



**SUFFIELD TOWNSHIP
PORTAGE COUNTY**

**REGULAR AUDIT
FOR THE YEARS ENDED
DECEMBER 31, 2007 & 2006**



Mary Taylor, CPA
Auditor of State

Board of Trustees
Suffield Township
2150 May
Suffield, Ohio 44260

We have reviewed the *Independent Accountants' Report* of Suffield Township, Portage County, prepared by Canter and Company, for the audit period January 1, 2006 through December 31, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Suffield Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

February 10, 2009

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**Suffield Township
Portage County**

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Portage County**

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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 years ended December 31, 2007 and 2006, 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 2, the accompanying financial statements and notes follow the modified 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 modified 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, 2007 and 2006, and the respective changes in modified cash financial position and the respective budgetary comparison for the General, Road and Bridge, Fire District, and Gas Tax Funds thereof for the years then ended in conformity with the basis of accounting Note 1 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2009, 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.

Management's discussion and analysis and the respective budgetary comparison for the General, Road and Bridge, Fire District and Gas Tax 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 blue ink, appearing to read "Canter & Co.", with a long horizontal flourish extending to the right.

Canter & Company

January 7, 2009

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2007 and 2006
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, 2006, within the limitations of the Township's modified 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 2006 are as follows:

The year end net assets of the governmental activities increased \$231,008, or 33% over the prior year. This is a significant change however, this was primarily due to a \$182,091 encumbrance in the Fire District Fund and the Permissive MVL Fund.

The primary receipts for the Government is Property Taxes and Intergovernmental Sources. Respectively, these receipts represented 60 and 21 percent of the total cash received by the Township for governmental activities during the year. The property tax receipts for 2006 increased about 18 percent over 2005 and the intergovernmental receipts decreased about 5 percent since 2005. This decrease is due to a \$47,610 difference in Inheritance Taxes. The Inheritance Taxes in 2005 were \$77,554 as opposed to \$29,944 in 2006.

The township purchased a piece of property at a cost of \$65,000. 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 \$65,000 to cover the cost.

Highlights

Key highlights for 2007 are as follows:

The year end net assets of the governmental activities decreased (\$14,368), or 1% under the prior year. This change was not due to any one particular reason other than normal variation.

The primary receipts for the Government is Property Taxes and Intergovernmental Sources. Respectively, these receipts represented 63 and 27 percent of the total cash received by the Township for governmental activities during the year. The property tax receipts for 2007 decreased about 5 percent over 2006 and the intergovernmental receipts increased about 14 percent since 2006. There is no explanation for the decrease in property tax receipts, but the increase in intergovernmental receipts is due to the \$14,933 difference in Inheritance Taxes and the \$6,286 in Insurance Claims. Other than the \$6,286 in Insurance Claims, there is no particular reason other than normal variation.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2007 and 2006
Unaudited

The trustees approved a resolution that became effective on June 1, 2007 to bill insurance companies of Suffield Residents involved in EMS calls which account for the \$19,367 increase in the EMS billing receipts.

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 modified cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Government 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 2007 and 2006, within the limitations of modified 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.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2007 and 2006
Unaudited

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 Government'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, the Debt Retirement Fund and the Gas Tax 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, 2007 and 2006
Unaudited

The Government as a Whole

Table 1 provides a summary of the Township's net assets for 2007 compared to 2006 and 2005 on a modified cash basis:

(Table 1)
Net Assets

	Governmental Activities		
	2007	2006	2005
Assets			
Cash and Cash Equivalents	907,097	921,465	690,457
Investments			
Total Assets	907,097	921,465	690,457
Net Assets			
Restricted for:			
Debt Service	15,860	12,425	13,026
Capital Outlay			
Other Purposes	769,608	773,257	508,747
Unrestricted	121,629	135,783	168,684
Total Net Assets	\$907,097	\$921,465	\$690,457

As mentioned previously, the net assets of the governmental activities in 2006 increased \$231,008 or 33 percent over 2005 and in 2007 decreased (\$14,368) or 1% under 2006. This, as also mentioned, was primarily due to a \$182,091 encumbrance in the Fire District Fund and the Permissive MVL Fund in 2006 and for 2007 the change was due to no particular reason other than normal variation. Otherwise, there is no specific reason for the increase or decrease (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 2007 comparing 2006 and 2005 for governmental activities.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2007 and 2006
Unaudited

