

**ANTRIM TOWNSHIP  
WYANDOT COUNTY, OHIO**

*FINANCIAL STATEMENTS*  
DECEMBER 31, 2010 AND 2009

**WOLF, ROGERS, DICKEY & CO.**  
*Certified Public Accountants*





# Dave Yost • Auditor of State

Board of Trustees  
Antrim Township  
3527 County Hwy 59  
Nevada, Ohio 44849

We have reviewed the *Independent Auditors' Report* of Antrim Township, Wyandot County, prepared by Wolf, Rogers, Dickey & Co., for the audit period January 1, 2009 through December 31, 2010. 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 Auditors' 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 Auditors' 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. Antrim Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

September 19, 2011

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**Antrim Township  
Wyandot County, Ohio**

**For the Years Ended  
December 31, 2010 and 2009**

Table of Contents

Independent Auditors' Report	1-2
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2010	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2009	4
Notes to the Financial Statements	5-9
Independent Auditors' 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>	10-11
Schedule of Findings	12-13
Schedule of Prior Audit Findings	14

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## Independent Auditors' Report

Antrim Township  
Wyandot County, Ohio

To the Board of Trustees:

We have audited the accompanying financial statements of Antrim Township, Wyandot County, Ohio (the Township), as of and for the years ended December 31, 2010 and 2009. 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 that 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 of Ohio 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 presenting 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 of Ohio permits, but does not require townships 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, 2010 and 2009 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, 2010 and 2009, or their changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Antrim Township, Wyandot County, Ohio as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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 July 11, 2011, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts, 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* and should be read in conjunction with this report in considering the results of our audit.

Wolf, Rogers, Dickey & Co.  
Certified Public Accountants

July 11, 2011



**Antrim Township  
Wyandot County, Ohio  
Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
All Governmental Fund Types  
For the Year Ended December 31, 2010**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Cash receipts:			
Local taxes	\$ 6,553	10,072	16,625
Intergovernmental	22,790	101,339	124,129
Earnings on investments	104	54	158
Other revenue	<u>1,819</u>	<u>32</u>	<u>1,851</u>
Total cash receipts	31,266	111,497	142,763
 Cash disbursements:			
Current:			
General government	38,255	390	38,645
Public works	1,239	89,762	91,001
Health	<u>7,806</u>	<u>-</u>	<u>7,806</u>
Total cash disbursements	<u>47,300</u>	<u>90,152</u>	<u>137,452</u>
Total receipts over (under) disbursements	(16,034)	21,345	5,311
Fund cash balances, January 1	<u>88,331</u>	<u>86,703</u>	<u>175,034</u>
Fund cash balances, December 31	\$ <u>72,297</u>	<u>108,048</u>	<u>180,345</u>

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

**Antrim Township  
Wyandot County, Ohio  
Combined Statement of Cash Receipts, Cash Disbursements, and  
Changes in Fund Cash Balances  
All Governmental Fund Types  
For the Year Ended December 31, 2009**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
<b>Cash receipts:</b>			
Local taxes	\$ 6,461	9,912	16,373
Intergovernmental	71,433	105,347	176,780
Earnings on investments	347	231	578
Other revenue	<u>765</u>	<u>437</u>	<u>1,202</u>
Total cash receipts	79,006	115,927	194,933
 <b>Cash disbursements:</b>			
Current:			
General government	45,847	400	46,247
Public works	594	87,799	88,393
Health	7,601	-	7,601
Capital outlay	<u>-</u>	<u>23,986</u>	<u>23,986</u>
Total cash disbursements	<u>54,042</u>	<u>112,185</u>	<u>166,227</u>
Total receipts over disbursements	24,964	3,742	28,706
Fund cash balances, January 1	<u>63,367</u>	<u>82,961</u>	<u>146,328</u>
Fund cash balances, December 31	\$ <u>88,331</u>	<u>86,703</u>	<u>175,034</u>

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

**Antrim Township  
Wyandot County, Ohio  
Notes to the Financial Statements  
December 31, 2010 and 2009**

(1) Summary of Significant Accounting Policies

*Description of the Entity*

Antrim Township, Wyandot County, Ohio (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides road, bridge and cemetery maintenance.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

*Basis of Accounting*

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State of Ohio, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

*Cash*

Cash included an interest bearing demand deposit account.

