

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

**REPORT ON EXAMINATION OF FINANCIAL  
STATEMENTS FOR THE YEARS ENDED  
DECEMBER 31, 2000 AND 2001**

*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

88 East Broad Street  
P. O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Village Council  
Village of Plymouth  
49 Sandusky Street  
Plymouth, Ohio 44685

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, 2000 through December 31, 2001. 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.

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JIM PETRO  
Auditor of State

August 16, 2002

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**VILLAGE OF PLYMOUTH  
RICHLAND/HURON COUNTY**

49 Sandusky Street  
Plymouth, Ohio 44865

**ELECTED OFFICIALS  
AS OF DECEMBER 31, 2001**

<b>NAME</b>	<b>TITLE</b>	<b>TERM OF OFFICE</b>	<b>SURETY</b>	<b>AMOUNT</b>	<b>PERIOD</b>
Robert C. Mellas, Jr.	Mayor 66 Plymouth Street Plymouth, Ohio 44865	1/1/01 - 12/31/03	(A)	\$ 5,000	(B)
Shirley Reynolds	Council Member	1/1/98 - 12/31/01			
David Toms	Council Member	1/1/98 - 12/31/01			
Richard Helms	Council Member	1/1/98 - 12/31/01			
Douglass Houser	Council Member	1/1/98 - 12/31/01			
Ed Waddles	Council Member	1/1/00 - 12/31/03			
Keith Hebble	Council Member	1/1/00 - 12/31/03			
Diann Newcome-Jamerson	Clerk/Treasurer	4/1/01 - 3/31/04	(A)	\$ 50,000	(B)

Statutory Legal Counsel

Richard Wolfe, Atty  
446 Diamond Street  
Ashland, Ohio 44805

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

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

FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

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**J. E. SLAYBAUGH & ASSOCIATES, INC.**

12 East Main Street  
Lexington, Ohio 44904

Member AICPA  
Member OSCPA

(419) 884-2700  
fax (419) 884-2250

John E. Slaybaugh III  
Certified Public Accountant

Village Council  
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, 2001 and 2000. 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.

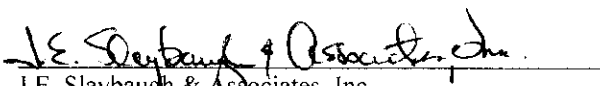
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable 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, 2001 and 2000, 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 18, 2002 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. 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 audit committee, 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.

  
J.E. Slaybaugh & Associates, Inc.  
Lexington, Ohio  
June 18, 2002

**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, 2001**

	Governmental			Fiduciary	(Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	
<b>CASH RECEIPTS:</b>					
Local Taxes	\$ 107,516	\$ 149,723			\$ 257,239
Intergovernmental	105,703	56,950	499,428		162,653
Charges for Services		32,964			32,964
Fines, Licenses, and Permits	5,763				5,763
Interest	23,450	9,959		5,803	39,212
Miscellaneous	48,390	3,741			52,131
<b>Total Cash Receipts</b>	<b>290,822</b>	<b>253,337</b>	<b>499,428</b>	<b>5,803</b>	<b>1,049,390</b>
<b>CASH DISBURSEMENTS:</b>					
Current:					
Security of Persons and Property		83,353			326,970
Public Health Services	243,617	46,034			46,034
Leisure Time Activities		10,678			10,678
Community Environment			12,750		12,750
Transportation		85,909			85,909
General Government	37,683	13,751			51,434
Capital Outlay		29,320			29,320
<b>Total Program Disbursements</b>	<b>281,300</b>	<b>269,045</b>	<b>12,750</b>	<b>-</b>	<b>563,095</b>
<b>Total receipts over/(under) program disbursements</b>	<b>9,522</b>	<b>(15,708)</b>	<b>486,678</b>	<b>5,803</b>	<b>486,295</b>