	Governmental Activities		
	2007	2006	2005
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$41,464	\$20,940	\$22,711
Operating Grants and Contributions	261,812	220,032	186,760
Total Program Receipts	303,276	240,972	209,471
General Receipts:			
Property and Other Local Taxes	784,505	805,100	683,475
Debt Retirement	136,942	161,312	137,419
Grants and Entitlements Not Restricted to specific Programs	126,442	112,084	160,223
Notes	0	137,000	75,000
Interest	47,285	45,569	22,315
Miscellaneous	66,448	106,140	36,860
Total General Receipts	1,161,622	1,367,205	1,115,292
Total Receipts	1,464,898	1,608,177	1,324,764
Disbursements:			
General Government	202,007	216,418	202,725
Public Safety	500,310	426,039	361,017
Public Works	372,698	307,713	361,452
Health	4,784	4,743	4,161
Capital Outlay	265,961	260,343	128,350
Debt Retirement	133,506	161,913	138,019
Total Disbursements	1,479,266	1,377,169	1,195,724
Excess (Deficiency) Before Transfers	(14,368)	231,008	129,040
Increase (Decrease) in Net Assets	(14,368)	231,008	129,040
Net Assets, January 1	921,465	690,457	561,417
Net Assets, December 31	\$907,097	\$921,465	\$690,457

Program receipts for 2006 represent only 15 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 85 percent of the Township's total receipts, and of this amount, over 71 percent are local taxes. State and federal grants, entitlements and a promissory note of \$137,000 make up the balance of the Township's general receipts at 18 percent. Other receipts are very insignificant and are somewhat unpredictable revenue sources.

Program receipts for 2007 represent only 21 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 Rd & Br and Fire District Funds.

General receipts represent 79 percent of the Township's total receipts, and of this amount, over 79 percent are local taxes. State and federal grants, entitlements make up 11 percent of the Township's general receipts. Other receipts are very insignificant and are somewhat unpredictable revenue sources.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2007 and 2006
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For both years, 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.

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. In 2006, 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 31 and 22 percent of all the governmental disbursements. In 2007, 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 34 and 25 percent of all the governmental disbursements. The General Government represents about 16 and 14 percent of the governmental disbursements for 2006 and 2007, respectively. 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	Net Cost	Total Cost	Net Cost	Total Cost	Net Cost
	Of Services	of Services	Of Services	of Services	Of Services	of Services
	2007	2007	2006	2006	2005	2005
General Government	\$202,007	\$66,831	\$216,418	\$9,483	\$202,725	\$11,773
Public Safety	500,310	(465,872)	426,039	(410,968)	361,017	342,497
Public Works	372,698	(372,698)	307,713	(307,713)	361,452	361,452
Health	4,784	(4,784)	4,743	(4,743)	4,161	4,161
Capital Outlay	265,962	(265,962)	260,343	(260,343)	128,350	128,350
Debt. Retirement	133,506	(133,506)	161,913	(161,913)	138,019	138,019
Total Expenses	\$1,479,267	(\$1,175,991)	\$1,377,169	(\$1,136,197)	\$1,195,724	\$986,252

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2007 and 2006
Unaudited

The dependence upon property tax receipts is apparent as over 78 percent of governmental activities are supported through these general receipts in 2006 and 78 percent in 2007.

The Township's Funds

In 2006 total governmental funds had receipts of \$ 1,608,176 and disbursements of \$ 1,377,168. In 2007 total governmental funds had receipts of \$ 1,464,898 and disbursements of \$ 1,479,266. The greatest change within governmental funds occurred within the Fire District Fund. The fund balance of the Fire District Fund increased \$118,097 in 2006 which is primarily due to an increase in Tax Revenue from the replacement of the 2.0 mill continuous levy approved in 2005, two grants received totaling \$65,159 and the elimination of the Tax Transfer for Debt Reduction purposes. In 2007 the carryover balance is about the same as 2006 and there are no variances that are considered abnormal or outside the range of normality.

