



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

Dublin Township
Mercer County
3167 US Route 33
Rockford, Ohio 45882

To the Board of Trustees:

We have audited the accompanying financial statements of Dublin Township, Mercer County, (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 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 of Dublin Township 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 March 7, 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.

JIM PETRO
Auditor of State

March 7, 2000

**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>	
Cash Receipts:			
Local Taxes	\$37,243	\$26,351	\$63,594
Intergovernmental	34,546	70,393	104,939
Licenses, Permits, and Fees		6,825	6,825
Earnings on Investments	2,761	574	3,335
Other Revenue	1,020	1,119	2,139
	<u>75,570</u>	<u>105,262</u>	<u>180,832</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
General Government	87,075	1,097	88,172
Public Safety	12,000		12,000
Public Works		64,784	64,784
Health	4,968	24,768	29,736
Capital Outlay		37,053	37,053
	<u>104,043</u>	<u>127,702</u>	<u>231,745</u>
Total Cash Disbursements			
Total Receipts Over/(Under) Disbursements	<u>(28,473)</u>	<u>(22,440)</u>	<u>(50,913)</u>
Other Financing Receipts/(Disbursements):			
Advances-In	13,500	6,500	20,000
Advances-Out	(3,500)	(16,500)	(20,000)
Other Sources		4,100	4,100
	<u>10,000</u>	<u>(5,900)</u>	<u>4,100</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(18,473)	(28,340)	(46,813)
Fund Cash Balances, January 1	45,181	82,733	127,914
Fund Cash Balances, December 31	<u>\$26,708</u>	<u>\$54,393</u>	<u>\$81,101</u>

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Fiduciary Fund Type
	Nonexpendable Trust
Operating Cash Receipts:	
Interest	\$379
 Operating Cash Disbursements:	
Supplies and Materials	133
Net Receipts Over/(Under) Disbursements	246
Fund Cash Balance, January 1	9,394
Fund Cash Balance, December 31	\$9,640

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

**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	\$35,751	\$25,240	\$0	\$60,991
Intergovernmental	50,414	70,870	29,640	150,924
Licenses, Permits, and Fees		9,525		9,525
Earnings on Investments	3,488	895		4,383
Other Revenue	1,659	2,374		4,033
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	91,312	108,904	29,640	229,856
Cash Disbursements:				
Current:				
General Government	68,877	893		69,770
Public Safety	12,000			12,000
Public Works		61,812		61,812
Health	5,324	26,056		31,380
Capital Outlay		830	29,640	30,470
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	86,201	89,591	29,640	205,432
Total Receipts Over/(Under) Disbursements	5,111	19,313	0	24,424
Other Financing Receipts/(Disbursements):				
Advances-In	5,000			5,000
Advances-Out		(5,000)		(5,000)
Other Sources		10,025		10,025
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	5,000	5,025	0	10,025
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	10,111	24,338	0	34,449
Fund Cash Balances, January 1	35,070	58,395		93,465
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	<u>\$45,181</u>	<u>\$82,733</u>	<u>\$0</u>	<u>\$127,914</u>

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

	Fiduciary Fund Type
	Nonexpendable Trust
Operating Cash Receipts:	
Interest	\$377
Gifts and Donations	1,000
Total Operating Cash Receipts	1,377
Operating Cash Disbursements:	
Supplies and Materials	401
Net Receipts Over/(Under) Disbursements	976
Fund Cash Balance, January 1	8,418
Fund Cash Balance, December 31	\$9,394

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Dublin Township, Mercer 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, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Rockford Fire department to provide fire services and Mercer County for Emergency Medical Services to provide ambulance 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

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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 money for constructing, maintaining and repairing Township roads and bridges.

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

Cemetery Fund - This fund receives cemetery lot sales and openings and closings of graves, maintaining the cemetery grounds.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

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 had the following significant capital project funds

Issue II Fund - The Township received a grant from the State of Ohio to resurface township roads.

5. Fiduciary Funds (Trust Funds)

These funds are 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 significant fiduciary fund:

Cemetery Bequest Fund - A nonexpendable trust fund. Amounts donated are maintained in perpetuity. Investment earnings are used for grave upkeep as specified by the donor.

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 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.

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 canceled, and reappropriated in the subsequent year.

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.

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

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	\$51,304	\$66,075
Certificates of deposit	<u>13,000</u>	<u>13,000</u>
Total deposits	<u>64,304</u>	<u>79,075</u>
STAR Ohio	<u>26,437</u>	<u>58,233</u>
Total investments	<u>26,437</u>	<u>58,233</u>
Total deposits and investments	<u><u>\$90,741</u></u>	<u><u>\$137,308</u></u>

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

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

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	\$73,357	\$75,570	\$2,213
Special Revenue	111,692	109,362	(2,330)
Fiduciary	<u>350</u>	<u>379</u>	<u>29</u>
Total	<u><u>\$185,399</u></u>	<u><u>\$185,311</u></u>	<u><u>(\$88)</u></u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$117,955	\$107,543	\$10,412
Special Revenue	198,008	144,202	53,806
Fiduciary	<u>1,744</u>	<u>133</u>	<u>1,611</u>
Total	<u><u>\$317,707</u></u>	<u><u>\$251,878</u></u>	<u><u>\$65,829</u></u>

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

3. BUDGETARY ACTIVITY (Continued)

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$66,149	\$91,312	\$25,163
Special Revenue	108,300	118,929	10,629
Capital Projects	29,640	29,640	0
Fiduciary	250	1,377	1,127
Total	\$204,339	\$241,258	\$36,919

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$119,044	\$86,201	\$32,843
Special Revenue	166,065	94,591	71,474
Capital Projects	29,640	29,640	0
Fiduciary	1,668	401	1,267
Total	\$316,417	\$210,833	\$105,584

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.

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. RETIREMENT SYSTEMS

The Township officials and 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 1999 and 1998, members of 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.

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

6. RISK MANAGEMENT

The Township is a member of a pooled insurance group that provides coverage for real property, building contents and vehicles under the terms and conditions required by the pool. Risk sharing certificates are provided in the form of intergovernmental contracts between the Township and the Ohio Township Association Risk Management Authority (OTARMA). OTARMA administers the pool and upon execution of the contract, the Township pays the annual membership contribution fee. Real property and contents were inspected by OTARMA and are covered for the amount of the repair or replacement within the limits outlined on the statement of value provided as part of the risk sharing certificate.

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

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OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Dublin Township
Mercer County
3167 US Route 33
Rockford, Ohio 45882

To the Board of Trustees:

We have audited the accompanying financial statements of Dublin Township, Mercer County, (the Township), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated March 7, 2000. 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 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 March 7, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, 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 other 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 March 7, 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.

JIM PETRO
Auditor of State

March 7, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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DUBLIN TOWNSHIP

MERCER 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
APRIL 11, 2000**