



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
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, 2000	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Fiduciary Fund Types – For the Year Ended December 31, 2000	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Fiduciary Fund Types – For the Year Ended December 31, 1999	6
Notes to the Financial Statements	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	13

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REPORT OF INDEPENDENT ACCOUNTANTS

Williamsfield Township
Ashtabula County
8778 Ridge Road
Williamsfield, Ohio 44093

To the Board of Trustees:

We have audited the accompanying financial statements of Williamsfield Township, Ashtabula County, Ohio, (the Township) as of and for the years ended December 31, 2000 and December 31, 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 described 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 reserve 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 20, 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 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.

Jim Petro
Auditor of State

April 20, 2001

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**WILLIAMSFIELD 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>Capital Projects</u>	
Cash Receipts:				
Local Taxes	\$27,993	\$123,625		\$151,618
Intergovernmental	21,374	79,902	70,091	171,367
Licenses, Permits, and Fees	1,544	2,685		4,229
Special Assessments		468		468
Earnings on Investments	1,276	303		1,579
Other Revenue	47	7,608		7,655
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	52,234	214,591	70,091	336,916
Cash Disbursements:				
Current:				
General Government	35,115			35,115
Public Safety		37,936		37,936
Public Works	285	126,282	70,091	196,658
Health	6,517	8,199		14,716
Conservation - Recreation		17,276		17,276
Debt Service:				
Redemption of Principal		3,439		3,439
Capital Outlay	9,946	6,913		16,859
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	51,863	200,045	70,091	321,999
Total Receipts Over/(Under) Disbursements	<hr/>	<hr/>	<hr/>	<hr/>
	371	14,546		14,917
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>	<hr/>
	23,540	56,955		80,495
Fund Cash Balances, December 31	<hr/> \$23,911	<hr/> \$71,501	<hr/>	<hr/> \$95,412
Reserve for Encumbrances, December 31	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>	<hr/>
		\$2,144		\$2,144

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

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

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

	<u>Fiduciary Fund Types</u>
	<u>Nonexpendable Trust</u>
Operating Cash Receipts:	
Earnings on Investment	\$316
Total Operating Cash Receipts	316
Operating Cash Disbursements:	
Supplies and Materials	245
Total Operating Cash Disbursements	245
Excess of Operating Receipts Over/(Under) Operating Disbursements	71
Fund Cash Balances, January 1	8,586
Fund Cash Balances, December 31	<u><u>\$8,657</u></u>

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

**WILLIAMSFIELD 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>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$24,903	\$115,209	\$140,112
Intergovernmental	11,063	75,390	86,453
Licenses, Permits, and Fees	1,636	1,370	3,006
Special Assessments		569	569
Earnings on Investments	1,308	295	1,603
Other Revenue	133	10,425	10,558
	<u>39,043</u>	<u>203,258</u>	<u>242,301</u>
Total Cash Receipts			
	<u>39,043</u>	<u>203,258</u>	<u>242,301</u>
Cash Disbursements:			
Current:			
General Government	37,002		37,002
Public Safety		37,084	37,084
Public Works	306	126,830	127,136
Health	6,083	8,039	14,122
Conservation - Recreation		15,981	15,981
Debt Service:			
Redemption of Principal		3,440	3,440
Capital Outlay	10,700	12,016	22,716
	<u>54,091</u>	<u>203,390</u>	<u>257,481</u>
Total Cash Disbursements			
	<u>54,091</u>	<u>203,390</u>	<u>257,481</u>
Total Receipts Over/(Under) Disbursements	<u>(15,048)</u>	<u>(132)</u>	<u>(15,180)</u>
Other Financing Receipts/(Disbursements):			
Other Financing Sources		8,690	8,690
		<u>8,690</u>	<u>8,690</u>
Total Other Financing Receipts/(Disbursements)			
		<u>8,690</u>	<u>8,690</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>(15,048)</u>	<u>8,558</u>	<u>(6,490)</u>
Fund Cash Balances, January 1	<u>38,588</u>	<u>48,397</u>	<u>86,985</u>
Fund Cash Balances, December 31	<u><u>\$23,540</u></u>	<u><u>\$56,955</u></u>	<u><u>\$80,495</u></u>

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

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Fiduciary Fund Types
	Nonexpendable Trust
Operating Cash Receipts:	
Earnings on Investment	\$360
Total Operating Cash Receipts	360
Operating Cash Disbursements:	
Supplies and Materials	133
Total Operating Cash Disbursements	133
Excess of Operating Receipts Over/(Under) Operating Disbursements	227
Fund Cash Balances, January 1	8,359
Fund Cash Balances, December 31	\$8,586

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

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Williamsfield 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 and bridge maintenance, cemetery maintenance, 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

The Township maintained a general operating account which is invested in an interest bearing account. Passbook savings are maintained for bequest accounts.