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 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 2006, the Township amended its General Fund budget two times to reflect the addition of \$65,000 obtained through a promissory note and the other was for the Road & Bridge Fund to reflect the addition of \$72,000 obtained via a promissory note. The additional funds were needed to support the purchase of an adjoining piece of property and a dump truck. 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 \$303,500 while the actual disbursements were \$216,352. The result was a \$87,148 decrease in spending which was in the range of expectation.

During 2007, the Township amended its General Fund budget two times to reflect the changing circumstances. 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 \$385,000 while the actual disbursements were \$294,197. The result was a \$90,803 decrease in spending which was in the range of expectation.

Debt

As of December 31, 2007, the Township has a total of four outstanding promissory notes totaling \$141,855. Refer to Note 9 in the Financial Statement Notes for details.

Suffield Township
Management's Discussion and Analysis
For the Year Ended December 31, 2007 and 2006
Unaudited

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 Government's finances and to reflect the Government'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 - Modified Cash Basis
December 31, 2007

	Governmental Activities	Total
Assets		
Equity in Pooled Cash and Cash Equivalents	\$907,097	\$907,097
<i>Total Assets</i>	\$907,097	\$907,097
 Net Assets		
Restricted for:		
Debt Service	15,860	15,860
Other Purposes (Special Revenue)	769,608	769,608
Unrestricted (General Fund)	121,629	121,629
<i>Total Net Assets</i>	\$907,097	\$907,097

See accompanying notes to the basic financial statements

Suffield Township, Portage County
Statement of Activities - Modified Cash Basis
For the Year Ended December 31, 2007

	Program Cash Receipts		
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities			
General Government	\$202,007	\$7,026	\$261,812
Public Safety	500,310	34,438	
Public Works	372,698		
Health	4,784		
Capital Outlay	265,962		
Debt Service	133,506		
<i>Total Governmental Activities</i>	1,479,267	41,464	261,812
Total	\$1,479,267	\$41,464	\$261,812

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
\$66,831	\$66,831
(465,872)	(465,872)
(372,698)	(372,698)
(4,784)	(4,784)
(265,962)	(265,962)
(133,506)	(133,506)
(1,175,991)	(1,175,991)
(1,175,991)	(1,175,991)
784,505	784,505
136,942	136,942
	0
126,442	126,442
	0
	0
	0
47,286	47,286
66,448	66,448
1,161,623	1,161,623
(14,368)	(14,368)
921,465	921,465
<u>\$907,097</u>	<u>\$907,097</u>

Suffield Township, Portage County
Statement of Modified Cash Basis Assets and Fund Balances
 Governmental Funds
 December 31, 2007

	General	Road & Bridge Fund	Fire District Fund	Gas Tax Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$121,629	\$69,914	\$557,506	\$99,154
<i>Total Assets</i>	<u>\$121,629</u>	<u>\$69,914</u>	<u>\$557,506</u>	<u>\$99,154</u>
Fund Balances				
Reserved:				
Reserved for Encumbrances			\$22,600	\$5,861
Unreserved:				
Undesignated, Reported in:				
General Fund	121,629			
Special Revenue Funds		69,914	534,906	
Debt Service Fund				93,293
<i>Total Fund Balances</i>	<u>\$121,629</u>	<u>\$69,914</u>	<u>\$557,506</u>	<u>\$99,154</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
<u>\$58,894</u>	<u>\$907,097</u>
<u>\$58,894</u>	<u>\$907,097</u>

\$28,461

58,894	121,629
	663,714
	93,293
<u>\$58,894</u>	<u>\$907,097</u>

Suffield Township, Portage County
Statement of Cash Receipts, Disbursements and Changes in Modified-Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2007