*Fund Accounting*

The Township uses fund accounting to segregate cash that are restricted as to use. The Township classifies its funds into the following types:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

**Antrim Township  
Wyandot County, Ohio  
Notes to the Financial Statements, continued  
December 31, 2010 and 2009**

(1) Summary of Significant Accounting Policies, continued

Fund Accounting, continued

Motor Vehicle License Tax Fund – This fund receives vehicle registration tax money.

Gasoline Tax Fund – This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

Special Levy Fund (Road and Bridge) – This fund receives Road and Bridge levy tax money to pay for constructing, maintaining and repairing Township roads.

Budgetary Process

The Ohio Revised Code (ORC) requires each fund to be budgeted annually.

Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

Estimated Resources

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

Encumbrances

The ORC 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 2010 and 2009 budgetary activity appears in Note 3.

Property, Plant and Equipment

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

**Antrim Township  
Wyandot County, Ohio  
Notes to the Financial Statements, continued  
December 31, 2010 and 2009**

(2) Equity in Pooled Cash and Investments

The Township maintains a cash pool used by all funds consisting of a single interest bearing demand deposit account. The ORC prescribes allowable deposits. Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

(3) Budgetary Activity

Budgetary activity for the years ended December 31, 2010 and 2009 follows:

2010 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 26,725	31,266	4,541
Special Revenue	<u>116,666</u>	<u>111,497</u>	<u>(5,169)</u>
Total	\$ <u>143,391</u>	<u>142,763</u>	<u>(628)</u>

2010 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 114,643	47,300	67,343
Special Revenue	<u>199,718</u>	<u>90,152</u>	<u>109,566</u>
Total	\$ <u>314,361</u>	<u>137,452</u>	<u>176,909</u>

2009 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 31,700	79,006	47,306
Special Revenue	<u>108,526</u>	<u>115,927</u>	<u>7,401</u>
Total	\$ <u>140,226</u>	<u>194,933</u>	<u>54,707</u>

**Antrim Township  
Wyandot County, Ohio  
Notes to the Financial Statements, continued  
December 31, 2010 and 2009**

(3) Budgetary Activity, continued

2009 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 95,043	54,042	41,001
Special Revenue	<u>188,178</u>	<u>112,185</u>	<u>75,993</u>
Total	\$ <u>283,221</u>	<u>166,227</u>	<u>116,994</u>

(4) Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State of Ohio, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

(5) Retirement Systems

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS) of Ohio. OPERS is a cost-sharing, multiple-employer plan. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the ORC.

Contribution rates are also prescribed by the ORC. For 2010 and 2009, OPERS members contributed 10% of their gross salaries. The Township contributed an amount equal to 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2010.

**Antrim Township  
Wyandot County, Ohio  
Notes to the Financial Statements, continued  
December 31, 2010 and 2009**

(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 2010 and 2009 the Township contracted with Rinehart-Walters-Danner & Associates Insurance Agency Inc. as their broker for coverage with the American Alternative Insurance Corporation as listed below:

<u>Type</u>	<u>Amount</u>	<u>Limit</u>
General Liability	\$ 1,000,000 3,000,000	Per Occurrence General Aggregate
Public Officials E&O	1,000,000	Aggregate
Auto Liability	1,000,000	Per Occurrence
Property	356,645	Scheduled
Equipment	12,012 75,658	Blanket Scheduled

(7) Compliance

Contrary to Ohio law:

- In 2009, appropriations exceeded actual available resources by \$1,593 in the Motor Vehicle License Tax Fund. In 2010, appropriations exceeded actual available resources by \$5,305 in the Gasoline Tax Fund and \$309 in the Motor Vehicle License Tax Fund.
- Material reclassifications to the financial statements were necessary in order for them to be fairly stated.
- The Township has not adopted a personal information policy as required by ORC Chapter 1347.

