



**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

**REGULAR AUDIT**

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



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

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**STATE OF OHIO**



**WASHINGTON TOWNSHIP  
DELAWARE, FRANKLIN, AND UNION COUNTIES**

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**STATE OF OHIO  
OFFICE OF THE AUDITOR**

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**REPORT OF INDEPENDENT ACCOUNTANTS**

Washington Township  
Delaware, Franklin, and Union Counties  
5985 Cara Road, P.O. Box 34  
Amlin, Ohio 43002-0034

To the Board of Trustees:

We have audited the accompanying financial statements of Washington Township, Delaware, Franklin, and Union Counties, 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 of the 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 June 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 the audit committee, management, the Board 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

June 27, 2000



**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

**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>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$496,725	\$7,474,355	\$650,162	\$8,621,242
Intergovernmental	135,565	878,761	6,641	1,020,967
Charges for Services	38,055	37,572	0	75,627
Licenses, Permits, and Fees	800	7,473	0	8,273
Earnings on Investments	334,215	0	0	334,215
Other Receipts	2,268	66,687	0	68,955
	<u>1,007,628</u>	<u>8,464,848</u>	<u>656,803</u>	<u>10,129,279</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
General Government	335,163	0	0	335,163
Public Safety	19,032	8,202,813	0	8,221,845
Public Works	1,948	32,971	0	34,919
Leisure Time Activities	277,734	0	0	277,734
Debt Service:				
Redemption of Principal	0	0	460,000	460,000
Interest and Fiscal Charges	0	0	192,530	192,530
Capital Outlay	74,521	2,045,739	0	2,120,260
	<u>708,398</u>	<u>10,281,523</u>	<u>652,530</u>	<u>11,642,451</u>
<b>Total Cash Disbursements</b>				
Total Receipts Over/(Under) Disbursements	<u>299,230</u>	<u>(1,816,675)</u>	<u>4,273</u>	<u>(1,513,172)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	299,230	(1,816,675)	4,273	(1,513,172)
Fund Cash Balances, January 1, 1999	<u>1,530,355</u>	<u>4,280,352</u>	<u>211,573</u>	<u>6,022,280</u>
<b>Fund Cash Balances, December 31, 1999</b>	<b><u>\$1,829,585</u></b>	<b><u>\$2,463,677</u></b>	<b><u>\$215,846</u></b>	<b><u>\$4,509,108</u></b>

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

**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

**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>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$487,769	\$7,205,025	\$922,553	\$8,615,347
Intergovernmental	151,126	954,513	8,021	1,113,660
Charges for Services	45,395	25,317	0	70,712
Licenses, Permits, and Fees	1,110	4,569	0	5,679
Earnings on Investments	440,781	2,586	0	443,367
Other Receipts	156,138	43,862	0	200,000
	<u>1,282,319</u>	<u>8,235,872</u>	<u>930,574</u>	<u>10,448,765</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
General Government	361,953	0	0	361,953
Public Safety	19,918	7,853,938	0	7,873,856
Public Works	1,975	34,222	0	36,197
Leisure Time Activities	246,266	0	0	246,266
Health	2,970	0	0	2,970
Debt Service:				
Redemption of Principal	0	0	687,600	687,600
Interest and Fiscal Charges	0	0	231,038	231,038
Capital Outlay	142,975	1,092,022	0	1,234,997
	<u>776,057</u>	<u>8,980,182</u>	<u>918,638</u>	<u>10,674,877</u>
<b>Total Cash Disbursements</b>				
Total Receipts Over/(Under) Disbursements	<u>506,262</u>	<u>(744,310)</u>	<u>11,936</u>	<u>(226,112)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	506,262	(744,310)	11,936	(226,112)
Fund Cash Balances, January 1, 1998	<u>1,024,093</u>	<u>5,024,662</u>	<u>199,637</u>	<u>6,248,392</u>
<b>Fund Cash Balances, December 31, 1998</b>	<b><u>\$1,530,355</u></b>	<b><u>\$4,280,352</u></b>	<b><u>\$211,573</u></b>	<b><u>\$6,022,280</u></b>

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



**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Washington Township, Delaware, Franklin, and Union Counties, 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 fire protection 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**

Overnight repurchase agreements and governmental securities are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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:

Fire District Fund - This fund receives tax revenue and other intergovernmental revenue for maintaining and operating the Township fire department.

**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

**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)**

Police District Fund - This fund receives tax revenue for providing police protection. The Township currently contracts with the City of Dublin for dispatching services and the Franklin County Sheriff's Department for policing services.