	General	Road & Bridge Fund	Fire District Fund	Gas Tax Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$5,162	\$191,565	\$549,759	\$0	\$174,961	\$921,447
Charges for Services			34,438			34,438
Licenses, Permits and Fees	7,026					7,026
Intergovernmental	115,036	32,385	65,700	99,012	26,771	338,904
Interest	40,584			4,011	2,690	47,285
Other	34,392	5,266	26,564	226		66,448
<i>Total Receipts</i>	<u>202,200</u>	<u>229,216</u>	<u>676,461</u>	<u>103,249</u>	<u>204,422</u>	<u>1,415,548</u>
Disbursements						
Current:						
General Government	202,007					202,007
Public Safety			500,310			500,310
Public Works	9,561	212,992		95,810	54,335	372,698
Health	4,784					4,784
Capital Outlay		10,871	143,876		111,214	265,961
Debt Service:						
Principal Retirement					120,241	120,241
Interest and Fiscal Charges					13,265	13,265
<i>Total Disbursements</i>	<u>216,352</u>	<u>223,863</u>	<u>644,186</u>	<u>95,810</u>	<u>299,055</u>	<u>1,479,266</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(14,152)</u>	<u>5,353</u>	<u>32,275</u>	<u>7,439</u>	<u>(94,633)</u>	<u>(63,718)</u>
Other Financing Sources (Uses)						
Other Financing Sources					49,350	49,350
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>49,350</u>	<u>49,350</u>
<i>Net Change in Fund Balances</i>	<u>(14,152)</u>	<u>5,353</u>	<u>32,275</u>	<u>7,439</u>	<u>(45,283)</u>	<u>(14,368)</u>
<i>Fund Balances Beginning of Year</i>	<u>135,783</u>	<u>64,561</u>	<u>525,231</u>	<u>91,714</u>	<u>104,176</u>	<u>921,465</u>
<i>Fund Balances End of Year</i>	<u>\$121,631</u>	<u>\$69,914</u>	<u>\$557,506</u>	<u>\$99,153</u>	<u>\$58,893</u>	<u>\$907,097</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, 2007

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$18,656	\$5,656	\$5,162	(\$494)
Licenses, Permits and Fees	4,000	4,000	7,026	3,026
Intergovernmental	107,629	101,581	115,036	13,455
Interest	26,000	26,000	40,584	14,584
Other	22,000	22,000	34,392	12,392
<i>Total receipts</i>	178,285	159,237	202,200	42,963
Disbursements				
Current:				
General Government	279,000	260,500	202,007	58,493
Public Works	15,000	15,000	9,561	5,439
Health	5,800	9,300	4,784	4,516
Capital Outlay	200	200	0	200
<i>Total Disbursements</i>	300,000	285,000	216,352	68,648
<i>Net Change in Fund Balance</i>	(121,715)	(125,763)	(14,152)	111,611
<i>Fund Balance Beginning of Year</i>	135,783	135,783	135,783	0
<i>Fund Balance End of Year</i>	\$14,068	\$10,020	\$121,631	\$111,611

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
Gas Tax Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget
	Original	Final		Positive (Negative)
Receipts				
Intergovernmental	\$78,000	\$78,000	\$99,012	\$21,012
Interest	2,300	2,300	4,011	1,711
Other	0	0	226	226
<i>Total receipts</i>	<u>80,300</u>	<u>80,300</u>	<u>103,249</u>	<u>22,949</u>
Disbursements				
Current:				
Public Works	155,000	155,000	95,810	59,190
Capital Outlay	0	0	0	0
<i>Total Disbursements</i>	<u>155,000</u>	<u>155,000</u>	<u>95,810</u>	<u>59,190</u>
<i>Net Change in Fund Balance</i>	(74,700)	(74,700)	7,439	82,139
<i>Fund Balance Beginning of Year</i>	91,714	91,714	91,714	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$17,014</u>	<u>\$17,014</u>	<u>\$99,153</u>	<u>\$82,139</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, 2007

	Budgeted Amounts		Actual	(Optional)
	Original	Final		Variance with Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$182,175	\$182,175	\$191,565	\$9,390
Intergovernmental	\$31,618	\$31,618	\$32,385	767
Other	0	0	5,266	5,266
<i>Total receipts</i>	213,793	213,793	229,216	15,423
Disbursements				
Current:				
Public Works	254,000	254,000	212,992	41,008
Capital Outlay	11,000	11,000	10,871	129
<i>Total Disbursements</i>	265,000	265,000	223,863	41,137
<i>Net Change in Fund Balance</i>	(51,207)	(51,207)	5,353	56,560
<i>Fund Balance Beginning of Year</i>	64,561	64,561	64,561	0
<i>Fund Balance End of Year</i>	\$13,354	\$13,354	\$69,914	\$56,560

