



**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Pleasant Township
Franklin County
5373 Norton Road
Grove City, Ohio 43123

To the Board of Trustees:

We have audited the accompanying financial statements of Pleasant Township, Franklin County, Ohio, (the Township) as of and for the years ended December 31, 1999 and December 31, 1998. 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 audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Pleasant Township, Franklin County, Ohio as of December 31, 1999 and December 31, 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2000 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

July 17, 2000

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Local Taxes	\$35,818	\$871,614	\$0	\$907,432
Intergovernmental	305,176	183,199	0	488,375
Special Assessments	0	14,939	0	14,939
Licenses, Permits, and Fees	0	5,396	0	5,396
Interest	48,919	11,126	129	60,174
Other Receipts	17,006	9,933	0	26,939
Total Cash Receipts	<u>406,919</u>	<u>1,096,207</u>	<u>129</u>	<u>1,503,255</u>
Cash Disbursements:				
Current:				
General Government	153,073	0	0	153,073
Public Safety	98,999	823,444	0	922,443
Public Works	0	185,845	0	185,845
Health	19,163	10,184	0	29,347
Supplies and Materials	0	23,531	0	23,531
Contract Services	0	22,870	0	22,870
Miscellaneous	0	23,576	0	23,576
Capital Outlay	20,723	20,885	0	41,608
Total Cash Disbursements	<u>291,958</u>	<u>1,110,335</u>	<u>0</u>	<u>1,402,293</u>
Total Receipts Over/(Under) Disbursements	<u>114,961</u>	<u>(14,128)</u>	<u>129</u>	<u>100,962</u>
Other Financing Receipts/(Disbursements):				
Transfers-In	0	100,000	0	100,000
Advances-In	50,000	50,000	0	100,000
Transfers-Out	(100,000)	0	0	(100,000)
Advances-Out	(50,000)	(50,000)	0	(100,000)
Other Sources	0	6,000	0	6,000
Total Other Financing Receipts/(Disbursements)	<u>(100,000)</u>	<u>106,000</u>	<u>0</u>	<u>6,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>14,961</u>	<u>91,872</u>	<u>129</u>	<u>106,962</u>
Fund Cash Balances, January 1, 1999	<u>769,870</u>	<u>326,279</u>	<u>2,751</u>	<u>1,098,900</u>
Fund Cash Balances, December 31, 1999	<u><u>\$784,831</u></u>	<u><u>\$418,151</u></u>	<u><u>\$2,880</u></u>	<u><u>\$1,205,862</u></u>

PLEASANT TOWNSHIP
FRANKLIN COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Non-Expendable Trust</u>
Operating Cash Receipts:	
Interest	<u>\$65</u>
Total Operating Receipts	<u>65</u>
Operating Cash Disbursements:	
Total Operating Cash Disbursements	<u>0</u>
Operating Receipts Over (Under) Operating Disbursements	65
Fund Cash Balances, January 1, 1999	<u>2,220</u>
Fund Cash Balances, December 31, 1999	<u><u>\$2,285</u></u>

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

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Local Taxes	\$36,187	\$885,967	\$0	\$922,154
Intergovernmental	332,690	180,068	0	512,758
Special Assessments	0	15,574	0	15,574
Licenses, Permits, and Fees	0	2,244	0	2,244
Interest	39,460	9,744	115	49,319
Other Receipts	10,806	16,313	0	27,119
Total Cash Receipts	<u>419,143</u>	<u>1,109,910</u>	<u>115</u>	<u>1,529,168</u>
Cash Disbursements:				
Current:				
General Government	105,328	0	0	105,328
Public Safety	0	1,089,937	0	1,089,937
Public Works	0	143,949	0	143,949
Health	19,880	9,420	0	29,300
Capital Outlay	0	15,052	0	15,052
Total Cash Disbursements	<u>125,208</u>	<u>1,258,358</u>	<u>0</u>	<u>1,383,566</u>
Total Receipts Over/(Under) Disbursements	<u>293,935</u>	<u>(148,448)</u>	<u>115</u>	<u>145,602</u>
Other Financing Receipts/(Disbursements):				
Other Sources	29,758	1,800	0	31,558
Total Other Financing Receipts/(Disbursements)	<u>29,758</u>	<u>1,800</u>	<u>0</u>	<u>31,558</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	323,693	(146,648)	115	177,160
Fund Cash Balances, January 1, 1998	446,177	472,927	2,636	921,740
Fund Cash Balances, December 31, 1998	<u>\$769,870</u>	<u>\$326,279</u>	<u>\$2,751</u>	<u>\$1,098,900</u>
Reserve for Encumbrances, December 31, 1998	<u>\$9,685</u>	<u>\$97,365</u>	<u>\$0</u>	<u>\$107,050</u>

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

PLEASANT TOWNSHIP
FRANKLIN COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>Non-Expendable Trust</u>
Operating Cash Receipts:	
Interest	<u>\$52</u>
Total Operating Receipts	<u>52</u>
Operating Cash Disbursements:	
Total Operating Cash Disbursements	<u>0</u>
Operating Receipts Over (Under) Operating Disbursements	52
Fund Cash Balances, January 1, 1998	<u>2,168</u>
Fund Cash Balances, December 31, 1998	<u><u>\$2,220</u></u>

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

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Pleasant Township, Franklin 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 general governmental services, including road maintenance, cemetery maintenance, and fire and emergency medical services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. 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.

