



**YORK TOWNSHIP
FULTON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



**JIM PETRO
AUDITOR OF STATE**

STATE OF OHIO

YORK TOWNSHIP
FULTON COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

York Township
Fulton County
618 Northwood Drive
Delta, Ohio 43515-1061

To the Board of Trustees

We have audited the accompanying financial statements of York Township (the Township) as of and for the years ended December 31, 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 audit.

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 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 March 13, 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 the management, the Board of Trustees, 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

March 13, 2001

**YORK TOWNSHIP
FULTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND SIMILAR FIDUCIARY 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>	<u>Fiduciary Funds</u>	
Cash Receipts:					
Local Taxes	\$66,740	\$131,436			\$198,176
Intergovernmental	70,816	87,232	\$475,473		633,521
Charges for Services		36,470			36,470
Licenses, Permits, and Fees		1,800			1,800
Earnings on Investments	28,627	6,481		\$320	35,428
Other Revenue	222	125,216		21,273	146,711
	<u>166,405</u>	<u>388,635</u>	<u>475,473</u>	<u>21,593</u>	<u>1,052,106</u>
Total Cash Receipts					
Cash Disbursements:					
Current:					
General Government	96,991				96,991
Public Safety		22,070			22,070
Public Works	44,099	176,234			220,333
Health	5,594	1,909			7,503
Miscellaneous		1,359			1,359
Debt Service:					
Redemption of Principal	11,455				11,455
Interest and Fiscal Charges	2,898				2,898
Capital Outlay	2,160	200,389	475,473	30,670	708,692
	<u>163,197</u>	<u>401,961</u>	<u>475,473</u>	<u>30,670</u>	<u>1,071,301</u>
Total Cash Disbursements					
Total Receipts Over/(Under) Disbursements	<u>3,208</u>	<u>(13,326)</u>		<u>(9,077)</u>	<u>(19,195)</u>
Other Financing Receipts/(Disbursements):					
Transfers-In		8,941			8,941
Transfers-Out	(8,941)				(8,941)
	<u>(8,941)</u>	<u>8,941</u>			
Total Other Financing Receipts/(Disbursements)					
Excess of Cash Receipts and Other Financing Receipts (Under) Cash Disbursements and Other Financing Disbursements	(5,733)	(4,385)		(9,077)	(19,195)
Fund Cash Balances, January 1	183,514	443,702		9,077	636,293
Fund Cash Balances, December 31	<u><u>\$177,781</u></u>	<u><u>\$439,317</u></u>			<u><u>\$617,098</u></u>

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

**YORK TOWNSHIP
FULTON COUNTY**

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

	<u>Fiduciary Fund Types</u>		Totals (Memorandum Only)
	<u>Nonexpendable Trust</u>	<u>Agency</u>	
Operating Cash Receipts:			
Interest	<u>\$75</u>	<u>\$1,859</u>	<u>\$1,934</u>
Operating Cash Disbursements:			
Contractual Services	<u></u>	<u>70,043</u>	<u>70,043</u>
Operating Income/(Loss)	75	(68,184)	(68,109)
Fund Cash Balances, January 1	<u>1,561</u>	<u>68,184</u>	<u>69,745</u>
Fund Cash Balances, December 31	<u>\$1,636</u>	<u></u>	<u>\$1,636</u>

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

**YORK TOWNSHIP
FULTON COUNTY**

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

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Fiduciary Funds</u>	
Cash Receipts:					
Local Taxes	\$57,109	\$113,353			\$170,462
Intergovernmental	57,288	80,582	\$59,444		197,314
Charges for Services	26,362				26,362
Licenses, Permits, and Fees		950			950
Earnings on Investments	8,817	4,185			13,002
Other Revenue	1,813	120,115		\$9,077	131,005
	<u>151,389</u>	<u>319,185</u>	<u>59,444</u>	<u>9,077</u>	<u>539,095</u>
Total Cash Receipts					
Cash Disbursements:					
Current:					
General Government	74,066				74,066
Public Safety	20,321				20,321
Public Works	2,702	91,075			93,777
Health	893	1,712			2,605
Human Services		1,183			1,183
Debt Service:					
Redemption of Principal	14,353				14,353
Capital Outlay	13,885	78,536	59,444		151,865
	<u>126,220</u>	<u>172,506</u>	<u>59,444</u>		<u>358,170</u>
Total Cash Disbursements					
Total Receipts Over Disbursements	25,169	146,679		9,077	180,925
Fund Cash Balances, January 1	158,345	297,023			455,368
Fund Cash Balances, December 31	<u><u>\$183,514</u></u>	<u><u>\$443,702</u></u>		<u><u>\$9,077</u></u>	<u><u>\$636,293</u></u>