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, 2007

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$526,221	\$526,221	\$549,759	\$23,538
Charges for Services	18,500	18,500	34,438	15,938
Intergovernmental	65,038	65,038	65,700	662
Other	7,500	7,500	26,564	19,064
<i>Total receipts</i>	617,259	617,259	676,461	59,202
Disbursements				
Current:				
Public Safety	930,000	930,000	500,310	429,690
Capital Outlay	202,741	202,741	143,876	58,865
<i>Total Disbursements</i>	1,132,741	1,132,741	644,186	488,555
<i>Net Change in Fund Balance</i>	(515,482)	(515,482)	32,275	547,757
<i>Fund Balance Beginning of Year</i>	392,490	392,490	392,490	0
Prior Year Encumbrances Appropriated	132,741	132,741	132,741	0
<i>Fund Balance End of Year</i>	\$9,749	\$9,749	\$557,506	\$547,757

See accompanying notes to the basic financial statements

Suffield Township, Portage County
Statement of Net Assets - Modified Cash Basis
December 31, 2006

	Governmental Activities	Total
Assets		
Equity in Pooled Cash and Cash Equivalents	\$921,465	\$921,465
<i>Total Assets</i>	<i>\$921,465</i>	<i>\$921,465</i>
 Net Assets		
Restricted for:		
Debt Service	12,425	12,425
Other Purposes (Special Revenue)	773,257	773,257
Unrestricted (General Fund)	135,783	135,783
<i>Total Net Assets</i>	<i>\$921,465</i>	<i>\$921,465</i>

See accompanying notes to the basic financial statements

Suffield Township, Portage County
Statement of Activities - Modified Cash Basis
For the Year Ended December 31, 2006

	Program Cash Receipts		
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities			
General Government	\$216,418	\$5,869	\$220,032
Public Safety	426,039	15,071	
Public Works	307,713		
Health	4,743		
Capital Outlay	260,343		
Debt Service	161,912		
<i>Total Governmental Activities</i>	1,377,168	20,940	220,032
Total	\$1,377,168	\$20,940	\$220,032

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
\$9,483	\$9,483
(410,968)	(410,968)
(307,713)	(307,713)
(4,743)	(4,743)
(260,343)	(260,343)
(161,912)	(161,912)
(1,136,196)	(1,136,196)
(1,136,196)	(1,136,196)
805,100	805,100
161,312	161,313
	0
112,084	112,084
	0
137,000	137,000
	0
	0
45,568	45,568
106,139	106,139
1,367,203	1,367,204
231,007	231,008
690,457	690,457
\$921,464	\$921,465

Suffield Township, Portage County
Statement of Modified Cash Basis Assets and Fund Balances
 Governmental Funds
 December 31, 2006

	General	Road & Bridge Fund	Fire District Fund	Debt Retirement Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$135,783	\$64,561	\$525,231	\$12,425
<i>Total Assets</i>	<u>\$135,783</u>	<u>\$64,561</u>	<u>\$525,231</u>	<u>\$12,425</u>
Fund Balances				
Reserved:				
Reserved for Encumbrances			\$132,741	
Unreserved:				
Undesignated, Reported in:				
General Fund	135,783			
Special Revenue Funds		64,561	392,490	
Debt Service Fund				12,425
<i>Total Fund Balances</i>	<u>\$135,783</u>	<u>\$64,561</u>	<u>\$525,231</u>	<u>\$12,425</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
\$183,465	\$921,465
<u>\$183,465</u>	<u>\$921,465</u>
\$49,350	\$182,091
134,115	135,783
\$183,465	591,166
<u>\$183,465</u>	12,425
<u>\$183,465</u>	<u>\$921,465</u>

Suffield Township, Portage County
Statement of Cash Receipts, Disbursements and Changes in Modified-Cash Basis Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2006

