

VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY

**REPORT ON EXAMINATION OF FINANCIAL
STATEMENTS FOR THE YEARS ENDED
DECEMBER 31, 1998 AND 1999**

J. E. Slaybaugh & Associates, Inc.
Certified Public Accountant
12 East Main Street
Lexington, Ohio 44904



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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Village of Plymouth
49 Sandusky Street
Plymouth, Ohio 44865

We have reviewed the independent auditor's report of the Village of Plymouth, Richland County, prepared by J. E. Slaybaugh & Associates, Inc., for the audit period January 1, 1998 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Plymouth is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

August 16, 2000

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY**

49 Sandusky Street
Plymouth, Ohio 44865

**ELECTED OFFICIALS
AS OF DECEMBER 31, 1999**

NAME	TITLE	TERM OF OFFICE	SURETY	AMOUNT	PERIOD
Adrian Cole	Mayor 50 Portner Street Plymouth, Ohio 44865	1/1/96 - 12/31/99	(A)	\$ 5,000	(B)
Scott C. Martin	Council President	1/1/98 - 12/31/01			
Chris Runkle	Council Member	* - 12/31/01			
Robert C. Mellas, Jr.	Council Member	1/1/98 - 12/31/01			
Debbie Carter	Council President	* - 12/31/99			
Bonnie Oleksa	Council Member	1/1/96 - 12/31/99			
Shelley Redden	Council Member	1/1/98 - 12/31/01			
Jeannie A. Neeley	Clerk/Treasurer	4/1/96 - 3/31-00	(A)	\$ 50,000	(B)

* appointed to fill unexpired term

Statutory Legal Counsel

Richard Wolfe, Atty
446 Diamond Street
Ashland, Ohio 44805

(A) Ohio Government Risk Management Plan
(B) Concurrent With Term

VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY

FOR THE YEARS ENDED DECEMBER 31, 1998 AND 1999

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Certified Public Accountant*

Village of Plymouth, Richland/Huron County
49 Sandusky Street
Plymouth, Ohio 44865

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Village of Plymouth, Richland/Huron County, Ohio, as of and for the years ended December 31, 1998 and 1999. These financial statements are the responsibility of the Village'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 Village 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 reserves for encumbrances of Village of Plymouth, Richland/Huron County, Ohio, as of December 31, 1998 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 July 18, 2000 on our consideration of the Village's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the 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.

J. E. Slaybaugh & Associates, Inc.
J.E. Slaybaugh & Associates, Inc.
Lexington, Ohio
July 18, 2000

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY**

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

	Governmental			Fiduciary Expendable Trust	(Memorandum Only)
	General	Special Revenue	Capital Projects		
CASH RECEIPTS:					
Local Taxes	\$ 103,554	\$ 140,720		\$ 101,999	\$ 346,273
Intergovernmental	108,623	85,082			193,705
Charges for Services		35,843			35,843
Fines, Licenses, and Permits	16,708	10,715			27,423
Miscellaneous	46,153	12,438			58,591
Total Cash Receipts	275,038	284,798	0	101,999	661,835
CASH DISBURSEMENTS:					
Current:					
Security of Persons and Property		107,015			396,436
Public Health Services	289,421	38,331			38,331
Leisure Time Activities		37,974			37,974
Community Environment	4,233				4,233
Transportation		84,397			84,397
General Government	47,369	27,235		21,653	96,257
Capital Outlay			8,935		8,935
Total Program Disbursements	341,023	294,952	8,935	21,653	666,563
Total receipts over/(under) program disbursements	(65,985)	(10,154)	(8,935)	80,346	(4,728)

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

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY**

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

	Governmental			Fiduciary Expendable Trust	(Memorandum Only)
	General	Special Revenue	Capital Projects		
OTHER FINANCING RECEIPTS/(DISBURSEMENTS):					
Sale of Fixed Assets		15,732			15,732
Transfers-In	54,000	12,500	23,000		89,500
Transfers-Out			(16,500)	(87,000)	(103,500)
Total other financing receipts/(disbursements)	54,000	28,232	6,500	(87,000)	1,732
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(11,985)	18,078	(2,435)	(6,654)	(2,996)
Fund Cash Balances - January 1, 1999	28,952	214,376	7,315	84,619	335,262
Adjustment to beginning cash balance	(598)	(60)			(658)
Fund Cash Balances - December 31, 1999	\$ 16,369	\$ 232,394	\$ 4,880	\$ 77,965	\$ 331,608