**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, 2001**

	Governmental			Fiduciary Expendable Trust	(Memorandum Only)
	General	Special Revenue	Capital Projects		
OTHER FINANCING					
RECEIPTS/(DISBURSEMENTS):					
Transfers-In		9,110			9,110
Transfers-Out	(35,000)			(4,110)	(39,110)
Other Sources			10,000		10,000
Other Uses					
Total other financing receipts/(disbursements)	<u>(35,000)</u>	<u>9,110</u>	<u>10,000</u>	<u>(4,110)</u>	<u>(20,000)</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(25,478)	(6,598)	496,678	1,693	466,295
Fund Cash Balances - January 1, 2001	<u>87,059</u>	<u>229,208</u>	<u>4,910</u>	<u>44,537</u>	<u>365,714</u>
Fund Balance Adjustments	<u>1,867</u>				<u>1,867</u>
Fund Cash Balances - December 31, 2001	<u>\$ 63,448</u>	<u>\$ 222,610</u>	<u>\$ 501,588</u>	<u>\$ 46,230</u>	<u>\$ 833,876</u>
Reserve for Encumbrances - December 31, 2001	<u>\$ 28,154</u>	<u>\$ 3,734</u>			<u>\$ 31,888</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 AND SIMILAR FIDUCIARY FUNDS-  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	(Memorandum Only)		
	Enterprise	Agency	Total
<b>OPERATING CASH RECEIPTS:</b>			
Charges for Services	\$ 1,169,576		\$ 1,169,576
Miscellaneous	7,370	\$ 287	7,657
<b>Total Cash Receipts</b>	<b>1,176,946</b>	<b>287</b>	<b>1,177,233</b>
<b>OPERATING CASH DISBURSEMENTS:</b>			
Personal Services	201,258	7,964	209,222
Employee Fringe Benefits	70,519	8,703	79,222
Contractual Services	711,467	578	712,045
Supplies and Materials	81,251	774	82,025
Capital Outlay	95,410	-	95,410
Miscellaneous	1,107	1,703	2,810
<b>Total Program Disbursements</b>	<b>1,161,012</b>	<b>19,722</b>	<b>1,180,734</b>
Total receipts over/(under) program disbursements	15,934	(19,435)	(3,501)
<b>NON-OPERATING REVENUES:</b>			
Other Non-Operating Revenues		90,816	90,816
<b>NON-OPERATING EXPENSES:</b>			
Debt Service	62,343		62,343
<b>OTHER FINANCING RECEIPTS/(DISBURSEMENTS):</b>			
Transfers-In	30,000		30,000
Transfers-Out			
<b>Total other financing receipts/(disbursements)</b>	<b>30,000</b>	<b>-</b>	<b>30,000</b>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	(16,409)	71,381	54,972
Fund Cash Balances - January 1, 2001	319,510	23,206	342,716
Fund Balance Adjustments	1,201	232	1,433
Fund Cash Balances - December 31, 2001	<u>\$ 304,302</u>	<u>\$ 94,819</u>	<u>\$ 399,121</u>
Reserve For Encumbrances	<u>\$ 47,188</u>	<u>\$ 2,539</u>	<u>\$ 49,727</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 GOVERNMENT FUND TYPES - FOR THE YEAR ENDED DECEMBER 31, 2000

	Governmental			Fiduciary Expendable Trust	(Memorandum Only)
	General	Special Revenue	Capital Projects		
<b>CASH RECEIPTS:</b>					
Local Taxes	\$ 100,628	\$ 155,982			\$ 256,610
Intergovernmental	136,723	57,301			194,024
Charges for Services		36,009			36,009
Fines, Licenses, and Permits	13,276				13,276
Interest	18,723	1,549		116	20,388
Miscellaneous	15,216	21,753			36,969
<b>Total Cash Receipts</b>	<b>284,566</b>	<b>272,594</b>	<b>-</b>	<b>116</b>	<b>557,276</b>
<b>CASH DISBURSEMENTS:</b>					
Current:					
Security of Persons and Property	238,246	48,739			286,985
Public Health Services		41,848			41,848
Leisure Time Activities		14,503			14,503
Community Environment	327				327
Transportation		86,279			86,279
General Government	52,494	13,092			65,586
Capital Outlay		52,491			52,491
<b>Total Program Disbursements</b>	<b>291,067</b>	<b>256,952</b>	<b>-</b>	<b>-</b>	<b>548,019</b>
<b>Total receipts over/(under) program disbursements</b>	<b>(6,501)</b>	<b>15,642</b>	<b>-</b>	<b>116</b>	<b>9,257</b>

**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, 2000**

	Governmental			Fiduciary Expendable Trust	(Memorandum Only)
	General	Special Revenue	Capital Projects		
<b>OTHER FINANCING RECEIPTS/(DISBURSEMENTS):</b>					
Transfers-In	90,629	60	30		90,719
Transfers-Out	(12,000)	(18,888)		(33,544)	(64,432)
Contingencies	(1,413)				(1,413)
Other Sources					
Other Uses	(25)				(25)
<b>Total other financing receipts/(disbursements)</b>	<u>77,191</u>	<u>(18,828)</u>	<u>30</u>	<u>(33,544)</u>	<u>24,849</u>
<b>Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements</b>	70,690	(3,186)	30	(33,428)	34,106
<b>Fund Cash Balances - January 1, 2000</b>	<u>16,369</u>	<u>232,394</u>	<u>4,880</u>	<u>77,965</u>	<u>331,608</u>
<b>Fund Cash Balances - December 31, 2000</b>	<u>\$ 87,059</u>	<u>\$ 229,208</u>	<u>\$ 4,910</u>	<u>\$ 44,537</u>	<u>\$ 365,714</u>
<b>Reserve for Encumbrances - December 31, 2000</b>	<u>\$ 6,981</u>	<u>\$ 42,598</u>			<u>\$ 49,579</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 AND SIMILAR FIDUCIARY FUNDS-  
FOR THE YEAR ENDED DECEMBER 31, 2000

