>	<u>314,830</u>	<u>234,069</u>	<u>387,052</u>	<u>138,019</u>	<u>121,754</u>	<u>1,195,724</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(63,795)</u>	<u>(29,591)</u>	<u>123,753</u>	<u>(600)</u>	<u>24,273</u>	<u>54,040</u>
Other Financing Sources (Uses)						
Notes Issued	75,000					75,000
<i>Total Other Financing Sources (Uses)</i>	<u>75,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>75,000</u>
<i>Net Change in Fund Balances</i>	11,205	(29,591)	123,753	(600)	24,273	129,040
<i>Fund Balances Beginning of Year</i>	<u>157,479</u>	<u>102,028</u>	<u>219,840</u>	<u>13,626</u>	<u>68,444</u>	<u>561,417</u>
<i>Fund Balances End of Year</i>	<u>\$168,684</u>	<u>\$72,437</u>	<u>\$343,593</u>	<u>\$13,026</u>	<u>\$92,717</u>	<u>\$690,457</u>

See accompanying notes to the basic financial statements

Suffield Township, Portage County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	(Optional)
	Original	Final		Variance with Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$48,069	\$48,069	\$49,001	\$932
Licenses, Permits and Fees	5,500	5,500	4,191	(1,309)
Intergovernmental	93,738	93,738	148,889	55,151
Interest	6,500	6,500	19,612	13,112
Other	28,250	28,250	29,342	1,092
<i>Total receipts</i>	<u>182,057</u>	<u>182,057</u>	<u>251,035</u>	<u>68,978</u>
Disbursements				
Current:				
General Government	269,000	269,000	202,725	66,275
Public Works	20,000	20,000	6,922	13,078
Health	5,800	5,800	4,161	1,639
Capital Outlay	30,200	105,200	101,022	4,178
<i>Total Disbursements</i>	<u>325,000</u>	<u>400,000</u>	<u>314,830</u>	<u>85,170</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(142,943)</u>	<u>(217,943)</u>	<u>(63,795)</u>	<u>154,148</u>
Other Financing Sources (Uses)				
Notes Issued		75,000	75,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(142,943)</u>	<u>(142,943)</u>	<u>11,205</u>	<u>154,148</u>
<i>Fund Balance Beginning of Year</i>	<u>157,479</u>	<u>157,479</u>	<u>157,479</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$14,536</u>	<u>\$14,536</u>	<u>\$168,684</u>	<u>\$154,148</u>

See accompanying notes to the basic financial statements

Suffield Township, Portage County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	(Optional)
	Original	Final		Variance with Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$171,479	\$171,479	\$175,248	\$3,769
Intergovernmental	29,962	29,962	29,230	(732)
<i>Total receipts</i>	<u>201,441</u>	<u>201,441</u>	<u>204,478</u>	<u>3,037</u>
Disbursements				
Current:				
Public Works	243,000	280,000	233,615	46,385
Capital Outlay	47,000	10,000	454	9,546
<i>Total Disbursements</i>	<u>290,000</u>	<u>290,000</u>	<u>234,069</u>	<u>55,931</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(88,559)</u>	<u>(88,559)</u>	<u>(29,591)</u>	<u>58,968</u>
<i>Net Change in Fund Balance</i>	(88,559)	(88,559)	(29,591)	58,968
<i>Fund Balance Beginning of Year</i>	<u>102,028</u>	<u>102,028</u>	<u>102,028</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,469</u></u>	<u><u>\$13,469</u></u>	<u><u>\$72,437</u></u>	<u><u>\$58,968</u></u>

See accompanying notes to the basic financial statements

Suffield Township, Portage County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Fire District Fund
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	(Optional)
	Original	Final		Variance with Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$411,720	\$411,720	\$421,446	\$9,726
Charges for Services	20,000	20,000	18,520	(1,480)
Intergovernmental	66,529	66,529	63,321	(3,208)
Other	15,000	15,000	7,518	(7,482)
<i>Total receipts</i>	<u>513,249</u>	<u>513,249</u>	<u>510,805</u>	<u>(2,444)</u>
Disbursements				
Current:				
Public Safety	630,000	590,440	361,017	229,423
Capital Outlay	70,000	110,000	26,035	83,965
<i>Total Disbursements</i>	<u>700,000</u>	<u>700,440</u>	<u>387,052</u>	<u>313,388</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(186,751)</u>	<u>(187,191)</u>	<u>123,753</u>	<u>310,944</u>
<i>Net Change in Fund Balance</i>	(186,751)	(187,191)	123,753	310,944
<i>Fund Balance Beginning of Year</i>	219,400	219,400	219,400	0
Prior Year Encumbrances Appropriated	440	440	440	0
<i>Fund Balance End of Year</i>	<u>\$33,089</u>	<u>\$32,649</u>	<u>\$343,593</u>	<u>\$310,944</u>

See accompanying notes to the basic financial statements

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Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

Note 1 – Reporting Entity

Suffield Township, Portage County, Ohio, is a body politic and corporate established in 1803 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 also has an elected Township Clerk.