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

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY**

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

	Enterprise	(Memorandum Only) Total
OPERATING CASH RECEIPTS:		
Charges for Services	\$ 1,149,041	\$ 1,149,041
Miscellaneous	59,375	59,375
Total Cash Receipts	1,208,416	1,208,416
OPERATING CASH DISBURSEMENTS:		
Personal Services	221,854	221,854
Contractual Services	674,584	674,584
Supplies and Materials	103,523	103,523
Capital Outlay	107,548	107,548
Total Program Disbursements	1,107,509	1,107,509
Total receipts over/(under) program disbursements	100,907	100,907
NON-OPERATING EXPENSES:		
Debt Service	57,400	57,400
OTHER FINANCING RECEIPTS/(DISBURSEMENTS):		
Transfers-In	14,000	14,000
Transfers-Out	0	0
Total other financing receipts/(disbursements)	14,000	14,000
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	57,507	57,507
Fund Cash Balances - January 1, 1999	217,945	217,945
Fund Cash Balances - December 31, 1999	\$ 275,452	\$ 275,452

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

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND CASH BALANCES -
ALL GOVERNMENT FUND TYPES AND SIMILAR FIDUCIARY FUNDS - FOR THE YEAR ENDED DECEMBER 31, 1998

	Governmental			Fiduciary	(Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	Total
CASH RECEIPTS:					
Local Taxes	\$ 89,089	\$ 119,912		\$ 104,764	\$ 313,765
Intergovernmental	83,701	96,295			179,996
Charges for Services		29,066			29,066
Fines, Licenses, and Permits	24,557	60			24,617
Miscellaneous	<u>84,392</u>	<u>1,713</u>		<u>1,000</u>	<u>87,105</u>
Total Cash Receipts	281,739	247,046	0	105,764	634,549
CASH DISBURSEMENTS:					
Current:					
Security of Persons and Property	246,276	49,905			296,181
Public Health Services		36,341			36,341
Leisure Time Activities		8,143			8,143
Community Environment	971				971
Transportation		48,254			48,254
General Government	72,066	20,368		23,688	116,122
Capital Outlay	<u>6,615</u>	<u>126,517</u>	<u>9,886</u>		<u>143,018</u>
Total Program Disbursements	<u>325,928</u>	<u>289,528</u>	<u>9,886</u>	<u>23,688</u>	<u>649,030</u>
Total receipts over/(under) program disbursements	(44,189)	(42,482)	(9,886)	82,076	(14,481)

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

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND CASH BALANCES -
ALL GOVERNMENT FUND TYPES AND SIMILAR FIDUCIARY FUNDS - FOR THE YEAR ENDED DECEMBER 31, 1998

	Governmental			Fiduciary	(Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	
OTHER FINANCING					
RECEIPTS/(DISBURSEMENTS):					
Sale of Fixed Assets		21,625			6,625
Transfers-In	45,000		28,000		73,000
Transfers-Out			(13,000)	(73,000)	(86,000)
Other Sources					
Other Uses					
Total other financing receipts/(disbursements)	<u>45,000</u>	<u>21,625</u>	<u>15,000</u>	<u>(73,000)</u>	<u>8,625</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	811	(20,857)	5,114	9,076	(5,856)
Fund Cash Balances - January 1, 1998	<u>28,141</u>	<u>235,233</u>	<u>2,201</u>	<u>75,543</u>	<u>341,118</u>
Fund Cash Balances - December 31, 1998	<u>\$ 28,952</u>	<u>\$ 214,376</u>	<u>\$ 7,315</u>	<u>\$ 84,619</u>	<u>\$ 335,262</u>

