

TYMOCHTEE TOWNSHIP
COLUMBUS REGION, WYANDOT COUNTY
REPORT ON FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board of Trustees
Tymochtee Township

We have reviewed the Independent Auditor's Report of Tymochtee Township, Wyandot County, prepared by Holbrook & Manter for the audit period January 1, 1999 through December 31, 2000. Based upon this review, we have accepted this report 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. Tymochtee Township is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

July 1, 2001

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TABLE OF CONTENTS

	PAGE
Independent Auditors' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2000	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances- Nonexpendable Trust Fund- For the Year Ended December 31, 2000	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 1999	6
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances- Nonexpendable Trust Fund- For the Year Ended December 31, 1999	7
Notes to the Financial Statements.....	8-14
Report on Compliance and Internal Control Required by <i>Government Auditing Standards</i>	15

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Tymochtee Township
Wyandot County
2990 County Highway 30
Sycamore Ohio, 44882

We have audited the accompanying financial statements of Tymochtee Township, Wyandot County, Ohio, (the Township) as of and for the years ended 2000 and 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 Tymochtee 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 12, 2001 on our consideration of the Government'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 Governmental 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 the management 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.

Holbrook & Manter

Certified Public Accountants

June 12, 2001
Marion, Ohio

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENT, AND CHANGES IN FUND
CASH BALANCES – ALL GOVERNMENTAL FUND TYPES –
FOR THE YEAR ENDED DECEMBER 31, 2000

	General	Special Revenue	Capital Project	(Memorandum Only) Total
Cash receipts:				
Local taxes	\$ 5,964	\$ 29,062	\$ 0	\$ 35,026
Intergovernmental	62,761	59,363	17,000	139,124
Special assessments	0	2,877	0	2,877
Interest	1,560	241	0	1,801
Fines, licenses, and permits	0	3,250	0	3,250
Miscellaneous	0	390	0	390
Total cash receipts	70,285	95,183	17,000	182,468
Cash disbursements:				
Current:				
Public health services	11,909	1,144	0	13,053
Public safety	26	20,013	0	20,039
Public works	3,498	75,686	0	79,184
Human services	626	0	0	626
General government	22,131	0	0	22,131
Debt service				
Note principal payment	0	2,800	0	2,800
Interest and fiscal charges	0	569	0	569
Capital outlay	1,056	0	17,000	18,056
Total cash disbursements	39,246	100,212	17,000	156,458
Total receipts over/(under) cash disbursements	31,039	(5,029)	0	26,010
Other financing receipts:				
Other sources	613	0	0	613
Total other financing receipts	613	0	0	613
Excess of cash receipts and other financing receipts over/(under) cash disbursements	31,652	(5,029)	0	26,623
Fund cash balances January 1, 2000	17,467	52,437	0	69,904
Fund cash balances, December 31, 2000	\$ 49,119	\$ 47,408	\$ 0	\$ 96,527

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

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES-NONEXPENDABLE TRUST FUND-
FOR THE YEAR ENDED DECEMBER 31, 2000

	Non-Expendable Trust
Operating cash receipts:	
Interest	\$ <u>355</u>
Net receipts over disbursements	<u>355</u>
Fund cash balances, January 1, 2000	<u>8,804</u>
Fund cash balances, December 31, 2000	<u><u>\$ 9,159</u></u>

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

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGE IN FUND
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>	<u>(Memorandum Only) Total</u>
Cash receipts:				
Local taxes	\$ 6,097	\$ 29,625	\$ 0	\$ 35,722
Intergovernmental	30,738	60,795	40,867	132,400
Interest	1,450	327	0	1,777
Special assessments	0	2,732	0	2,732
Fines, licenses, and permits	0	750	0	750
Miscellaneous	0	1,480	0	1,480
Total cash receipts	<u>38,285</u>	<u>95,709</u>	<u>40,867</u>	<u>174,861</u>
Cash disbursements:				
Current:				
Public health services	11,995	10,109	0	22,104
Human services	1,102	0	0	1,102
Public works	12,000	72,100	0	84,100
Public safety	27	18,694	0	18,721
General government	23,262	0	0	23,262
Debt Service				
Note principal payment	0	2,800	0	2,800
Interest and fiscal charges		569		569
Capital outlay	36	1,149	40,867	42,052
Total cash disbursements	<u>48,422</u>	<u>105,421</u>	<u>40,867</u>	<u>194,710</u>
Total receipts (under) cash disbursements	<u>(10,137)</u>	<u>(9,712)</u>	<u>0</u>	<u>(19,849)</u>
Other financing receipts:				
Other sources	20	0	0	20
Total other financing receipts	<u>20</u>	<u>0</u>	<u>0</u>	<u>20</u>
Excess of cash receipts and other financing receipts (under) cash disbursements	<u>(10,117)</u>	<u>(9,712)</u>	<u>0</u>	<u>(19,829)</u>
Fund cash balances January 1, 1999	<u>27,584</u>	<u>62,149</u>	<u>0</u>	<u>89,733</u>
Fund cash balances, December 31, 1999	<u>\$ 17,467</u>	<u>\$ 52,437</u>	<u>\$ 0</u>	<u>\$ 69,904</u>

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

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES-NONEXPENDABLE TRUST FUND-
FOR THE YEAR ENDED DECEMBER 31, 1999

	Non-Expendable Trust
Operating cash receipts:	
Interest	\$ <u>409</u>
Net receipts over disbursements	<u>409</u>
Fund cash balances, January 1, 1999	<u>8,395</u>
Fund cash balances, December 31, 1999	<u><u>\$ 8,804</u></u>

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

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:-

Description of the Entity – Tymochtee Township, Wyandot 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 three publicly-elected Trustees. The Township provides general governmental services, including road maintenance and repair.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

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.

