



**JIM PETRO**  
**AUDITOR OF STATE**  
STATE OF OHIO



CLINTON TOWNSHIP  
FRANKLIN COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Report of Independent Accountants .....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 1999 .....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 1998 .....	4
Notes to the Financial Statements .....	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	11

**This Page Intentionally Left Blank**



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street  
Columbus, Ohio 43215  
Telephone 614-466-3402  
800-443-9275  
Facsimile 614-728-7199  
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS**

Clinton Township  
Franklin County  
3820 Cleveland Avenue  
Columbus, Ohio 43224

To the Board of Trustees:

We have audited the accompanying financial statements of Clinton 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 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 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 Clinton 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 April 28, 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 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

April 28, 2000



**CLINTON 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>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$26,599	\$1,711,399	\$0	\$1,737,998
Intergovernmental	335,640	234,256	276,504	846,400
Licenses, Permits, and Fees	0	38,227	0	38,227
Earnings on Investments	68,802	0	0	68,802
Other Revenue	13,494	14,433	0	27,927
	<u>444,535</u>	<u>1,998,315</u>	<u>276,504</u>	<u>2,719,354</u>
<b>Total Cash Receipts</b>				
	<u>444,535</u>	<u>1,998,315</u>	<u>276,504</u>	<u>2,719,354</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	144,658	0	0	144,658
Public Safety	47,770	1,618,959	0	1,666,729
Public Works	9,718	186,840	0	196,558
Health	1,859	0	0	1,859
Human Services	4,387	0	0	4,387
Miscellaneous	2,944	0	0	2,944
Personal Services	0	3,984	0	3,984
Contract Services	0	0	307,143	307,143
Capital Outlay	117,571	96,483	0	214,054
	<u>328,907</u>	<u>1,906,266</u>	<u>307,143</u>	<u>2,542,316</u>
<b>Total Cash Disbursements</b>				
	<u>328,907</u>	<u>1,906,266</u>	<u>307,143</u>	<u>2,542,316</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>115,628</u>	<u>92,049</u>	<u>(30,639)</u>	<u>177,038</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Other Sources	736	0	0	736
	<u>736</u>	<u>0</u>	<u>0</u>	<u>736</u>
<b>Total Other Financing Receipts/(Disbursements)</b>				
	<u>736</u>	<u>0</u>	<u>0</u>	<u>736</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>116,364</u>	<u>92,049</u>	<u>(30,639)</u>	<u>177,774</u>
<b>Fund Cash Balances, January 1</b>	<u>710,631</u>	<u>888,535</u>	<u>79,611</u>	<u>1,678,777</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$826,995</b></u>	<u><b>\$980,584</b></u>	<u><b>\$48,972</b></u>	<u><b>\$1,856,551</b></u>
<b>Reserve for Encumbrances, December 31</b>	<u><b>\$105,582</b></u>	<u><b>\$229,345</b></u>	<u><b>\$17,656</b></u>	<u><b>\$352,583</b></u>

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

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$24,577	\$1,524,430	\$0	\$1,549,007
Intergovernmental	323,897	276,855	0	600,752
Licenses, Permits, and Fees	0	51,794	0	51,794
Earnings on Investments	73,127	0	0	73,127
Other Revenue	16,506	17,118	0	33,624
	<u>438,107</u>	<u>1,870,197</u>	<u>0</u>	<u>2,308,304</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
General Government	132,773	0	0	132,773
Public Safety	33,329	1,537,868	0	1,571,197
Public Works	21,704	184,237	0	205,941
Health	2,308	0	0	2,308
Human Services	2,425	0	0	2,425
Miscellaneous	3,792	0	0	3,792
Personal Services	0	4,000	0	4,000
Contract Services	0	0	26,039	26,039
Capital Outlay	175,588	80,068	0	255,656
	<u>371,919</u>	<u>1,806,173</u>	<u>26,039</u>	<u>2,204,131</u>
<b>Total Cash Disbursements</b>				
Total Receipts Over/(Under) Disbursements	<u>66,188</u>	<u>64,024</u>	<u>(26,039)</u>	<u>104,173</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers-In	0	0	51,090	51,090
Transfers-Out	(51,090)	0	0	(51,090)
Other Sources	129,881	0	0	129,881
Other Uses				0
	<u>78,791</u>	<u>0</u>	<u>51,090</u>	<u>129,881</u>
<b>Total Other Financing Receipts/(Disbursements)</b>				
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	144,979	64,024	25,051	234,054
Fund Cash Balances, January 1	<u>565,652</u>	<u>824,511</u>	<u>54,560</u>	<u>1,444,723</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$710,631</b></u>	<u><b>\$888,535</b></u>	<u><b>\$79,611</b></u>	<u><b>\$1,678,777</b></u>
Reserve for Encumbrances, December 31	<u>\$149,837</u>	<u>\$232,572</u>	<u>\$28,521</u>	<u>\$410,930</u>



**CLINTON TOWNSHIP  
FRANKLIN COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Clinton 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 and bridge maintenance, fire protection and emergency medical services for the West segment of the Township. The Township additionally contracts with the City of Upper Arlington to provide fire services and ambulance services for the East segment of the Township.