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

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL PROPRIETARY FUND TYPES -
FOR THE YEAR ENDED DECEMBER 31, 1998**

	Enterprise	(Memorandum Only) Total
OPERATING CASH RECEIPTS:		
Charges for Services	\$ 1,064,652	\$ 1,064,652
Total Cash Receipts	1,064,652	1,064,652
 OPERATING CASH DISBURSEMENTS:		
Personal Services	218,614	218,614
Contractual Services	619,800	619,800
Supplies and Materials	61,573	61,573
Capital Outlay	133,042	133,042
Total Program Disbursements	1,033,029	1,033,029
 Total receipts over/(under) program disbursements	 31,623	 31,623
NON-OPERATING EXPENSES:		
Debt Service	57,800	57,800
 OTHER FINANCING RECEIPTS/(DISBURSEMENTS):		
Transfers-In	13,000	13,000
Transfers-Out	0	0
Total other financing receipts/(disbursements)	13,000	13,000
 Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	 (13,177)	 (13,177)
 Fund Cash Balances - January 1, 1998	 231,122	 231,122
 Fund Cash Balances - December 31, 1998	 \$ 217,945	 \$ 217,945

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

**VILLAGE OF PLYMOUTH, OHIO
RICHLAND/HURON COUNTY**

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Village of Plymouth, Richland/Huron County 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 Village is directed by a publicly-elected mayor and six member council. The Village provides general governmental services, including electric and water and sewer utilities, park operations (leisure time activities), fire protection, ambulance service, and police services.

The Village's management believes these financial statements present all activities for which the Village 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 make adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of Deposit is 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 Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village classifies its funds into the following types:

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.

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 Village had the following significant Special Revenue Fund:

Street Construction, Maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

Cemetery Fund - This fund receives general and tangible personal property tax money for operating and maintaining the cemetery.

Fire Fund - This fund receives general and tangible personal property tax money for the operation of the Village fire department.

D. Capital Project Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through the enterprise or trust funds).

E. Enterprise Funds

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village had the following significant enterprise funds:

Water Fund - Receives charges for services from residents to cover the cost of providing this utility.

Electric Fund - Receives charges for services from residents to cover the cost of providing this utility.

F. Fiduciary Funds (Trust and Agency Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Village to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. Funds for which the Village is acting in an agency capacity are classified as agency funds. The Village had the following significant fiduciary fund:

Income Tax Fund - The Village receives money from income tax assessed, at the rate of one-percent, on payroll paid to workers and business profits earned in the Village.

G. Budgetary Process

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

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 Village 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.

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.

Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. The Village had no outstanding encumbrances at the years ended 1999 and 1998.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

H. 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.

I. 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 cash basis of accounting used by the Village.

2. Equity in Pooled Cash and Investments

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

	<u>1999</u>	<u>1998</u>
Demand Deposits	\$ 220,845	\$ 190,594
Certificates of Deposit	<u>285,961</u>	<u>267,251</u>
Total deposits	<u>506,806</u>	<u>457,845</u>
STAR Ohio	<u>100,254</u>	<u>95,362</u>
Total investments	<u>100,254</u>	<u>95,362</u>
Total deposits and investments	<u>\$ 607,060</u>	<u>\$ 553,207</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

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 was as follows:

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 299,470	\$ 329,038	\$ 29,568
Special Revenue	312,100	313,000	900
Capital Projects	23,000	23,000	0
Enterprise	1,134,200	1,222,416	88,216
Fiduciary	<u>90,000</u>	<u>101,999</u>	<u>11,999</u>
Total	<u>\$ 1,858,770</u>	<u>\$ 1,989,453</u>	<u>\$130,683</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 354,700	\$ 341,023	\$ 13,677
Special Revenue	512,100	294,952	217,148
Capital Projects	30,000	25,435	4,565
Enterprise	1,359,045	1,164,909	194,136
Fiduciary	<u>130,090</u>	<u>108,653</u>	<u>21,437</u>
Total	<u>\$ 2,385,935</u>	<u>\$ 1,934,972</u>	<u>\$450,963</u>

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 294,470	\$ 326,739	\$ 32,269
Special Revenue	290,275	268,671	(21,604)
Capital Projects	20,000	28,000	8,000
Enterprise	1,094,800	1,077,652	(17,148)
Fiduciary	<u>88,700</u>	<u>105,764</u>	<u>17,064</u>
Total	<u>\$ 1,788,245</u>	<u>\$ 1,806,826</u>	<u>\$ 18,581</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 328,003	\$ 325,928	\$ 2,075
Special Revenue	468,970	289,528	179,442
Capital Projects	27,501	22,886	4,615
Enterprise	1,324,593	1,090,829	233,764
Fiduciary	<u>119,091</u>	<u>96,688</u>	<u>22,403</u>
Total	<u>\$ 2,268,158</u>	<u>\$ 1,825,859</u>	<u>\$ 442,299</u>

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. 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 is due the following June 20.

