



**PERRY TOWNSHIP
FRANKLIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**PERRY TOWNSHIP
FRANKLIN COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Perry Township
Franklin County
7125 Sawmill Road
Dublin, Ohio 43016

To the Board of Trustees:

We have audited the accompanying financial statements of Perry Township, Franklin 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 auditing standards generally accepted in the United States of America 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 and reserve for encumbrances of the Township as of December 31, 2000 and December 31, 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 June 19, 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, audit committee, 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

June 19, 2001

**PERRY 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, 2000**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Local Taxes	\$143,068	\$1,484,946	\$1,628,015
Intergovernmental	1,202,971	321,320	1,524,291
Licenses, Permits, and Fees	33,373	7,507	40,880
Fines, Forfeitures, and Penalties	0	77,122	77,122
Earnings on Investments	179,871	1,687	181,557
Other Receipts	275	29,103	29,378
	<u>1,559,558</u>	<u>1,921,687</u>	<u>3,481,244</u>
Total Cash Receipts			
	<u>1,559,558</u>	<u>1,921,687</u>	<u>3,481,244</u>
Cash Disbursements:			
Current:			
General Government	250,503		250,503
Public Safety	13,335	1,770,823	1,784,158
Public Works	11,073	265,845	276,919
Health	11,192		11,192
Capital Outlay	2,161	90,652	92,813
	<u>288,265</u>	<u>2,127,320</u>	<u>2,415,585</u>
Total Cash Disbursements			
	<u>288,265</u>	<u>2,127,320</u>	<u>2,415,585</u>
Total Receipts Over/(Under) Disbursements	<u>1,271,293</u>	<u>(205,634)</u>	<u>1,065,659</u>
Other Financing Receipts/(Disbursements):			
Sale of Fixed Assets		270,306	270,306
Advances-In	44,000	44,000	88,000
Advances-Out	(44,000)	(44,000)	(88,000)
	<u>0</u>	<u>270,306</u>	<u>270,306</u>
Total Other Financing Receipts/(Disbursements)			
	<u>0</u>	<u>270,306</u>	<u>270,306</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>1,271,293</u>	<u>64,673</u>	<u>1,335,966</u>
Fund Cash Balances, January 1, 2000	<u>1,625,231</u>	<u>813,344</u>	<u>2,438,575</u>
Fund Cash Balances, December 31, 2000	<u>\$2,896,524</u>	<u>\$878,017</u>	<u>\$3,774,541</u>
Reserve for Encumbrances, December 31, 2000	<u>\$0</u>	<u>\$121,321</u>	<u>\$121,321</u>

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

**PERRY 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**

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
Local Taxes	\$149,192	\$1,595,075	\$1,744,267
Intergovernmental	281,297	219,034	500,331
Charges for Services	12,461	900,000	912,461
Licenses, Permits, and Fees	18,057	36,549	54,606
Fines and Forfeitures		37,241	37,241
Earnings on Investments	77,115	12,353	89,468
Other Receipts	3,907	38,649	42,556
Total Cash Receipts	542,029	2,838,901	3,380,930
Cash Disbursements:			
Current:			
General Government	297,498		297,498
Public Safety	7,927	2,610,741	2,618,668
Public Works	30	249,357	249,387
Health	10,096		10,096
Capital Outlay	2,745	72,951	75,696
Total Cash Disbursements	318,296	2,933,049	3,251,345
Total Receipts Over/(Under) Disbursements	223,733	(94,148)	129,585
Other Financing Receipts/(Disbursements):			
Other Sources	2,205		2,205
Total Other Financing Receipts/(Disbursements)	2,205	0	2,205
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	225,938	(94,148)	131,790
Fund Cash Balances, January 1, 1999	1,399,293	907,492	2,306,785
Fund Cash Balances, December 31, 1999	\$1,625,231	\$813,344	\$2,438,575

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

**PERRY TOWNSHIP
FRANKLIN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Perry Township, Franklin 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. The Township provided fire protection and emergency medical services in 1999. The Township contracts with Washington Township, the City of Upper Arlington and the City of Worthington to provide fire protection and emergency medical services in 2000.

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

Repurchase agreements 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:

**PERRY TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(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 providing security of persons and property for township residents.

Police District Fund - This fund receives property tax money for providing security of persons and property for township residents.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) 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. 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 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.

**PERRY TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(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>2000</u>	<u>1999</u>
Demand deposits	(\$134,546)	(\$16,341)
Total deposits	(134,546)	(16,341)
Repurchase Agreement	2,409,087	2,454,916
STAR Ohio	1,500,000	0
Total investments	3,909,087	2,454,916
Total deposits and investments	\$3,774,541	\$2,438,575

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

Investments: State statutes permit the Township to invest in interim deposits in repurchase agreements, that is, an agreement in which the Township transfers cash to a financial institution; the financial institution transfers securities to the Township and promises to repay the cash plus interest in exchange for the same securities. The said securities are uninsured and unregistered and are held in book entry form by a third party, the Federal Reserve, in the name of the financial institution. The purchased securities are limited to only U.S. Treasury and Agency Notes. 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, 2000 and December 31, 1999 follows:

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,416,085	\$1,559,557	\$143,472
Special Revenue	2,184,942	2,191,993	7,051
Total	\$3,601,027	\$3,751,550	\$150,523

**PERRY TOWNSHIP
FRANKLIN COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$2,125,798	\$288,264	\$1,837,534
Special Revenue	<u>3,054,786</u>	<u>2,248,641</u>	<u>806,145</u>
Total	<u>\$5,180,584</u>	<u>\$2,536,905</u>	<u>\$2,643,679</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$376,827	\$544,234	\$167,407
Special Revenue	<u>2,586,763</u>	<u>2,838,901</u>	<u>252,138</u>
Total	<u>\$2,963,590</u>	<u>\$3,383,135</u>	<u>\$419,545</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$1,776,120	\$318,296	\$1,457,824
Special Revenue	<u>3,483,255</u>	<u>2,933,049</u>	<u>550,206</u>
Total	<u>\$5,259,375</u>	<u>\$3,251,345</u>	<u>\$2,008,030</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.

**PERRY TOWNSHIP
FRANKLIN COUNTY**

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

5. RETIREMENT SYSTEMS

The Township's certified Fire Fighters belong to the Police and Firemen's Disability and Pension Funds (PFDPF). Other full-time employees and law enforcement officers 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.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PFDPF contributed 10% of their wages to the PFDPF. The Township contributed an amount equal to 19.5% of their wages. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% in 1999 and 10.84% in 2000 of participants' gross salaries. The Township has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The Township is a member of the Ohio Government Risk Management (the Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

- General liability and casualty
- Public official's liability
- Vehicle

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

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

Perry Township
Franklin County
7125 Sawmill Road
Dublin, Ohio 43016

To the Board of Trustees:

We have audited the accompanying financial statements of Perry Township, Franklin County, Ohio (the Township), as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated June 19, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 an immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated June 19, 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.

Perry Township
Franklin County
Report on Compliance and on Internal Control Required by
Government Auditing Standards
Page 2

This report is intended for the information and use of management, audit committee, 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

June 19, 2001



STATE OF OHIO
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PERRY 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
JULY 19, 2001**