



**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**REGULAR AUDIT
FOR THE YEARS ENDED
DECEMBER 31, 2009 & 2008**



Mary Taylor, CPA

Auditor of State

Board of Trustees
Suffield Township
2150 May Road
Suffield, Ohio 44260

We have reviewed the *Independent Accountants' Report* of Suffield Township, Portage County, prepared by Canter & Associates, for the audit period January 1, 2008 through December 31, 2009. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Accountants' Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Accountants' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

August 10, 2010

This Page is Intentionally Left Blank.

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Table of Contents	1
Independent Accountants' Report.....	2
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - Governmental Fund Types - For the Year Ended December 31, 2009.....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - Governmental Fund Types - For the Year Ended December 31, 2008.....	5
Notes to the Financial Statements	6
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	12



20 E. McKinley Way, Suite 4
Poland, Ohio 44514
Ph: 330.707.9035
Fax: 888.516.1186

INDEPENDENT ACCOUNTANTS' REPORT

Suffield Township
Portage County
2150 May Rd.
Suffield, Ohio 44260

To the Board of Trustees:

We have audited the accompanying financial statements of Suffield Township, Portage County, (the Township) as of and for the years ended December 31, 2009 and 2008. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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 described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also reporting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require the Township to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements refer to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Suffield Township, Portage County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the years ended December 31, 2009 and 2008. The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2010, 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.



Canter & Associates

June 14, 2010

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:					
Property and Other Local Taxes	\$47,733	\$799,580	\$54,129	\$0	\$901,442
Intergovernmental	61,640	293,035	0	78,484	433,159
Licenses, Permits, and Fees	37,018	0	0	0	37,018
Earnings on Investments	2,295	266	0	0	2,561
Miscellaneous	1,615	140,620	0	0	142,235
Total Cash Receipts	150,301	1,233,501	54,129	78,484	1,516,415
Cash Disbursements:					
Current:					
General Government	241,657	0	0	0	241,657
Public Safety	0	625,096	0	0	625,096
Public Works	12,422	479,778	0	0	492,200
Health	4,284	0	0	0	4,284
Interest and Other Fiscal Charges	0	0	13,515	0	13,515
Capital Outlay	0	274,151	0	257,527	531,678
Debt Service - Principal Retirement	0	0	50,514	0	50,514
Total Cash Disbursements	258,363	1,379,025	64,029	257,527	1,958,944
Total Receipts Over/(Under) Disbursements	(108,062)	(145,524)	(9,900)	(179,043)	(442,529)
Other Financing Receipts/(Disbursements):					
Proceeds of Notes	0	97,488	0	0	97,488
Proceeds of Bonds	0	0	0	2,315,000	2,315,000
Advances In	50,534	50,534	0	0	101,068
Advances Out	(50,534)	(50,534)	0	0	(101,068)
Transfers In	0	0	9,900	0	9,900
Transfers Out	0	(9,900)	0	0	(9,900)
Other Financing Sources	165,081	0	0	0	165,081
Bond Issuance Cost	0	0	0	(104,000)	(104,000)
Total Other Financing Receipts/(Disbursements)	165,081	87,588	9,900	2,211,000	2,473,569
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	57,019	(57,936)	0	2,031,957	2,031,040
Fund Cash Balances, January 1	162,730	1,092,060	34	0	1,254,824
Fund Cash Balances, December 31	\$219,749	\$1,034,124	\$34	\$2,031,957	\$3,285,864
Reserve for Encumbrances, December 31	\$6,760	\$53,969	\$0	\$2,031,957	\$2,092,686

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

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Cash Receipts:					
Property and Other Local Taxes	\$38,592	\$755,644	\$66,789	\$0	\$861,025
Intergovernmental	165,636	403,588	0	0	569,224
Licenses, Permits, and Fees	35,998	0	0	0	35,998
Earnings on Investments	15,532	3,846	0	0	19,378
Miscellaneous	1,275	136,327	0	0	137,602
Total Cash Receipts	257,033	1,299,405	66,789	0	1,623,227
Cash Disbursements:					
Current:					
General Government	205,961	0	0	0	205,961
Public Safety	0	449,622	0	0	449,622
Public Works	10,645	501,457	0	0	512,102
Health	7,299	0	0	0	7,299
Interest and Other Fiscal Charges	0	0	7,524	0	7,524
Capital Outlay	0	25,872	0	0	25,872
Debt Service - Principal Retirement	0	0	75,091	0	75,091
Total Cash Disbursements	223,905	976,951	82,615	0	1,283,471
Total Receipts Over/(Under) Disbursements	33,128	322,454	(15,826)	0	339,756
Other Financing Receipts/(Disbursements):					
Other Financing Sources	7,971	0	0	0	7,971
Total Other Financing Receipts/(Disbursements)	7,971	0	0	0	7,971
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	41,099	322,454	(15,826)	0	347,727
Fund Cash Balances, January 1	121,631	769,606	15,860	0	907,097
Fund Cash Balances, December 31	\$162,730	\$1,092,060	\$34	\$0	\$1,254,824
Reserve for Encumbrances, December 31	\$0	\$0	\$0	\$78,500	\$78,500

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

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Suffield Township, Portage County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge, cemetery maintenance, fire protection and emergency medical services. The Township's police protection is provided by the Portage County Sheriff's Department.

