



**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

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

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Circleville Township
Pickaway County
934 South Washington Street
P.O. Box 121
Circleville, Ohio 43113

To the Board of Trustees:

We have audited the accompanying financial statements of Circleville Township, Pickaway 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 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 audits 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 Circleville Township, Pickaway County, Ohio 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 January 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, the Board of Trustees, and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

January 19, 2001

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

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

	<u>GOVERNMENTAL FUND TYPES</u>		<u>FIDUCIARY FUND TYPE</u>	<u>Totals Memorandum Only</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
Cash Receipts:				
Taxes	\$74,467	\$149,357	\$0	\$223,824
Licenses, Permits and Fees	0	5,367	0	5,367
Intergovernmental	39,001	78,021	0	117,022
Special Assessments	0	4,834	0	4,834
Interest	20,684	2,714	0	23,398
Other Revenue	11,749	0	400	12,149
Total Cash Receipts	<u>145,901</u>	<u>240,293</u>	<u>400</u>	<u>386,594</u>
Cash Disbursements:				
General Government	68,917	5,570	0	74,487
Public Safety	29,000	56,586	0	85,586
Public Works	0	136,956	0	136,956
Health	11,123	0	0	11,123
Conservation-Recreation	3,452	4,743	0	8,195
Capital Outlay	5,120	1,358	0	6,478
Total Cash Disbursements	<u>117,612</u>	<u>205,213</u>	<u>0</u>	<u>322,825</u>
Total Receipts Over/(Under) Disbursements	<u>28,289</u>	<u>35,080</u>	<u>400</u>	<u>63,769</u>
Other Financing Receipts/(Disbursements):				
Other Sources/Uses	342	0	0	342
Total Other Financing Receipts/(Disbursements)	<u>342</u>	<u>0</u>	<u>0</u>	<u>342</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>28,631</u>	<u>35,080</u>	<u>400</u>	<u>64,111</u>
Fund Cash Balances, January 1, 2000	<u>222,771</u>	<u>315,792</u>	<u>1,400</u>	<u>539,963</u>
Fund Cash Balances, December 31, 2000	<u><u>\$251,402</u></u>	<u><u>\$350,872</u></u>	<u><u>\$1,800</u></u>	<u><u>\$604,074</u></u>

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

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

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

	<u>GOVERNMENTAL FUND TYPES</u>		<u>FIDUCIARY FUND TYPE</u>	<u>Totals Memorandum Only</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
Cash Receipts:				
Taxes	\$71,398	\$142,688	\$0	\$214,086
Licenses, Permits and Fees	0	16,271	0	16,271
Intergovernmental	23,839	78,790	0	102,629
Special Assessments	0	4,758	0	4,758
Interest	19,870	3,546	0	23,416
Other Revenue	13,334	0	400	13,734
Total Cash Receipts	<u>128,441</u>	<u>246,053</u>	<u>400</u>	<u>374,894</u>
Cash Disbursements:				
General Government	74,692	4,988	0	79,680
Public Safety	29,250	50,289	0	79,539
Public Works	30	117,900	0	117,930
Health	9,610	0	0	9,610
Conservation-Recreation	7,989	5,054	0	13,043
Capital Outlay	695	0	0	695
Total Cash Disbursements	<u>122,266</u>	<u>178,231</u>	<u>0</u>	<u>300,497</u>
Total Receipts Over/(Under) Disbursements	<u>6,175</u>	<u>67,822</u>	<u>400</u>	<u>73,997</u>
Other Financing Receipts/(Disbursements):				
Other Sources/Uses	171	0	0	171
Total Other Financing Receipts/(Disbursements)	<u>171</u>	<u>0</u>	<u>0</u>	<u>171</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>6,346</u>	<u>67,822</u>	<u>400</u>	<u>74,568</u>
Fund Cash Balances, January 1, 2000	<u>216,424</u>	<u>247,970</u>	<u>1,000</u>	<u>465,394</u>
Fund Cash Balances, December 31, 2000	<u><u>\$222,770</u></u>	<u><u>\$315,792</u></u>	<u><u>\$1,400</u></u>	<u><u>\$539,962</u></u>

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

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of The Entity

Circleville Township, Pickaway County, 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 road and bridge maintenance, fire protection and emergency medical services. The Township contracts with the City of Circleville and Pickaway Township to provide fire services, Pickaway Plains Ambulance Service to provide ambulance services, and the Sheriff of Pickaway County to provide police protection.

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

Certificates of deposit are valued at cost.

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:

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.

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:

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. FUND ACCOUNTING (Continued)

Special Revenue Funds (Continued)

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.

Fire District Fund - This fund receives property tax money to pay for fire protection of the Township.

Fiduciary Fund (Expendable Trust Fund)

This fund is used to account for resources restricted by a legally binding trust agreement for which the Township is acting in an agency capacity. The Township had the following significant fiduciary funds:

M. Brown Expendable Trust for the Blind - This fund receives money from a trust to assist blind citizens of the Township.

E. BUDGETARY PROCESS

The Ohio Revised Code requires that each fund be budgeted annually. Budgetary activity is presented in Section 3.

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.

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.

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. BUDGETARY PROCESS

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 re-appropriated in the subsequent year.

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.

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	\$104,074	\$139,962
Certificates of deposit	<u>500,000</u>	<u>400,000</u>
Total deposits	<u>\$604,074</u>	<u>\$539,962</u>

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and December 31, 1999 follows:

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$131,104	\$146,243	\$15,139
Special Revenue	216,713	240,293	23,580
Fiduciary	<u>400</u>	<u>400</u>	<u>0</u>
Total	<u>\$348,217</u>	<u>\$386,936</u>	<u>\$38,719</u>

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED 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	\$341,500	\$117,612	\$223,888
Special Revenue	496,000	205,213	290,787
Fiduciary	<u>1,400</u>	<u>0</u>	<u>1,400</u>
Total	<u>\$838,900</u>	<u>\$322,825</u>	<u>\$516,075</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$126,632	\$128,612	\$1,980
Special Revenue	192,713	246,053	53,340
Fiduciary	<u>412</u>	<u>400</u>	<u>12</u>
Total	<u>\$319,757</u>	<u>\$375,065</u>	<u>\$55,333</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$328,775	\$122,266	\$206,509
Special Revenue	410,800	178,231	232,569
Fiduciary	<u>1,400</u>	<u>0</u>	<u>1,400</u>
Total	<u>\$740,975</u>	<u>\$300,497</u>	<u>\$440,478</u>

**CIRCLEVILLE TOWNSHIP
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED 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, members of PERS contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55 % of participants' gross salaries. The Township has paid all contributions required through December 31, 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 reimbursement to full-time employees.

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**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

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

Circleville Township
Pickaway County
934 South Washington Street
P.O. Box 121
Circleville, Ohio 43113

To the Board of Trustees:

We have audited the accompanying financial statements of Circleville Township, Pickaway 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 January 19, 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 instance of noncompliance that is required to be reported under *Government Auditing Standards*.

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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township in a separate letter dated January 19, 2001.

Circleville Township
Pickaway 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

January 19, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

CIRCLEVILLE TOWNSHIP

PICKAWAY 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
MARCH 13, 2001**