	(Memorandum Only)		
	Enterprise	Agency	Total
<b>OPERATING CASH RECEIPTS:</b>			
Charges for Services	\$ 1,135,892		\$ 1,135,892
Miscellaneous	4,195	\$ 491	4,686
<b>Total Cash Receipts</b>	<u>1,140,087</u>	<u>491</u>	<u>1,140,578</u>
<b>OPERATING CASH DISBURSEMENTS:</b>			
Personal Services	193,667	12,628	206,295
Employee Fringe Benefits	56,330	10,201	66,531
Contractual Services	650,696	452	651,148
Supplies and Materials	54,770	1,188	55,958
Capital Outlay	79,697	-	79,697
Miscellaneous	1,215	523	1,738
<b>Total Program Disbursements</b>	<u>1,036,375</u>	<u>24,992</u>	<u>1,061,367</u>
Total receipts over/(under) program disbursements	103,712	(24,501)	79,211
<b>NON-OPERATING REVENUES:</b>			
Other Non-Operating Revenues		85,994	85,994
<b>NON-OPERATING EXPENSES:</b>			
Debt Service	71,654		71,654
<b>OTHER FINANCING RECEIPTS/(DISBURSEMENTS):</b>			
Transfers-In	12,000	33,454	45,454
Transfers-Out		(71,741)	(71,741)
<b>Total other financing receipts/(disbursements)</b>	<u>12,000</u>	<u>(38,287)</u>	<u>(26,287)</u>
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	44,058	23,206	67,264
Fund Cash Balances - January 1, 2000	<u>275,452</u>	<u>-</u>	<u>275,452</u>
Fund Cash Balances - December 31, 2000	<u>\$ 319,510</u>	<u>\$ 23,206</u>	<u>\$ 342,716</u>
Reserve For Encumbrances	<u>\$ 20,548</u>	<u>\$ 427</u>	<u>\$ 20,975</u>

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 (the Village), 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, 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.

Permissive Sales Tax Fund - This fund receives county excess sales and use tax proceeds for road repair and related expenses.

D. Capital Project Fund

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 Village had the following significant Capital Project Fund:

Electric System Improvement Fund - This fund receives from American Municipal Power - Ohio, Inc. for the electric system improvements.

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 agency funds. The Village had the following significant fiduciary funds:

Income Tax Fund (Expendable Trust Fund) - Receives money from enactment of a local income tax. Use of funds are unrestricted.

Mayor's Court Fund (Agency Fund) - Receives money from fines and forfeitures. These funds are strictly custodial.

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.

A summary of 2000 and 2001 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>2001</u>	<u>2000</u>
Demand Deposits	\$ 378,843	\$ 359,395
Certificates of Deposit	<u>1,116</u>	<u>191,351</u>
Total deposits	<u>\$ 379,959</u>	<u>\$ 550,746</u>
STAR Ohio	<u>853,038</u>	<u>157,684</u>
Total Deposits and Investments	<u>\$ 1,232,997</u>	<u>\$ 708,430</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:

2001 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 305,670	\$ 290,822	\$ (14,848)
Special Revenue	275,110	262,447	(12,663)
Capital Project	-	509,428	509,428
Enterprise Fund	1,155,225	1,206,946	51,721
Agency Fund	76,133	91,103	14,970
Fiduciary Fund	<u>4,466</u>	<u>5,803</u>	<u>1,337</u>
Total	<u>\$ 1,816,604</u>	<u>\$ 2,366,549</u>	<u>\$ 549,945</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 375,504	\$ 344,454	\$ 31,050
Special Revenue	425,448	272,779	152,669
Capital Projects	79,500	12,750	66,750
Enterprise	1,451,177	1,270,543	180,634
Agency Fund	83,272	22,261	61,011
Fiduciary	<u>4,466</u>	<u>4,110</u>	<u>356</u>
Total	<u>\$ 2,419,367</u>	<u>\$ 1,926,897</u>	<u>\$492,470</u>

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 267,070	\$ 375,195	\$108,125
Special Revenue	295,500	272,654	(22,846)
Capital Fund	11,000	30	(10,970)
Enterprise	1,135,200	1,152,087	16,887
Agency Fund	78,000	119,939	41,939
Fiduciary	<u>-</u>	<u>116</u>	<u>116</u>
Total	<u>\$ 1,786,770</u>	<u>\$ 1,920,021</u>	<u>\$133,251</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 329,314	\$ 311,486	\$ 17,828
Special Revenue	494,473	318,438	176,035
Capital Projects	4,880	-	4,880
Enterprise	1,408,511	1,128,577	279,934
Agency Fund	110,852	97,160	13,692
Fiduciary	<u>33,544</u>	<u>33,544</u>	<u>-</u>
Total	<u>\$ 2,381,574</u>	<u>\$ 1,889,205</u>	<u>\$ 492,369</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.