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

**YORK TOWNSHIP
FULTON COUNTY**

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

	<u>Fiduciary Fund Types</u>		Totals (Memorandum Only)
	<u>Nonexpendable Trust</u>	<u>Agency</u>	
Operating Cash Receipts:			
Miscellaneous	<u>\$1,020</u>	<u>\$89</u>	<u>\$1,109</u>
Operating Cash Disbursements:			
Contractual Services		<u>4,488</u>	<u>4,488</u>
Operating Income/(Loss)	1,020	(4,399)	(3,379)
Non-Operating Cash Receipts:			
Intergovernmental Receipts		<u>72,583</u>	<u>72,583</u>
Net Receipts Over Disbursements	1,020	68,184	69,204
Fund Cash Balances, January 1	<u>541</u>		<u>541</u>
Fund Cash Balances, December 31	<u>\$1,561</u>	<u>\$68,184</u>	<u>\$69,745</u>

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

**YORK TOWNSHIP
FULTON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

York Township, Fulton 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

Certificates of deposit and U.S. Savings Bonds are 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 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.

**YORK TOWNSHIP
FULTON COUNTY**

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

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

Real Estate Tax Donations - This fund receives real estate tax donations from local industry to contribute to road improvements

Road 10 Sewer - This fund receives assessments from a local industry to contribute to road improvements

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 funds:

Issue II Fund - The Township received a grant from the State of Ohio for the reconstruction of County Road F.

4. Fiduciary Funds (Trust and Agency Funds)

These funds are used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in an agency capacity. The Township had the following significant fiduciary funds:

Expendable Trust Fund - This fund was used for the purpose of a retainage fund for the contractor used for County Road F.

Cemetery Bequest Funds - These funds are used to account for nonexpendable trusts. Interest earnings are used for cemetery maintenance, flowers and free graves.

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 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.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

**YORK TOWNSHIP
FULTON COUNTY**

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

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, reappropriated 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.

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	\$15,217	\$136,507
Certificates of deposit	1,000	1,000
Total deposits	16,217	137,507
U.S. Treasury Bond	500	500
STAR Ohio	602,017	568,031
Total investments	602,517	568,531
Total deposits and investments	\$618,734	\$706,038

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by securities specifically pledged by the financial institution to the Township.

Investments: The U.S. Savings Bond is held by the Township, in the name of the Township. The financial institution maintains records identifying the Township as owner of the bond. 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 1999 follows:

**YORK TOWNSHIP
FULTON COUNTY**

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

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$134,699	\$166,405	\$31,706
Special Revenue	372,972	397,576	24,604
Capital Projects	6,393	475,473	469,080
Fiduciary	51,897	21,668	(30,229)
Total	<u>\$565,961</u>	<u>\$1,061,122</u>	<u>\$495,161</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$318,213	\$172,138	\$146,075
Special Revenue	806,402	401,961	404,441
Capital Projects	475,473	475,473	0
Fiduciary	62,535	30,670	31,865
Total	<u>\$1,662,623</u>	<u>\$1,080,242</u>	<u>\$582,381</u>

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$152,372	\$151,389	(\$983)
Special Revenue	323,750	319,185	(4,565)
Capital Projects	493,183	59,444	(433,739)
Fiduciary	1,020	10,097	9,077
Total	<u>\$970,325</u>	<u>\$540,115</u>	<u>(\$430,210)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$310,717	\$126,220	\$184,497
Special Revenue	615,373	172,506	442,867
Capital Projects	493,183	59,444	433,739
Fiduciary	1,561	0	1,561
Total	<u>\$1,420,834</u>	<u>\$358,170</u>	<u>\$1,062,664</u>

**YORK TOWNSHIP
FULTON 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.

Public utilities are also taxed on personal and real property located within the Township.

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. LONG TERM OBLIGATIONS

Long Term Obligations outstanding at December 31, 2000 was as follows:

	<u>Principal</u>
Lease Purchase Agreement	\$38,509
General Credit Obligation	59,281
Total	\$97,790

The Lease Purchase Agreement is with Ford Motor Credit Company for the purchase of a dump truck to be used for Township road maintenance. The General Credit Obligation is with John Deere Credit for the purchase of a backhoe to be used for Township road maintenance. There is no interest assessed on the Credit obligation with John Deere Credit.

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

Year ending December 31:	Lease Purchase Agreement	General Credit Obligation
2001	\$14,353	\$19,761
2002	14,353	19,760
2003	14,353	19,760
Total	\$43,059	\$59,281

**YORK TOWNSHIP
FULTON COUNTY**

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

6. RETIREMENT SYSTEMS

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The 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 Library 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.

7. RISK MANAGEMENT

The Township is a member of the Ohio Township Association Risk Management Authority Insurance Pool (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; and
- Vehicle.



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

York Township
Fulton County
618 Northwood Drive
Delta, Ohio 43515-1061

To the Board of Trustees

We have audited the accompanying financial statements of York Township (the Township) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 13, 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 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 audits 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 a certain immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated March 13, 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 March 13, 2001.

York Township
Fulton 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 the audit committee, 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

March 13, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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YORK TOWNSHIP

FULTON 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
APRIL 10, 2001**