The reporting entity is comprised of only the primary government. There are no component units or other organizations included.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads, Fire Protection, EMS Service, Zoning Regulations, and cemetery maintenance. Police protection is provided by The Sheriff's Department, Portage County.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. The activity of the internal service fund is eliminated to avoid "doubling up" receipts and disbursements. The statements distinguish between those activities of the Township that are governmental and those that are considered business-type. These Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. It is noted, however, that Suffield Township has no Business type activities.

The statement of net assets presents the cash balance of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

Note 2 – Summary of Significant Accounting Policies (continued)

exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function or business-type activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The Township has no Internal Service Funds, Proprietary Funds or Fiduciary Funds.

B. Fund Accounting

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are all governmental.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other non-exchange transactions as governmental funds. The Township's major governmental funds are the General Fund, the Road & Bridge Fund, the Fire District Fund and the Debt Retirement Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

Note 2 – Summary of Significant Accounting Policies (continued)

D. Budgetary Process (continued)

The appropriations resolution is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Clerk. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations resolution subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

E. Cash and Investments

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. The Township has no investments with an initial maturity of more than three months.

During 2005, the Township invested in sweep repurchase agreements through the Township's financial institution. The Township's money market fund investment is recorded at the amount reported by First Merit Bank on December 31, 2005.

Interest earnings are allocated to Township funds according to State statutes. Interest receipts credited to the General Fund during 2005 was \$19,612 and interest receipts of \$2,703 were credited to other Township Funds (i.e., Motor Vehicle License (MVL), Gas Tax & Permissive MVL Funds).

F. Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

G. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

H. Inter-fund Receivables/Payables

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

Note 2 Summary of Significant Accounting Policies (continued)

I. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's cash basis of accounting.

J. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 11 and 12, the employer contributions include portions for pension benefits and for postretirement health care benefits.

K. Long-Term Obligations

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

L. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

M. Fund Balance Reserves

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

Note 3 – Change in Basis of Accounting

Last year the Township reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. This year the Township has implemented the cash basis of accounting described in note 2. The fund financial statements now present each major fund in a separate column with non-major funds aggregated and presented in a single column, rather than a column for each fund type.

Note 4 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and the major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements rather than as reservations of fund balances (cash basis) and outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an inter-fund receivable or payable (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$69,200.00 for the Fire District Fund. There were no outstanding advances.

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

Note 5 – Deposits and Investments

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdraw-able on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts. Suffield Township has only active monies that are maintained as cash in the Township's treasury via a checking/sweep account at First Merit.

Inactive deposits are public deposits that the Trustees may identify as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts. Currently, the Township has no deposited funds that have been designated as inactive.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

Note 5 - Deposits and Investments (continued)

Investments

As of December 31, 2005, the Township had the following investments:

	Fair Value	Maturity
Repurchase Agreements	\$730,000	Less Than 6 months
Total Portfolio	\$730,000	

Interest rate risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the Township's investment policy requires that operating funds be invested primarily in short-term investments maturing in a relatively short period of time from the date of purchase. Repurchase agreements are limited to 30 days and the market value of securities must exceed the principal value of the agreement by at least 2 percent and be marked to market daily.

Credit Risk The Township investment policy limits its investment choices to those investments maturing within a relatively short period of time.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

Concentration Credit Risk The Township places no limit on the amount it may invest in short term investments.