	General	Road & Bridge Fund	Fire District Fund	Debt Retirement Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$22,333	\$206,876	\$537,700	\$161,311	\$38,193	\$966,413
Charges for Services			15,071			15,071
Licenses, Permits and Fees	5,869					5,869
Intergovernmental	100,626	31,280	73,334		126,876	332,116
Interest	40,014				5,554	45,568
Other	27,454		78,685			106,139
<i>Total Receipts</i>	<u>196,296</u>	<u>238,156</u>	<u>704,790</u>	<u>161,311</u>	<u>170,623</u>	<u>1,471,176</u>
Disbursements						
Current:						
General Government	216,418					216,418
Public Safety			426,039			426,039
Public Works	7,669	220,363			79,681	307,713
Health	4,743					4,743
Capital Outlay	65,367	97,669	97,113		194	260,343
Debt Service:						
Principal Retirement				149,813		149,813
Interest and Fiscal Charges				12,099		12,099
<i>Total Disbursements</i>	<u>294,197</u>	<u>318,032</u>	<u>523,152</u>	<u>161,912</u>	<u>79,875</u>	<u>1,377,168</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(97,901)</u>	<u>(79,876)</u>	<u>181,638</u>	<u>(601)</u>	<u>90,748</u>	<u>94,008</u>
Other Financing Sources (Uses)						
Notes Issued	65,000	72,000				137,000
<i>Total Other Financing Sources (Uses)</i>	<u>65,000</u>	<u>72,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>137,000</u>
<i>Net Change in Fund Balances</i>	<u>(32,901)</u>	<u>(7,876)</u>	<u>181,638</u>	<u>(601)</u>	<u>90,748</u>	<u>231,008</u>
<i>Fund Balances Beginning 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>
<i>Fund Balances End of Year</i>	<u>\$135,783</u>	<u>\$64,561</u>	<u>\$525,231</u>	<u>\$12,425</u>	<u>\$183,465</u>	<u>\$921,465</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, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$20,413	\$20,413	\$22,333	\$1,920
Licenses, Permits and Fees	4,000	4,000	5,869	1,869
Intergovernmental	105,603	105,603	100,626	(4,977)
Interest	20,000	20,000	40,014	20,014
Other	23,250	23,250	27,454	4,204
<i>Total receipts</i>	<u>173,266</u>	<u>173,266</u>	<u>196,296</u>	<u>23,030</u>
Disbursements				
Current:				
General Government	297,000	296,600	216,418	80,182
Public Works	17,000	17,000	7,669	9,331
Health	5,800	5,800	4,743	1,057
Capital Outlay	200	65,600	65,367	233
<i>Total Disbursements</i>	<u>320,000</u>	<u>385,000</u>	<u>294,197</u>	<u>90,803</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(146,734)</u>	<u>(211,734)</u>	<u>(97,901)</u>	<u>113,833</u>
Other Financing Sources (Uses)				
Notes Issued		65,000	65,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>65,000</u>	<u>65,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(146,734)	(146,734)	(32,901)	113,833
<i>Fund Balance Beginning of Year</i>	<u>168,684</u>	<u>168,684</u>	<u>168,684</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$21,950</u></u>	<u><u>\$21,950</u></u>	<u><u>\$135,783</u></u>	<u><u>\$113,833</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
Road and Bridge Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$199,198	\$199,198	\$206,876	\$7,678
Intergovernmental	33,570	33,570	31,280	(2,290)
<i>Total receipts</i>	<u>232,768</u>	<u>232,768</u>	<u>238,156</u>	<u>5,388</u>
Disbursements				
Current:				
Public Works	258,000	262,000	220,363	41,637
Capital Outlay	32,000	100,000	97,669	2,331
<i>Total Disbursements</i>	<u>290,000</u>	<u>362,000</u>	<u>318,032</u>	<u>43,968</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(57,232)</u>	<u>(129,232)</u>	<u>(79,876)</u>	<u>49,356</u>
Other Financing Sources (Uses)				
Notes Issued	0	72,000	72,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>72,000</u>	<u>72,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(57,232)	(57,232)	(7,876)	49,356
<i>Fund Balance Beginning of Year</i>	<u>72,437</u>	<u>72,437</u>	<u>72,437</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$15,205</u></u>	<u><u>\$15,205</u></u>	<u><u>\$64,561</u></u>	<u><u>\$49,356</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, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$518,243	\$518,243	\$537,700	\$19,457
Charges for Services	18,500	18,500	15,071	(3,429)
Intergovernmental	80,649	80,649	73,334	(7,315)
Other	7,500	7,500	78,685	71,185
<i>Total receipts</i>	<u>624,892</u>	<u>624,892</u>	<u>704,790</u>	<u>79,898</u>
Disbursements				
Current:				
Public Safety	780,000	610,600	426,039	184,561
Capital Outlay	70,000	239,400	97,113	142,287
<i>Total Disbursements</i>	<u>850,000</u>	<u>850,000</u>	<u>523,152</u>	<u>326,848</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(225,108)</u>	<u>(225,108)</u>	<u>181,638</u>	<u>406,746</u>
<i>Net Change in Fund Balance</i>	(225,108)	(225,108)	181,638	406,746
<i>Fund Balance Beginning of Year</i>	274,393	274,393	274,393	0
Prior Year Encumbrances Appropriated	<u>69,200</u>	<u>69,200</u>	<u>69,200</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$118,485</u></u>	<u><u>\$118,485</u></u>	<u><u>\$525,231</u></u>	<u><u>\$406,746</u></u>