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, 2001 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
GMAC - sewer improvements	\$ 481,000	5.00%
American Municipal Power - Ohio, Inc.	500,000	2.50%
Ohio Water Development Authority Loan	<u>10,000</u>	
Total	<u>\$ 991,000</u>	

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

The Village is obligated to American Municipal Power - Ohio, Inc. on a twenty year note, which matures in November 2022, relating improvements to electric distribution system. The note is being repaid in annual payments billed, including interest.

The Village is obligated to the Ohio Water Development Authority (OWDA) on a note issued for the improvement of the Village water lines. The balance due is the first draw of the note on which repayment terms are to be determined.

Amortization of the above debt is scheduled as follows:

Year ending	GMAC	American Municipal Power	OWDA
December 31:			
2002	\$ 29,000	\$ 25,000	\$ -
2003	29,000	25,000	
2004	29,000	25,000	
2005	29,000	25,000	
2006	29,000	25,000	
later years	<u>336,000</u>	<u>375,000</u>	<u>10,000</u>
Totals	<u>\$ 481,000</u>	<u>\$ 500,000</u>	<u>\$ 10,000</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 2001 and 2000, members of PERS contributed 8.5% of their gross salaries. The Village contributed an amount equal to 13.55 % of participant's gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13% effective July 1, 2000 through December 31, 2000. The Village has paid all contributions required through December 31, 2000.

2001 - payroll \$311,918, contribution \$26,513

2000-payroll \$310,932, contribution \$26,429

The policemen of the Village are covered by the Police and Firemen's Disability Fund, also accounted for by the State of Ohio. For 2001 and 2000, 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, 2001.

2001- payroll \$97,796 , contribution \$9,780

2000-payroll \$99,996, contribution \$10,000

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 employees through the Richland County Flexible Benefits Program

8. Legal Matters

The Village is party to legal action filed by vendor on a voided contract. The Village, which has denied the claim, has no material exposure in the event this action is decided in favor of the plaintiff.

The former tax clerk of the Village, a position eliminated during the audit period, was investigated by the State of Ohio Attorneys General Office. The Village has not been informed of the results of that investigation. There is no apparent liability to which the Village would be exposed.

*J. E. Slaybaugh & Associates, Inc.*

12 East Main Street  
Lexington, Ohio 44904

Member AICPA  
Member OSCPA

John E. Slaybaugh III  
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS

Village Council  
Village of Plymouth, Richland/Huron County  
512 South Market Street  
Plymouth, Ohio 43014

We have audited the accompanying financial statements of Village of Plymouth, Richland/Huron County, as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated June 18, 2002.

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 instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2001-001 and 002.

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 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.

This report is intended solely for the information and use of management and the Village Council, and it 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  
June 18, 2002

VILLAGE OF PLYMOUTH, OHIO  
RICHLAND/HURON COUNTY  
SCHEDULE OF FINDINGS  
For the Years Ended December 31, 2001 and 2000

<b>Finding Number</b>	<b>2001-001</b>
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**Noncompliance Citation**

Ohio Rev. Code, Section 121.22(F), states that a public body shall not hold a special meeting unless it gives twenty-four hours advance notice to the news media that have requested notification. In the event of an emergency, the member or members calling the meeting shall notify the news media that have requested notification immediately of the time, place, and purpose of the meeting.

In April 2000, as recorded in the Village minutes, a meeting of the annexation committee was called without the proper notification of the news media that had requested such notification.

We recommend that the Village Council follow the provisions of Ohio Revised Code Section 121.22 *Meetings of Public Bodies to be Public: exceptions*, and if unsure as to its application contact the Village Solicitor for clarification prior holding such meeting.

The Village, as stated in the above referenced minutes, will follow the notification process as set forth in the Ohio Revised Code. Review of subsequent proceedings indicates that there have been no further violations.

<b>Finding Number</b>	<b>2001-002</b>
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**Noncompliance Citation**

Ohio Revised Code, Section 135.12(B), states that the governing body shall meet one month prior to the expiration of designation of depositories of public monies for the purpose of designating public depositories for a period of five years commencing on the date of expiration. The designation shall be made in duplicate with one copy being retained by the governing body.

The Village does not have in their possession a copy of such depository designation nor could the bank provide a copy the depository agreement with Village.

The Village, which correctly passes a resolution designating the depository, shall complete the necessary agreement with public depository and maintain a copy. This action shall be completed upon receipt of the agreement form.







STATE OF OHIO  
OFFICE OF THE AUDITOR  

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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

**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  
AUGUST 29, 2002**