Note 6 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2005 represent the collection of 2004 taxes. Real property taxes received in 2005 were levied after October 1, 2004, on the assessed values as of January 1, 2004, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2005 represent the collection of 2004 taxes. Public utility real and tangible personal property taxes received in 2005 became a lien on December 31, 2004, were levied after October 1, 2004, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2005 (other than public utility property) represent the collection of 2005 taxes. Tangible personal property taxes received in 2005 were levied after October 1, 2004, on the true value as of December 31, 2004. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid **Note 6 – Property Taxes** (continued)

annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all Township operations for the year ended December 31, 2005, was \$ 7.60 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2005 property tax receipts were based are as follows:

Real Property		
Residential & Agriculture	\$121,219,210.00	
Manufactured Homes	85,740.00	
All Other	7,514,680.00	
Public Utility Property		
Real	4,000.00	
Personal	3,389,080.00	
Tangible Personal Property	6,605,854.00	
Total Assessed Value	\$138,818,564.00	

Note 7 – Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2005, the Township contracted with Westfield Companies & The Scottsdale Indemnity Co. for risk insurance through the Broderick Insurance Agency. Coverage provided is as follows:

Legal Liability	\$1,000,000	Per Occurrence
Automobile Liability	1,000,000	Per Occurrence
Health Care Liability	1,000,000	Per Occurrence
Wrongful Acts	1,000,000	Per Occurrence
Property	1,193,071	Total Coverage

There were no significant changes in coverage from prior years and claims have not exceeded insurance coverage in any of the past three years. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is based on accident history and administrative costs.

Note 8 – Defined Benefit Pension Plan

A. Ohio Public Employees Retirement System

The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement **Note 8 – Defined Benefit Pension Plan** (continued)

assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the year ended December 31, 2005, the members of all three plans were required to contribute 8.5 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2005 was 13.55 percent. Suffield Township has no members in the plan for law enforcement or public safety. For those classifications, the Township's pension contributions were 12.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2005, 2004, and 2003 were \$34,675.80, \$33,928.80, and \$36,990.96 respectively. The full amount has been contributed for 2005, 2004 and 2003. The Township is not involved in the Member-Direct plan.

Note 9 – Post Employment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 4.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between 1.00 and 6.00 percent annually for the next eight years and 4.00 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund postemployment benefits were \$210,421. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

Suffield Township
Notes to the Financial Statements
For the Year Ended December 31, 2005

Note 9 – Post Employment Benefits (continued)

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

Note 10 - Notes Payable

A summary of the note transactions for the year ended December 31, 2005, follows:

		Interest	Balance	Additions	Reductions	Balance
		Rate	December			December
			31,			31,
			2004			2005
<u>Governmental Activities</u>						
<u>Promissory Notes</u>						
Admin Building	1998	5.10%	\$ 35,418		\$11,806	\$23,612
Property	2005	4.98%		\$75,000		75,000
Fire Truck	2002	4.24%	140,422		70,211	70,211
Road Garage	2003	3.74%	10,250		33,750	67,500
Back Hoe	2004	4.29%	<u>47,259</u>		<u>8,673</u>	<u>38,586</u>
Totals			<u>\$324,349</u>	<u>\$ 75,000</u>	<u>\$124,440</u>	<u>\$274,909</u>

All note proceeds had been spent at December 31, 2005. Each promissory note is backed by the full faith and credit of the Township.

The following is a schedule of debt retirement required to maturity of all notes per the above:

Year	G.O. Notes	
	Principal	Interest
2006	\$149,813	\$12,099
2007	79,991	5,624
2008	34,841	2,113
2009	10,264	441
Totals	<u>\$274,909</u>	<u>\$20,278</u>

The Ohio Revised Code provides that net general obligation debt of the Township, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 5.5 percent of the tax valuation of the Township. The Revised Code further provides that total voted and unvoted net debt of the Township less the same exempt debt shall never exceed amount equal to 10.5 percent of its tax valuation. The effects of the debt limitations at December 31, 2005, were an overall debt margin of \$274, 909 and an unvoted debt margin of \$274,909.

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Suffield Township
Portage County
2239 Trares Road
Suffield, Ohio 44260

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Suffield Township (the Township) as of and for the year ended December 31, 2005, which collectively comprise the Government's basic financial statements and have issued our report thereon dated May 2, 2006, wherein, we noted the Government uses a comprehensive basis of accounting other than generally accepted accounting principles. 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 the Comptroller General of the United States' *Government Auditing Standard*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the Township's management dated May 2, 2006, we reported a matter related to noncompliance we deemed immaterial.

We intend this report solely for the information and use of the audit committee, management and Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

May 2, 2006



**Auditor of State
Betty Montgomery**

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

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800-282-0370

Facsimile 614-466-4490

SUFFIELD TOWNSHIP

PORTAGE 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 3, 2006**