See accompanying notes to the basic financial statements

Suffield Township
Portage County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2007 and 2006

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 Portage County Sheriff's Department.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2C, these financial statements are presented on a modified 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 modified 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 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 should be 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 and receipts of interest earned on grants that is required to be used to support a particular

Suffield Township
Portage County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2007 and 2006

program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a modified 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 and Bridge Fund, the Fire District Fund, the Gas Tax 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 modified 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 modified 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.

Suffield Township
Portage County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2007 and 2006

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.

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 2007 and 2006, the township invested is a sweep repurchase agreement through the Township's financial institution.

Interest earnings are allocated to Township funds according to State statutes. Interest receipts credited to the General Fund during 2007 and 2006 were \$40,584 and \$40,014 respectively, and interest receipts of \$6,701 and \$5,554 respectively, were credited to other Township funds (i.e., Motor Vehicle License Tax, Gas Tax and the Permissive Motor Vehicle License special revenue funds).

Suffield Township
Portage County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2007 and 2006

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.

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 modified 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 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

K. Long-Term Obligations

The Township's modified 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.

Suffield Township
Portage County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2007 and 2006

Note 3 – 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 – Budget 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 modified cash basis are outstanding year end encumbrances that are treated as disbursements rather than as reservations of fund balances (modified 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 (modified cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$22,600 and \$132,741 for 2007 and 2006, respectively, for the Fire District Fund and \$5,861 for the Gas Tax Fund in 2007. There were no outstanding advances at December 31, 2007 or 2006.

Note 4 – 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;

Suffield Township
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For the Year Ended December 31, 2007 and 2006

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 two 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.

Note 5 – 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 2007 and 2006 represent the collection of 2006 and 2005 taxes. Real property taxes received in 2007 were levied after October 1, 2006, on the assessed values as of January 1, 2006, the lien date. Real property taxes received in 2006 were levied after October 1, 2005, on the assessed values as of January 1, 2005, 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 2007 and 2006 represent the collection of 2006 and 2005 taxes. Public utility real and tangible personal property taxes received in 2007 became a lien on December 31, 2006, were levied after October 1, 2006, and are collected with real property taxes. Public utility real and tangible personal property taxes received in 2006 became a lien on December 31, 2005, were levied after October 1, 2005, 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.

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For the Year Ended December 31, 2007 and 2006

Tangible personal property tax receipts received in 2007 and 2006 (other than public utility property) represent the collection of 2007 and 2006 taxes. Tangible personal property taxes received in 2007 were levied after October 1, 2006, on the true value as of December 31, 2006. Tangible personal property taxes received in 2006 were levied after October 1, 2005, on the true value as of December 31, 2005. 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 taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid 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, 2007, was \$7.00 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property:	
Residential & Agriculture	\$133,250,020
Manufactured Homes	104,800
All Other	8,846,700
Public Utility Property:	
Real	5,440
Personal	3,519,760
Tangible Personal Property	2,872,333
Total Assessed Value	<u>\$148,599,053</u>

