



**PLYMOUTH TOWNSHIP
ASHTABULA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

PLYMOUTH TOWNSHIP
ASHTABULA COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Plymouth Township
Ashtabula County
3899 State Road South
Ashtabula, Ohio 44004

To the Board of Trustees:

We have audited the accompanying financial statements of Plymouth Township, Ashtabula County, Ohio, (the Township) as of and for the years ended December 31, 2000 and 1999. 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 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 audit 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 audit provides 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 the Township as of December 31, 2000 and 1999, 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 April 19, 2001 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. 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.

This report is intended solely for the information and use of the management and 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.

Jim Petro
Auditor of State

April 19, 2001

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PLYMOUTH TOWNSHIP
ASHTABULA COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:					
Local Taxes	\$59,539	\$183,530	\$21,175		\$264,244
Intergovernmental	58,527	101,347			159,874
Special Assessments		3,195			3,195
Charges for Services		14,728			14,728
Licenses, Permits, and Fees	1,225	2,400			3,625
Interest	9,196	2,436			11,632
Other Revenue	1,176	9,937			11,113
Total Cash Receipts	<u>129,663</u>	<u>317,573</u>	<u>21,175</u>		<u>468,411</u>
Cash Disbursements:					
Current:					
General Government	58,877	43,684			102,561
Public Safety		14,726			14,726
Public Works	322	160,291			160,613
Health	12,794	2,881			15,675
Capital Outlay	3,445	750		40,564	44,759
Debt Service:					
Bond Principal Payment		4,900	17,460		22,360
Interest and Fiscal Charges		466	3,715		4,181
Total Cash Disbursements	<u>75,438</u>	<u>227,698</u>	<u>21,175</u>	<u>40,564</u>	<u>364,875</u>
Total Receipts Over/(Under) Disbursements	<u>54,225</u>	<u>89,875</u>		<u>(40,564)</u>	<u>103,536</u>
Other Financing Receipts/(Disbursements):					
Other Sources				40,564	40,564
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	54,225	89,875			144,100
Fund Cash Balances, January 1, 2000	<u>47,829</u>	<u>140,190</u>			<u>188,019</u>
Fund Cash Balances, December 31, 2000	<u>\$102,054</u>	<u>\$230,065</u>			<u>\$332,119</u>

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

**PLYMOUTH TOWNSHIP
ASHTABULA 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>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$55,066	\$153,859	\$5,598	\$214,523
Intergovernmental	18,612	88,831		107,443
Special Assessments		3,151		3,151
Charges for Services		13,524		13,524
Licenses, Permits, and Fees	2,203	2,790		4,993
Interest	3,270	982		4,252
Other Revenue	4,451	2,501		6,952
	<hr/>			
Total Cash Receipts	83,602	265,638	5,598	354,838
Cash Disbursements:				
Current:				
General Government	64,241	46,249		110,490
Public Safety		10,952		10,952
Public Works	322	231,702		232,024
Health	14,745	2,768		17,513
Capital Outlay	1,163			1,163
Debt Service:				
Bond Principal Payment		15,300	4,900	20,200
Interest and Fiscal Charges		1,296	698	1,994
	<hr/>			
Total Cash Disbursements	80,471	308,267	5,598	394,336
	<hr/>			
Total Receipts Over/(Under) Disbursements	3,131	(42,629)		(39,498)
Other Financing Receipts/(Disbursements):				
Proceed from Notes		69,000		69,000
	<hr/>			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	3,131	26,371		29,502
	<hr/>			
Fund Cash Balances, January 1, 1999	44,698	113,819		158,517
	<hr/>			
Fund Cash Balances, December 31, 1999	\$47,829	\$140,190		\$188,019
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Reserve for Encumbrances, December 31, 1999		\$120		\$120
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The notes to the financial statements are an integral part of this statement.

**PLYMOUTH TOWNSHIP
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Plymouth Township, Ashtabula County, (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, and cemetery maintenance. The Township contracts with certain adjacent Townships to provide fire protection and ambulance service.

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. 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 real and personal property tax receipts for the purchase of equipment and constructing, maintaining and repairing Township roads.

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

Fire Levy Fund - This fund receives tax money generated by a voted levy to provide fire protection and ambulance services to residents.

**PLYMOUTH TOWNSHIP
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Debt Service Funds

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness.

4. 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 had the following significant capital project funds:

Issue II Fund - The Township received a grant from the State of Ohio to replace a drainage on Pinney Topper/Daly Road.

D. Budgetary Process

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

1. Appropriations

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

2. Estimated Resources

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

3. Encumbrances

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

A summary of 2000 and 1999 budgetary activity appears in Note 3.

E. 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.

**PLYMOUTH TOWNSHIP
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. 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 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>2000</u>	<u>1999</u>
Demand deposits	\$231,865	\$89,019
Money Market	100,254	99,000
Total deposits	332,119	188,019

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$117,646	\$129,663	\$12,017
Special Revenue	314,795	317,573	2,778
Debt Service	21,175	21,175	0
Capital Projects	51,500	40,564	(10,936)
Total	\$505,116	\$508,975	\$3,859

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$165,476	\$75,438	\$90,038
Special Revenue	454,984	227,698	227,286
Debt Service	21,175	21,175	0
Capital Projects	51,500	40,564	10,936
Total	\$693,135	\$364,875	\$328,260

**PLYMOUTH TOWNSHIP
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$77,068	\$83,602	\$6,534
Special Revenue	331,523	334,638	3,115
Debt Service	5,598	5,598	0
Total	\$414,189	\$423,838	\$9,649

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$121,950	\$80,471	\$41,479
Special Revenue	525,164	308,387	216,777
Debt Service	5,598	5,598	0
Total	\$652,712	\$394,456	\$258,256

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.

Public utilities are also taxed on personal and real property located within the Township.

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

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

**PLYMOUTH TOWNSHIP
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
General Obligation Note	\$56,440	4.71%
General Obligation Note	9,800	4.75%
Total	\$66,240	

The general obligation notes were used to purchase a wheel loader and an ambulance. The wheel loader debt was issued in 1999, and is paid from the Debt Service Fund with a maturity date of April 2004. The ambulance debt was issued in 1996, with half the debt paid out of the Debt Service Fund and half paid out the Emergency Medical Services Fund, and has a maturity date of December 2001.

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

Year ending December 31:	General Obligation Notes
2001	\$26,075
2002	15,810
2003	15,810
2004	15,810
Total	\$73,505

6. RETIREMENT SYSTEMS

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% (for 1999) and 10.84% (for 2000) of participants' gross salaries. The Township has paid all contributions required through December 31, 2000.

**PLYMOUTH TOWNSHIP
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

7. RISK MANAGEMENT

The Township has obtained commercial insurance the Ohio Township Association Risk Management Authority (OTARMA).

The Township has obtained commercial insurance for the following risks:

- General Liability and Casualty
- Public Official's Liability
- Automobile Liability
- Property Coverage

The Township also provides health insurance to certain officials through a private carrier.



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

Plymouth Township
Ashtabula County
3899 State Road South
Ashtabula, Ohio 44004

To the Board of Trustees:

We have audited the accompanying financial statements of Plymouth Township, Ashtabula County, Ohio (the Township), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated April 19, 2001. We conducted our audit 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 Plymouth 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 audit 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 April 19, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Plymouth 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 one matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township in a separate letter dated April 19, 2001.

Plymouth Township
Ashtabula County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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.

Jim Petro
Auditor of State

April 19, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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PLYMOUTH TOWNSHIP

ASHTABULA 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
MAY 22, 2001**