Cash and Investments - Certificates of deposit are valued at cost.

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 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 Township had the following significant Special Revenue Funds:

Gasoline Tax Fund

This fund receives gasoline tax money for constructing, maintaining and repairing township roads.

Fire District Fund

This fund receives local tax money for fire protection services for the Township.

Motor Vehicle License Fund

This fund receives motor vehicle tax money for constructing, maintaining and repairing township roads.

Road and Bridge Fund

This fund receives personal property tax money for constructing, maintaining and repairing township roads.

Cemetery Fund

This fund receives burial fees for maintaining the township cemeteries.

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

Street Lighting Fund

This fund receives local tax money for maintenance of township street lighting.

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 funds: Public Works Project- .

Capital Project Issue II Fund-

This fund receives money from the state for Capital Projects.

Nonexpendable Trust Fund

This is a trust fund, the principal of which may not be expended. Interest earned on the principal is used to maintain cemeteries.

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 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 cash as of January 1. The Wyandot County Budget Commission must also approve estimated resources.

Encumbrances

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

A summary of 2000 and 1999 budgetary activity appears in Note 3.

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

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999

NOTE 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>
Deposits	\$ 98,155	\$ 71,177
Certificate of Deposits	<u>7,531</u>	<u>7,531</u>
Total Deposits	<u>\$ 105,686</u>	<u>\$ 78,708</u>

Deposits - The Townships deposits are insured by the Federal Depository Insurance Corporation, and collateralized by the financial institution's public entity deposit pool.

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999

NOTE 3 – BUDGETARY ACTIVITY:-

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

2000 Budgeted VS. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 37,632	\$ 70,898	\$ 33,266
Special Revenue	110,610	95,183	(15,427)
Capital Projects	53,000	17,000	(36,000)
Nonexpendable Trust	<u>400</u>	<u>355</u>	<u>(45)</u>
Total	\$ <u>201,642</u>	\$ <u>183,436</u>	\$ <u>(18,206)</u>

2000 Budgeted VS. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 55,098	\$ 39,246	\$ 15,852
Special Revenue	163,047	100,212	62,835
Capital Projects	53,000	17,000	36,000
Nonexpendable Trust	<u>1,673</u>	<u>0</u>	<u>1,673</u>
Total	\$ <u>272,818</u>	\$ <u>156,458</u>	\$ <u>116,360</u>

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 and 1999

NOTE 3 – BUDGETARY ACTIVITY :-(CONTINUED)

1999 Budgeted VS. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 37,607	\$ 38,305	\$ 698
Special Revenue	108,126	95,709	(12,417)
Capital Projects	38,945	40,867	1,922
Nonexpendable Trust	<u>341</u>	<u>409</u>	<u>68</u>
Total	<u>\$ 185,019</u>	<u>\$ 175,290</u>	<u>\$ (9,729)</u>

1999 Budgeted VS. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 65,190	\$ 48,422	\$ 16,768
Special Revenue	170,275	105,421	64,854
Capital Projects	40,882	40,867	15
Nonexpendable Trust	<u>1,204</u>	<u>0</u>	<u>1,204</u>
Total	<u>\$ 277,551</u>	<u>\$ 194,710</u>	<u>\$ 82,841</u>

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999

NOTE 4 – PROPERTY TAX:-

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the 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.

NOTE 5 - RETIREMENT SYSTEMS:-

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost – sharing, multiple-employee plan. This plan provides retirement benefits, including post-retirement 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% of participants' gross salaries for January 1999 through June 2000 and an amount equal to 8.13% of participants' gross salaries for July 2000 through December 2000. The Township has paid all contributions required through December 31, 2000.

NOTE 6 – RISK MANAGEMENT:-

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles

The Township also provides health insurance to the officials through a private carrier.

TYMOCHTEE TOWNSHIP
WYANDOT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999

NOTE 8 – DEBT:-

Debt outstanding at December 31, 2000 was a general obligation note in the amount of \$14,000 with an interest rate of 6.50% per annum. The note will be repaid in annual installments over five years. Annual payments of \$3,369 are required until note payoff; final payment is due March, 2002. The note was to finance a backhoe.

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

2001	\$	3,369
2002		<u>3,369</u>
	\$	<u><u>6,738</u></u>



Report on Compliance and on Internal Control Required by *Government Auditing Standards*

Board of Trustees
Tymochtee Township
Wyandot County
2990 County Highway 30
Sycamore Ohio, 44882

We have audited the accompanying financial statements of Tymochtee Township, Wyandot 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 12, 2001 . 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 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 that are 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 matter 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 of 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

We noted other matters involving compliance and internal control over financial reporting that we have reported to the Management of the Township in a separate letter dated June 12, 2001

This report is intended for the information of Board of Trustees and the Clerk, and is not intended to be and should not be used by anyone other than these specified parties.

Holbrook & Menter

Certified Public Accountants

June 12, 2001
Marion, Ohio



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
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800-282-0370
Facsimile 614-466-4490

TYMOCHTEE TOWNSHIP

WYANDOT 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 24, 2001**