Public utilities are also taxed on personal property located within the Village.

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 Village.

5. Debt

Debt outstanding at December 31, 1999 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
GMAC - sewer improvements	\$ 539,000	5.00%
Ohio Water Development Authority Loan	<u>20,566</u>	10.71%
Total	<u>\$ 559,566</u>	

The Ohio Water Development Authority (OWDA) loan relates to a water plant project. The OWDA loaned \$127,314 to the Village of Plymouth for the project. The loan will be repaid in semi-annual installments of \$15,685, including interest, over 20 years.

The GMAC Commercial Mortgage loans, assumed from General Electric Capital Corporation, relates to a sewer plant project. The loans are being repaid in annual payments billed by the mortgagor, including interest, over 25 years.

Amortization of the above debt is scheduled as follows:

Year ending	GMAC	OWDA Loan
December 31:		
2000	\$ 29,000	\$ 13,482
2001	30,000	7,084
2002	31,000	
2003	32,000	
2004	33,000	
later years	<u>384,000</u>	<u> </u>
Totals	<u>\$ 539,000</u>	<u>\$ 20,566</u>

6. Retirement System

The Village's full-time 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 1998 and 1999, members of PERS contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55 % of participant's gross salaries. The Village has paid all contributions required through December 31, 1999 as follows:

	<u>Payroll</u>	<u>Contribution</u>
1997	\$ 298,359	\$ 25,342
1998	\$ 306,823	\$ 41,574
1999	\$ 330,775	\$ 44,819

The policemen of the Village are covered by the Police and Firemen's Disability Pension Fund, also accounted for by the State of Ohio. For 1998 and 1999, policemen contributed 10% of their gross salaries. The Village contributed an amount equal to 19.5% of the participant's gross salaries. The Village has paid all contributions required through December 31, 1999 as follows:

	<u>Payroll</u>	<u>Contribution</u>
1997	\$ 81,522	\$ 15,896
1998	\$ 123,037	\$ 23,987
1999	\$ 129,066	\$ 25,145

7. Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Public official's liability

Coverage is provided by Ohio Government Risk Management Plan.

The Village also provides health insurance to its full-time employee through a private carrier.

8. Basis of Accounting - Mayor's Court

Financial accountability for the Mayor's Court is that of an agent, acting in a fiduciary capacity for others. The court has no equity or ownership over the monies it controls. By virtue of Ohio law, the monies collected are distributed within a specific period of time to specific recipients. The records are kept on a cash basis and combined monthly into the general fund. The receipts and disbursements for the years 1998 and 1999 were as follows:

	<u>1998</u>	<u>1999</u>
Beginning Balance	\$ 1,875	\$ 1,925
Receipts	31,142	25,833
Disbursements	<u>(31,092)</u>	<u>(21,733)</u>
Ending Balance	<u>\$ 1,925</u>	<u>\$ 6,025</u>

J. E. Slaybaugh & Associates, Inc.

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*John E. Slaybaugh III
Certified Public Accountant*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Village of Plymouth, Richland/Huron County
49 Sandusky Street
Plymouth, Ohio 44865

We have audited the financial statements of Village of Plymouth, Richland/Huron County, as of and for the years ended December 31, 1998 and 1999, and have issued our report thereon dated July 18, 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 Village of Plymouth's financial statements are free of material misstatement, we performed tests of its compliance with certain laws and regulations, 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

In planning and performing our audit, we considered Village of Plymouth'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 structure. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure 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 structure and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the 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.

J. E. Slaybaugh & Associates, Inc.

J.E. Slaybaugh & Associates, Inc.

Lexington, Ohio

July 18, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

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VILLAGE OF PLYMOUTH

RICHLAND 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
SEPTEMBER 21, 2000**