



**RACCOON TOWNSHIP  
GALLIA COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO  
AUDITOR OF STATE**

STATE OF OHIO



**RACCOON TOWNSHIP  
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STATE OF OHIO  
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## REPORT OF INDEPENDENT ACCOUNTANTS

Raccoon Township  
Gallia County  
P.O. Box 313  
Rio Grande, Ohio 45674

To the Board of Trustees:

We have audited the accompanying financial statements of Raccoon Township, Gallia County, Ohio, (the Township) as of and for the years ended December 31, 1999 and 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 Raccoon Township, Gallia County, Ohio, as of December 31, 1999 and 1998, and its combined cash receipts and cash 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 a report dated April 27, 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 and Board of Trustees, and other officials authorized to receive this report under Section 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 27, 2000



**RACCOON TOWNSHIP  
 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>Government Fund Types</u>		<b>Total (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$28,287	\$9,677	\$37,964
Intergovernmental	25,911	69,522	95,433
Interest	513	512	1,025
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	54,711	79,711	134,422
<b>Cash Disbursements:</b>			
Current:			
General Government	32,737	287	33,024
Public Safety		8,549	8,549
Public Works		56,104	56,104
Health	1,146		1,146
Capital Outlay	4,845		4,845
Debt Service:			
Principal	9,945	11,071	21,016
Interest	753	111	864
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	49,426	76,122	125,548
	<hr/>	<hr/>	<hr/>
Total Cash Receipts Over/(Under) Cash Disbursements	5,285	3,589	8,874
<b>Other Financing Sources/(Uses):</b>			
Sale of Assets		4,036	4,036
Other Receipts	20		20
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources/(Uses)	20	4,036	4,056
	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Sources/Over (Under) Cash Disbursements and Other Financing Uses	5,305	7,625	12,930
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	15,444	34,844	50,288
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$20,749</u></b>	<b><u>\$42,469</u></b>	<b><u>\$63,218</u></b>

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

**RACCOON TOWNSHIP  
 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>Government Fund Types</u>		<b>Total (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$26,736	\$9,177	\$35,913
Intergovernmental	20,560	71,484	92,044
Interest	474	602	1,076
	<u>47,770</u>	<u>81,263</u>	<u>129,033</u>
<b>Total Cash Receipts</b>			
	<u>47,770</u>	<u>81,263</u>	<u>129,033</u>
<b>Cash Disbursements:</b>			
Current:			
General Government	35,157	266	35,423
Public Safety		8,686	8,686
Public Works		52,813	52,813
Miscellaneous		233	233
Health	1,300		1,300
Capital Outlay	5,347	8,276	13,623
Debt Service:			
Interest		15	15
	<u>41,804</u>	<u>70,289</u>	<u>112,093</u>
<b>Total Cash Disbursements</b>			
	<u>41,804</u>	<u>70,289</u>	<u>112,093</u>
<b>Total Cash Receipts Over/(Under) Cash Disbursements:</b>	<u>5,966</u>	<u>10,974</u>	<u>16,940</u>
<b>Other Financing Sources/Uses:</b>			
Other Financing Sources	36	15	51
	<u>36</u>	<u>15</u>	<u>51</u>
<b>Total Other Financing Sources/Uses</b>			
	<u>36</u>	<u>15</u>	<u>51</u>
<b>Excess of Cash Receipts and Other Financing Sources Over/(Under) Cash Disbursements and Financing Uses</b>	6,002	10,989	16,991
<b>Fund Cash Balances, January 1</b>	<u>9,442</u>	<u>23,855</u>	<u>33,297</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$15,444</u></u>	<u><u>\$34,844</u></u>	<u><u>\$50,288</u></u>

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



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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Raccoon Township, Gallia County, (the Township) is a body politic and corporate 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 and a publicly-elected Clerk/Treasurer. The Township provides general governmental services including maintenance of Township roads and cemeteries, and fire protection.

The Township's management believes these financial statements represent 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.

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

**C. Cash And Investments**

The Township did not have any investments during the audit period. Cash accounts are valued at cost.

**D. Fund Accounting**

The Township uses fund accounting to segregate cash that is 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 by law or contract to be restricted.

**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 :

*Motor Vehicle License Tax Fund* - These funds receive motor vehicle tax money for maintaining Township roads.

*Gasoline Tax Fund* - This fund receives gasoline tax money for maintaining Township roads.

*Fire District Fund* - This fund receives tax money for maintaining Township fire protection.

*Federal Emergency Management Agency Fund I, II, and III* - These funds receive federal money for damages due to flooding.

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

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

**E. Budgetary Process**

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

**Appropriations**

Budgetary expenditures (i.e., disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Township 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 beginning of the year fund cash balances. The County Budget Commission must also approve estimated resources.

**Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when 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.

**2. EQUITY IN POOLED CASH**

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

	<u>1999</u>	<u>1998</u>
Demand Deposits	<u>\$63,218</u>	<u>\$50,288</u>

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation.

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

**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	\$50,517	\$54,731	\$4,214
Special Revenue	<u>77,902</u>	<u>83,747</u>	<u>5,845</u>
Total	<u><u>\$128,419</u></u>	<u><u>\$138,478</u></u>	<u><u>\$10,059</u></u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$63,393	\$49,426	\$13,967
Special Revenue	<u>105,222</u>	<u>76,122</u>	<u>29,100</u>
Total	<u><u>\$168,615</u></u>	<u><u>\$125,548</u></u>	<u><u>\$43,067</u></u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$44,954	\$47,806	\$2,852
Special Revenue	<u>83,313</u>	<u>81,278</u>	<u>(2,035)</u>
Total	<u><u>\$128,267</u></u>	<u><u>\$129,084</u></u>	<u><u>\$817</u></u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$43,851	\$41,804	\$2,047
Special Revenue	<u>94,816</u>	<u>70,289</u>	<u>24,527</u>
Total	<u><u>\$138,667</u></u>	<u><u>\$112,093</u></u>	<u><u>\$26,574</u></u>

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Township 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.

**RACCOON TOWNSHIP**  
**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. 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. 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.

**6. RISK MANAGEMENT**

The Township has obtained commercial insurance coverage for the following risks:

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



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

Raccoon Township  
Gallia County  
P.O. Box 313  
Rio Grande, Ohio 45674

To the Board of Trustees:

We have audited the financial statements of Raccoon Township, Gallia County, Ohio, (the Township) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated April 27, 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 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the 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 27, 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

April 27, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**RACCOON TOWNSHIP**

**GALLIA 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 25, 2000**