(8) Subsequent Events

Subsequent events have been evaluated through July 11, 2011, which is the date the financial statements were available to be issued.

# Wolf, Rogers, Dickey & Co.

Certified Public Accountants  
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**Independent Auditors' 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**

Antrim Township  
Wyandot County, Ohio

To the Board of Trustees:

We have audited the financial statements of Antrim Township, Wyandot County, Ohio (the Township), as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated July 11, 2011, wherein we noted the Township followed accounting practices the Auditor of State of Ohio 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 auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion 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, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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 to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial



reporting, described in the accompanying Schedule of Findings as Finding 2010-01, that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

#### Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed certain instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as Findings 2010-01 through 2010-03.

The Township's response to the findings identified in our audit is described in the accompanying Schedule of Findings. We did not audit the Township's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Trustees, management and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

*Wolf, Rogers, Dickey & Co.*  
Certified Public Accountants

July 11, 2011

**Antrim Township  
Wyandot County, Ohio  
Schedule of Findings  
December 31, 2010 and 2009**

**Findings Related to the Financial Statements  
Required to be Reported in Accordance with GAGAS**

Finding Number 2010-01  
Noncompliance/Significant deficiency

The Ohio Township Handbook Chart of Accounts appendix details the revenue and expenditure codes, name of source information, and a brief description of the type of revenue or expenditure that relates to the codes.

We noted the following errors in the Township prepared financial statements that required reclassification:

- In 2009 and 2010, in various funds, a total of \$3,687 and \$4,466 of TPP replacement revenue and rollback/homestead revenue were reclassified from Local Taxes to Intergovernmental revenue.
- In 2009, in the Special Revenue Fund, an expenditure for a road grader was coded to Public Works instead of Capital Outlay. The reclassification totaled \$23,500.

The adjustments are reflected in the audited financial statements. Although the misclassifications have been corrected under audit, annual financial statements available to the public until such time as the audit was completed were inaccurate.

Response by Township

No response received.

Finding Number 2010-02  
Noncompliance

Ohio Revised Code (ORC) Section 5705.36 states:

- (1) That an increased amended certificate must be obtained from the Budget Commission if the legislative authority intends to appropriate and expend revenue in excess of the estimated resources.
- (2) A reduced amended certificate must be obtained if the amount of the deficiency will reduce the available resources below the current level of appropriations.

In 2009, appropriations exceeded available resources by \$1,593 in the Motor Vehicle License Tax Fund. In 2010, appropriations exceeded available resources by \$5,305 in the Gasoline Tax Fund and \$309 in the Motor Vehicle License Tax Fund. These deficits were caused by actual receipts falling below budgeted receipts. We recognize that the Township did not spend all appropriations and actual expenses did not exceed available resources, but ORC Section 5705.36 still requires an amended Certificate of Estimated Resources to reflect reduced receipts. Additionally, the Township should have reduced the appropriations below the estimated resources.

**Antrim Township  
Wyandot County, Ohio  
Schedule of Findings, continued  
December 31, 2010 and 2009**

**Findings Related to the Financial Statements  
Required to be Reported in Accordance with GAGAS**

Finding Number 2010-02, continued  
Noncompliance

Response by Township

No response received.

Finding Number 2010-03  
Noncompliance

In April 2009, ORC Chapter 1347 was added to address the storage, use and distribution of personal information. This chapter requires that the Township adopt a written policy and appoint an individual to be responsible for a personal information system. The personal information system must protect personal information from unauthorized modification, destruction, use or disclosure. The Township has not adopted the required personal information policy.

Response by Township

No response received.

**Antrim Township  
Wyandot County, Ohio  
Schedule of Prior Audit Findings  
December 31, 2010 and 2009**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	<u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid: Explain:</u>
2008-01	Budgetary expenditures exceeded appropriation authority	Yes	Finding no longer valid.



# Dave Yost • Auditor of State

**ANTRIM TOWNSHIP**

**WYANDOT 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  
SEPTEMBER 29, 2011**