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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

C. Cash and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

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:

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds 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:

Road & Bridge Fund - This fund receives property tax money for constructing, maintaining, and repairing Township roads and bridges.

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

Fire Fund - This fund receives property tax money to contract for fire protection services.

3. Debt Service Funds

This fund accounts for resources the Township accumulates to pay bonded debt. The Township had the following significant Debt Service Fund:

General Obligation Bond Retirement Fund – This fund receives transfers from the general fund annually, to pay for the Townships general obligation debt.

4 Capital Projects Funds

This fund accounts for resources restricted for the acquisition or construction of major capital projects. The Township had the following significant Capital Projects Fund:

Ohio Public Works Commission Fund – The Township received a grant from the State of Ohio in a prior year to repair Congress Lake Road.

Miscellaneous Capital Projects Fund – This fund was created to account for the issuance of general obligation bonds in 2009 to construct a new Firehouse.

E. 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, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

F. Property, Plant, and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	2009	2008
Demand deposits	\$3,285,864	\$1,254,824
Total deposits and investments	\$3,285,864	\$1,254,824

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation; or collateralized by securities specifically pledged by the financial institution to the Township.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$196,097	\$365,916	\$169,819
Special Revenue	1,281,641	1,381,523	99,882
Debt Service	64,030	64,029	(1)
Capital Projects	2,458,484	2,393,484	(65,000)
Total	\$4,000,252	\$4,204,952	\$204,700

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$330,000	\$315,657	\$14,343
Special Revenue	2,147,569	1,493,428	654,141
Debt Service	64,029	64,029	0
Capital Projects	2,536,984	2,393,484	143,500
Total	\$5,078,582	\$4,266,598	\$811,984

2008 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$174,834	\$265,004	\$90,170
Special Revenue	1,058,948	1,299,405	240,457
Debt Service	66,790	66,789	(1)
Capital Projects	92,700	0	(92,700)
Total	\$1,393,272	\$1,631,198	\$237,926

2008 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$293,000	\$223,905	\$69,095
Special Revenue	1,625,461	976,951	648,510
Debt Service	82,618	82,615	3
Capital Projects	92,700	78,500	14,200
Total	\$2,093,779	\$1,361,971	\$731,808

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopt rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, 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.

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

5. DEBT

Debt outstanding at December 31, 2009 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds	\$2,315,000	1.0 - 4.65%
General Obligation Notes	113,738	5.09 - 5.74%
Total	<u>\$2,428,738</u>	

All note proceeds had been spent at December 31, 2009. Each Promissory Note is backed by the full faith and credit of the Township.

Amortization of the above debt, including interest, is schedules as follows:

Year ending December 31:	<u>General Obligation Bonds</u>	<u>General Obligation Notes</u>
2010	\$35,748	\$50,000
2011	19,498	70,000
2012	19,498	70,000
2013	19,497	70,000
2014	19,497	70,000
2015-2019		395,000
2020-2024		460,000
2025-2029		575,000
2030-2033		555,000
Total	<u>\$113,738</u>	<u>\$2,315,000</u>

6. RETIREMENT SYSTEMS

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OPERS members contributed 10 percent of their gross salaries. The Township contributed an amount equaling 14 percent of participants' gross salaries for both years. The Township has paid all contributions required through December 31, 2009.

**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

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 2009 the Township contracted with Philadelphia Insurance Company and The Scottsdale Indemnity Co. for risk insurance through the Pro Risk Solution, Inc. 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	2,000,000	Per Occurrence
Property	2,500,000	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.



20 E. McKinley Way, Suite 4
Poland, Ohio 44514
Ph: 330.707.9035
Fax: 888.516.1186

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

Suffield Township
Portage County
2150 May Rd.
Suffield, Ohio 44260

To the Board of Trustees:

We have audited the financial statements of the of the Suffield Township, (the Township) as of and for the years ended December 31, 2009 and 2008 and have issued our report thereon dated June 14, 2010, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

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*.

We did note certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated June 14, 2010.

We intend this report solely for the information and use of management and others within the Township. We intend it for no one other than these specified parties.



Canter & Associates

Poland, Ohio

June 14, 2010



Mary Taylor, CPA
Auditor of State

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 24, 2010**