The full tax rate for all Township operations for the year ended December 31, 2006, was \$7.60 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2006 property tax receipts were based are as follows:

Real Property:	
Residential & Agriculture	\$123,095,030
Manufactured Homes	114,230
All Other	7,605,610
Public Utility Property:	
Real	4,160
Personal	3,522,750
Tangible Personal Property	5,559,563
Total Assessed Value	<u>\$139,901,343</u>

Suffield Township
Portage County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2007 and 2006

Note 6 – 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 2007 the Township contracted with Westfield Companies and 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	1,101,946	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 7 – 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 benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement 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 issued 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) 222-5601 or (800) 222-7377.

For the year ended December 31, 2007, the members of all three plans were required to contribute 9.5 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2006 was 13.85 percent. Suffield Township has no members in the plan for law enforcement or public safety. The Ohio Revised Code provides statutory authority for member and employer contributions.

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Portage County, Ohio
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For the Year Ended December 31, 2007 and 2006

For the year ended December 31, 2006, the members of all three plans were required to contribute 9.0 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2006 was 13.70 percent. Suffield Township has no members in the plan for law enforcement or public safety. 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, 2007, 2006, and 2005 were \$50,856, \$36,438, and \$34,676 respectively. The full amount has been contributed for 2007, 2006 and 2005. The township is not involved in the Member-Direct plan.

Note 8 – 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 2007 local government employer contribution rate was 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement); 5.00 percent of covered payroll from January 1 to June 30, 2007 and 6.00 percent from July 1 through December 31, 2007 was the portion that was used to fund health care. The 2006 local government employer contribution rate was 13.70 percent of covered payroll (16.93 percent for public safety and law enforcement); 4.50 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' latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.50 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 .50 and 5.00 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, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 374,979 for 2007. The number of active contributing participants in the traditional and combined plans was 362,130 for 2006. Actual employer contributions which were used to fund postemployment benefits were \$9,250 for 2007 and \$11,970 for 2006. The actual contribution and the actuarially required contribution amounts are the same. OPERS' net assets available for payment of benefits at December 31, 2006, (the latest information available) were \$12 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

Suffield Township
Portage County, Ohio
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For the Year Ended December 31, 2007 and 2006

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. Member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

Note 9 - Notes Payable

A summary of the note transactions for the year ended December 31, 2007, follows:

<u>Governmental Activities</u>			Balance			Balance
<u>Promissory Note</u>	Year	Interest	December 31,	Issued	Retired	December 31,
	Issued	Rate	2006			2007
Administrative Building	1998	5.10%	\$11,806	-	\$11,806	\$0
Road Garage	2003	3.74%	33,750	-	33,750	0
Backhoe	2004	4.29%	29,540	-	9,435	20,105
Property Purchase	2005	4.98%	50,000	-	25,000	25,000
Dump Truck	2006	5.45%	72,000	-	24,000	48,000
Property Purchase	2006	5.74%	65,000	-	16,250	48,750
			<u>\$262,096</u>	<u>\$0</u>	<u>\$120,241</u>	<u>\$141,855</u>

All note proceeds had been spent at December 31, 2007. Each Promissory Note is backed by the full faith and credit of the Township.

The following is a schedule of the total remaining debt requirements to maturity of all the notes above:

Year	General Obligation Notes	
	Principal	Interest
2008	\$75,091	\$7,527
2009	50,514	3,615
2010	16,250	933
Total	<u>\$141,855</u>	<u>\$12,074</u>



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**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
2239 Trares Road
Suffield, Ohio 44260

To the Board of Trustees:

We have audited the financial statements of Suffield Township, Portage County, (the "Township") as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated January 7, 2009 wherein we noted the Township prepared its financial statements using accounting practices the Auditor of State established 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 the Comptroller General of the United States' *Government Auditing Standards*.

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 expressing our opinion on the financial statements, but not to opine 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 control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Township's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be 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 intend this report solely for the information and use of the audit committee, management, and Township Board of Trustees. We intend it for no one other than these specified parties.



Canter & Company

January 7, 2009



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
FEBRUARY 24, 2009**