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**

Mutual funds are recorded at share values reported by the mutual fund.

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 for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Police District Fund - This fund receives property tax money for the operation and maintenance of Township police protection services.

**CLINTON 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 District Fund - This fund receives property tax money for the operation and maintenance of Township fire protection services.

**3. Capital Project Funds**

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Township had the following significant capital project funds.

Dresden Road Issue II Fund - The Township received a grant from the State of Ohio to do infrastructure repair and road resurfacing on Dresden Road.

Elmore Avenue Issue II Fund - The Township received a grant from the State of Ohio to do infrastructure repair and road resurfacing on Elmore Avenue.

**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. 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 1999 and 1998 budgetary activity appears in Note 3.

**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.

**CLINTON TOWNSHIP  
FRANKLIN COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 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	\$523,702	\$886,938
Total deposits	523,702	886,938
FIRSTAR Investment Account	1,332,851	791,840
Total investments	1,332,851	791,840
Total deposits and investments	\$1,856,553	\$1,678,778

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

**Investments:** Investments in mutual funds are not evidenced by securities that exist in physical or book-entry form.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1998 and December 31, 1999 follows:

<b>1999 Budgeted vs. Actual Receipts</b>			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$403,557	\$445,271	\$41,714
Special Revenue	1,985,585	1,998,315	12,730
Capital Projects	431,850	276,504	(155,346)
Total	\$2,820,992	\$2,720,090	(\$100,902)

**CLINTON TOWNSHIP  
FRANKLIN COUNTY**

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

**3. BUDGETARY ACTIVITY (Continued)**

<b>1999 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$790,000	\$434,489	\$355,511
Special Revenue	2,506,368	2,135,611	370,757
Capital Projects	341,000	324,799	16,201
Total	<u>\$3,637,368</u>	<u>\$2,894,899</u>	<u>\$742,469</u>

<b>1998 Budgeted vs. Actual Receipts</b>			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$510,865	\$567,988	\$57,123
Special Revenue	2,088,158	1,870,197	(217,961)
Capital Projects	287,000	51,090	(235,910)
Total	<u>\$2,886,023</u>	<u>\$2,489,275</u>	<u>(\$396,748)</u>

<b>1998 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$805,000	\$572,846	\$232,154
Special Revenue	2,604,338	2,038,745	565,593
Capital Projects	482,940	54,560	428,380
Total	<u>\$3,892,278</u>	<u>\$2,666,151</u>	<u>\$1,226,127</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.

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.

**CLINTON TOWNSHIP  
FRANKLIN COUNTY**

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

**4. PROPERTY TAX (Continued)**

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 certified full time Fire Fighters belong to the Police and Firemen's Disability and Pension Funds (PFDPF). Part time Fire Fighters pay into social security. Police Officers pay into Public Employees Retirement System Law Enforcement of Ohio(PERSLE). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF, PERS LE, and PERS are cost-sharing, multiple-employer plans. These plans provide 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 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. PERS LE members contributed 9% of their gross salaries. The Township contributed an amount equal to 16.7% of participants' gross salaries. The Township has paid all contributions required through December 31, 1999.

**6. RISK MANAGEMENT**

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

**7. HEALTH CARE BENEFITS**

The Township is a member of the Central Ohio Health Care Consortium, a risk-sharing pool, which provides health insurance benefits for full-time employees who wish to participate in the plan. The pool consists of thirteen political subdivisions who pool risk for basic hospital, surgical, and prescriptions drug coverage. The Township pays monthly contributions to the Consortium, which are used to cover claims and administrative costs, and to purchase excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the Plan for medical claims paid for an individual in excess of \$125,000, with an individual lifetime maximum of \$2,000,000. The aggregate excess loss coverage has been structured to indemnify the Plan for aggregate claims in excess of \$4,990,568 to a maximum of \$1,000,000 annually. In the event that the losses of the Consortium in any year exceeds amounts paid to the consortium, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered claims losses shall revert to and be the sole obligation of the political subdivision against which the claim was made.

**8. JOINT VENTURE**

On July 7, 1997, the Clinton Township Board of Trustees and the Mifflin Township (Franklin County, Ohio) Board of Trustees established a joint venture for the implementation of the Mifflin/Clinton Code Enforcement Officer Grant. This agreement is to provide residents with a clean, safe environment and to provide enforcement of code, health, and zoning issues. Mifflin Township is designated as the financial administrator of the joint venture and, therefore, the related receipts and disbursements are not reflected in the accompanying financial statements.

**This Page Intentionally Left Blank**



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street  
Columbus, Ohio 43215  
Telephone 614-466-3402  
800-443-9275  
Facsimile 614-728-7199  
www.auditor.state.oh.us

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

Clinton Township  
Franklin County  
3820 Cleveland Avenue  
Columbus, Ohio 43224

To the Board of Trustees:

We have audited the accompanying financial statements of Clinton 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 April 28, 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 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 28, 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 a 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 28, 2000.

Clinton Township  
Franklin 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.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**JIM PETRO**  
Auditor of State

April 28, 2000





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**CLINTON 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  
JUNE 1, 2000**