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.

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Special Revenue Funds

Fire Levy Fund - This fund's receipts are generated from a restricted Township levy and are only to be utilized to assist in providing the necessary equipment and fire protection for Township residents.

Community Center Levy Fund - This fund's receipts are generated from a restricted Township levy and are utilized for the upkeep of the Community Center.

Ambulance Levy Fund - This fund's receipts are generated from a restricted Township levy and are forwarded to Pymatuning Ambulance Services for emergency medical treatment and transport of Township residents.

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 fund:

Issue II Fund - The Township received a grant from the State of Ohio for the Twitchell Road improvement project.

4. Fiduciary Funds (Trust Funds)

These funds are used to account for resources restricted by legally binding trust agreements. The Township had the following significant fiduciary fund(s): Howard Phelps Trust, Minnie Kincaid-Stanhope Trust, and Libbie North Trust.

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 function 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.

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made.

A summary of 2000 and 1999 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.

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	\$96,138	\$81,217
Certificates of Deposit	4,500	4,500
Passbook Savings	<u>3,431</u>	<u>3,364</u>
Total deposits and investments	<u><u>\$104,069</u></u>	<u><u>\$89,081</u></u>

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: Passbook savings are cemetery bequest accounts (same coverage as noted above).

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

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

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	\$38,000	\$52,234	\$14,234
Special Revenue	197,940	214,591	16,651
Capital Projects	0	70,091	70,091
Non-Exp. Trust	318	316	(2)
Total	<u>\$236,258</u>	<u>\$337,232</u>	<u>\$100,974</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$61,500	\$51,863	\$9,637
Special Revenue	248,530	202,189	46,341
Capital Projects	0	70,091	(70,091)
Non-Exp. Trust	318	245	73
Total	\$310,348	\$324,388	(\$14,040)

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$35,600	\$39,043	\$3,443
Special Revenue	194,723	211,948	17,225
Non-Exp. Trust	324	360	36
Total	<u>\$230,647</u>	<u>\$251,351</u>	<u>\$20,704</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$74,000	\$54,091	\$19,909
Special Revenue	237,663	203,390	34,273
Non-Exp. Trust	350	133	217
Total	<u>\$312,013</u>	<u>\$257,614</u>	<u>\$54,399</u>

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

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

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'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, 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.

6. RISK MANAGEMENT

The Township has obtained commercial insurance for the following risks:

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

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

7. DEBT

Debt outstanding at December 31, 2000 was as follows:

Principal: \$60,231
Interest Rate: 0%
Ohio Public Works Commission (OPWC) Loans

The OPWC loans were for the widening of Twitchell Road and the resurfacing of Old Salt Road. The debt is collateralized solely by the Township's taxing authority.

**WILLIAMSFIELD TOWNSHIP
ASHTABULA COUNTY**

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

7. DEBT (Continued)

Amortization of the above debt is scheduled as follows:

<u>Year</u>	<u>Twitchell Road</u>	<u>Old Salt Rd.</u>
2001	\$ 1,980	\$ 3,440
2002	3,959	3,440
2003	3,959	3,440
2004	3,959	3,440
2005	3,959	3,440
2006-11	<u>21,775</u>	<u>3,440</u>
Totals	\$39,591	\$20,640



**STATE OF OHIO
OFFICE OF THE AUDITOR**

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

Williamsfield Township
Ashtabula County
8778 Ridge Road
Williamsfield, Ohio 44093

To the Board of Trustees:

We have audited the accompanying financial statements of Williamsfield 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 20, 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 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*. We noted certain immaterial instances of noncompliance that we have reported to management of Williamsfield Township in a separate letter dated April 20, 2001.

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 April 20, 2001.

Williamsfield Township Board of Trustees
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 20, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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WILLIAMSFIELD 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 15, 2001**