C. Cash and Investments

The Township maintains its cash in a depository account. Certificates of deposit are valued at cost. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

D. Fund Accounting

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

1. General Fund

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

2. Special Revenue Funds

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

Road and Bridge Fund - This fund receives property tax monies to be used for the construction, maintenance, and repair of Township roads.

Gasoline Tax Fund - This fund receives tax money from the County and is used to pay a portion of the Trustees' salaries and miscellaneous road repairs.

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Fire Fund - This fund receives property tax monies for the provision of fire protection services to Township residents.

3. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township has a capital project (equipment) fund which they use to accumulate monies for the purchase of fire protection equipment.

4. Fiduciary Fund (Non-Expendable Trust)

This fund is used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in an agency capacity. The Township had the following fiduciary fund:

Cemetery Bequest Fund - This fund is a non-expendable trust fund which receives interest monies on the corpus of the trust. This interest is then used for the maintenance and repair of the cemetery grounds.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, 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.

2. Estimated Resources

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

3. Encumbrances

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

A summary of 1999 and 1998 budgetary activity appears in Note 3.

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. 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.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Township.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$102,371	\$99,673
Certificates of deposit	<u>1,105,776</u>	<u>1,001,447</u>
Total deposits	<u>1,208,147</u>	<u>1,101,120</u>

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 ending December 31, 1999 and December 31, 1998 was as follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$336,276	\$406,919	\$70,643
Special Revenue	1,150,691	1,202,207	51,516
Capital Projects	100	129	29
Non-Expendable Trust	120	65	(55)
Total	<u>\$1,487,187</u>	<u>\$1,609,320</u>	<u>\$122,133</u>

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,096,460	\$399,136	\$697,324
Special Revenue	1,339,606	1,219,109	120,497
Capital Projects	2,850	0	2,850
Non-Expendable Trust	2,340	0	2,340
Total	<u>\$2,441,256</u>	<u>\$1,618,245</u>	<u>\$823,011</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$299,258	\$448,901	\$149,643
Special Revenue	1,105,921	1,111,710	5,789
Capital Projects	100	115	15
Non-Expendable Trust	70	52	(18)
Total	<u>\$1,405,349</u>	<u>\$1,560,778</u>	<u>\$155,429</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$735,750	\$134,893	\$600,857
Special Revenue	1,524,847	1,355,723	169,124
Capital Projects	2,736	0	2,736
Non-Expendable Trust	2,238	0	2,238
Total	<u>\$2,265,571</u>	<u>\$1,490,616</u>	<u>\$774,955</u>

4. PROPERTY TAX

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

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

4. PROPERTY TAX (Continued)

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

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

5. DEBT

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
Ohio Public Works	\$2,030	0%

The Ohio Public Works loan relates to a road resurfacing project granted in 1993. The Ohio Public Works approved up to \$110,000 in loans at the time of this project, however, only \$4,058 was borrowed. The loan is being repaid in semiannual installments of \$202.90, over 10 years.

Future amortization of the above debt is scheduled as follows:

Year ending December 31	Ohio Public Works Loan
2000	\$406
2001	406
2002	406
2003	406
2004	406
Subsequent	0
Total	\$2,030

6. RETIREMENT SYSTEMS

The Township's fireman belong to the Police & Firemen's Disability & Pension Funds (PFDPF). Other full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cons-sharing, multiple-employer plans. These plans provide retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

**PLEASANT TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

6. RETIREMENT SYSTEMS (Continued)

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PFDPF contributed 10% of their wages to the PFDPF. The Township contributed an amount equal to 24% of their wages. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 1999.

7. RISK MANAGEMENT

The Township has obtained commercial insurance through the Ohio Government Risk Management Plan for the following risks:

- S Comprehensive property and liability
- S Fleet liability
- S Public Officials Errors and omissions
- S Valuable papers and records
- S Business Electronic Equipment
- S Blanket Bonds (\$10,000 Blanket Bond covering all employees other than elected officials who are required to be bonded individually).

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



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

Pleasant Township
Franklin County
5373 Norton Road
Grove City, Ohio 43123

To the Board of Trustees:

We have audited the accompanying financial statements of Pleasant Township, Franklin County, Ohio (the Township), as of and for the years ended December 31, 1999, and December 31, 1998, and have issued our report thereon dated July 17, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated July 17, 2000.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated July 17, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

JIM PETRO
Auditor of State

July 17, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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PLEASANT TOWNSHIP

FRANKLIN 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 12, 2000**