**3. Debt Service Funds**

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

**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 and 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 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.

**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.

**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

**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	\$0	\$8,913
Total deposits	0	8,913
Overnight Repurchase Agreement	265,858	333,215
Money Market - 5/3 Bank U.S. Treasury	10,793	0
5/3 Bank U.S. Treasury Obligations Fund	0	849,212
U.S. Treasury Notes	198,328	993,457
Federal Home Loan Bank	1,430,902	846,878
Federal Farm Credits	245,125	0
Federal Home Loan Mortgage Corporation	500,000	1,740,882
Federal National Mortgage Association	1,523,505	499,664
Student Loan Marketing Association	197,750	0
STAR Ohio	136,845	750,058
Total investments	4,509,106	6,013,366
Total deposits and investments	\$4,509,106	\$6,022,279

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

**Investments:** U.S. Treasury Notes are held in book-entry form by the Federal Reserve, in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities. Government-backed agency securities are held in book-entry form by the financial institution. Investments in STAR Ohio and 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, 1999 and December 31, 1998 follows:

<b>1999 Budgeted vs. Actual Receipts</b>			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$977,901	\$1,007,628	\$29,727
Special Revenue	8,400,240	8,464,848	64,608
Debt Service	656,954	656,803	(151)
Total	\$10,035,095	\$10,129,279	\$94,184

**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

**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	\$1,398,525	\$708,398	\$690,127
Special Revenue	11,546,615	10,281,523	1,265,092
Debt Service	653,275	652,530	745
Total	<u>\$13,598,415</u>	<u>\$11,642,451</u>	<u>\$1,955,964</u>

<b>1998 Budgeted vs. Actual Receipts</b>			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$870,443	\$1,282,319	\$411,876
Special Revenue	7,263,446	8,235,872	972,426
Debt Service	924,895	930,574	5,679
Total	<u>\$9,058,784</u>	<u>\$10,448,765</u>	<u>\$1,389,981</u>

<b>1998 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,056,827	\$776,057	\$280,770
Special Revenue	9,614,327	8,980,182	634,145
Debt Service	918,772	918,638	134
Total	<u>\$11,589,926</u>	<u>\$10,674,877</u>	<u>\$915,049</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.

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.

**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

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

**5. DEBT**

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
Street Improvement Bonds	\$465,000	7.50%
Fire Administration Building	1,005,000	6.80%
Station #95 & #97 Notes	1,340,000	4.65%
Total	\$2,810,000	

The Street Improvement Bonds were issued to finance the construction of Warner Temple Road. The bonds are collateralized solely by the Township's taxing authority. The Fire Administration Building Notes were issued to finance the purchase of the Fire Administration Building. The Station #95 & #97 Notes were issued to finance the remodeling of Fire Station #95 and the construction of Fire Station #97.

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

Year ending December 31:	Street Improvement Bonds	Fire Administrative Bonds	Station #95 & #97 Notes
2000	64,875	233,340	282,310
2001	62,625	222,120	272,080
2002	65,375	210,900	266,850
2003	62,750	204,680	256,388
2004	65,125	193,120	245,925
Subsequent	377,500	181,560	235,462
Total	\$698,250	\$1,245,720	\$1,559,015

In addition to the debt described above, the Township has defeased certain debt issues from prior years by placing them in an irrevocable trust with an escrow agent to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account activity is not included in the Township's financial statements.

**6. RETIREMENT SYSTEMS**

The Township's full-time Fire Fighters belong to the Police and Firemen's Disability and Pension Funds (PFDPF). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF 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.

**WASHINGTON TOWNSHIP  
FRANKLIN, DELAWARE, AND UNION COUNTIES**

**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 10.00% of their wages to the PFDPF. The Township contributed an amount equal to 13.55% of their wages. PERS members contributed 8.50% 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 for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions
- General liability and casualty
- Public official's liability

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



**STATE OF OHIO  
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**

Washington Township  
Delaware, Franklin, and Union Counties  
5985 Cara Road, P.O. Box 34  
Amlin, Ohio 43002-0034

To the Board of Trustees:

We have audited the accompanying financial statements of Washington Township, Delaware, Franklin, and Union Counties, Ohio (the Township), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated June 27, 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 June 27, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audits, 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 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 June 27, 2000.

Washington Township  
Delaware, Franklin, and Union Counties  
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 the audit committee, 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", written in a cursive style.

**JIM PETRO**  
Auditor of State

June 27, 2000





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**WASHINGTON 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  
AUGUST 24, 2000**