



**PLAIN TOWNSHIP
FRANKLIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001 - 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types and Expendable Trust Fund For the Year Ended December 31, 2001	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Non-Expendable Trust Fund For the Year Ended December 31, 2001	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types and Expendable Trust Fund For the Year Ended December 31, 2000	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Non-Expendable Trust Fund For the Year Ended December 31, 2000	6
Notes to the Financial Statements	7
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	15

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REPORT OF INDEPENDENT ACCOUNTANTS

Plain Township
Franklin County
P.O. Box 273
New Albany, Ohio 43054

To the Board of Trustees:

We have audited the accompanying financial statements of the Plain Township, Franklin County, Ohio, (the Township) as of and for the years ended December 31, 2001 and December 31, 2000. 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 audit in accordance with auditing standards generally accepted in the United States of America 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 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 and reserves for encumbrances of the Township as of December 31, 2001 and December 31, 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 March 25, 2002 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, 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 25, 2002

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**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Cash Receipts:						
Local Taxes	\$519,304	\$1,872,692	\$296,067	\$0	\$0	\$2,688,063
Intergovernmental Receipts	280,560	284,011	26,519	0	0	591,090
Fines, Licenses, and Permits	9,319	17,114	0	0	0	26,433
Earnings on Investments	51,625	4,436	0	8,302	17	64,380
Other Revenue	21,719	95,928	0	0	0	117,647
Gifts	0	4,915	0	0	0	4,915
Total Cash Receipts	882,527	2,279,096	322,586	8,302	17	3,492,528
Cash Disbursements:						
Current:						
General Government	406,488	0	0	0	0	406,488
Public Safety	2,555	1,316,034	0	0	0	1,318,589
Public Works	0	135,597	0	0	0	135,597
Health	15,997	56,901	0	0	0	72,898
Human Services	6,287	0	0	0	0	6,287
Conservation - Recreation	0	19,783	0	0	0	19,783
Debt Service:						
Principal Payments	0	0	235,000	0	0	235,000
Interest Payments	0	0	73,594	0	0	73,594
Capital Outlay	8,723	34,368	0	165,820	0	208,911
Total Cash Disbursements	440,050	1,562,683	308,594	165,820	0	2,477,147
Total Receipts Over/(Under) Disbursements	442,477	716,413	13,992	(157,518)	17	1,015,381
Other Financing Receipts/(Disbursements):						
Transfers-In	0	20,000	0	365,000	0	385,000
Transfers-Out	(185,000)	(200,000)	0	0	0	(385,000)
Other Sources	5,886	23,950	0	0	0	29,836
Total Other Financing Receipts/(Disbursements)	(179,114)	(156,050)	0	365,000	0	29,836
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	263,363	560,363	13,992	207,482	17	1,045,217
Fund Cash Balances, January 1	219,774	294,547	45,439	256,767	1,977	818,504
Fund Cash Balances, December 31	\$483,137	\$854,910	\$59,431	\$464,249	\$1,994	\$1,863,721
Reserves for Encumbrances, December 31	\$7,900	\$74,752	\$0	\$324,560	\$0	\$407,212

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

PLAIN TOWNSHIP
FRANKLIN COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - NON EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>Nonexpendable Trust Fund</u>
Operating Cash Receipts:	
Interest	\$28
Total Operating Cash Receipts	<u>28</u>
Operating Cash Disbursements:	
Total Operating Cash Disbursements	<u>0</u>
Net Receipts Over/(Under) Disbursements	28
Fund Cash Balances, January 1	<u>3,121</u>
Fund Cash Balances, December 31	<u><u>\$3,149</u></u>

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

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

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

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Cash Receipts:						
Local Taxes	\$465,275	\$962,678	\$291,923	\$0	\$0	\$1,719,876
Charges for Services	0	26,941	0	0	0	26,941
Intergovernmental Receipts	211,246	176,029	25,467	0	0	412,742
Special Assessments	0	44	0	0	0	44
Fines, Licenses, and Permits	7,057	12,630	0	0	0	19,687
Earnings on Investments	46,142	6,744	0	1,925	21	54,832
Other Revenue	4,381	71,669	0	1,200	0	77,250
Total Cash Receipts	734,101	1,256,735	317,390	3,125	21	2,311,372
Cash Disbursements:						
Current:						
General Government	308,863	34	0	0	0	308,897
Public Safety	161	1,228,198	0	0	0	1,228,359
Public Works	0	127,267	0	0	0	127,267
Health	14,437	48,963	0	0	0	63,400
Human Services	5,887	0	0	0	0	5,887
Conservation - Recreation	0	59,120	0	0	0	59,120
Miscellaneous	0	28,257	0	0	0	28,257
Debt Service:						
Principal Payments	0	0	215,000	0	0	215,000
Interest Payments	0	0	83,276	0	0	83,276
Capital Outlay	10,735	28,817	0	0	0	39,552
Total Cash Disbursements	340,083	1,520,656	298,276	0	0	2,159,015
Total Receipts Over/(Under) Disbursements	394,018	(263,921)	19,114	3,125	21	152,357
Other Financing Receipts/(Disbursements):						
Transfers-In	0	211,394	0	253,642	0	465,036
Transfers-Out	(211,394)	(253,642)	0	0	0	(465,036)
Advances-In	5,000	5,000	0	0	0	10,000
Advances-Out	(5,000)	(5,000)	0	0	0	(10,000)
Other Sources	18	17,900	0	0	0	17,918
Other Uses	0	(1,441)	0	0	0	(1,441)
Total Other Financing Receipts/(Disbursements)	(211,376)	(25,789)	0	253,642	0	16,477
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	182,642	(289,710)	19,114	256,767	21	168,834
Fund Cash Balances, January 1	37,132	584,257	26,325	0	1,956	649,670
Fund Cash Balances, December 31	\$219,774	\$294,547	\$45,439	\$256,767	\$1,977	\$818,504
Reserves for Encumbrances, December 31	\$11,582	\$57,870	\$0	\$237,634	\$0	\$307,086

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

PLAIN TOWNSHIP
FRANKLIN COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - NON EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Nonexpendable Trust Fund</u>
Operating Cash Receipts:	
Interest	<u>\$28</u>
Total Operating Cash Receipts	<u>28</u>
Operating Cash Disbursements:	
Total Operating Cash Disbursements	<u>0</u>
Net Receipts Over/(Under) Disbursements	28
Fund Cash Balances, January 1	<u>3,093</u>
Fund Cash Balances, December 31	<u><u>\$3,121</u></u>

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

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Plain Township, Franklin 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, 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

Investments are recorded as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Money market mutual funds (including STAR Ohio) are recorded at share values reported by the mutual fund. U.S. Treasury Notes and the Repurchase agreement 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:

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 Fund

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 fund:

Fire District Fund - This fund receives property tax revenue and other intergovernmental revenue for maintaining and operating the Township fire department.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Debt Service Funds

These funds are used to accumulate resources for the payment of bond indebtedness. The Township had the following significant debt service funds:

General Obligation - Note Retirement (Construction and Improvement Notes) - This fund receives property tax revenue and other intergovernmental revenue for the purpose of paying bonded debt originally used for the construction of a fire station.

General Obligation - Note Retirement(Fire Facilities Notes) - This fund receives property tax revenue and other intergovernmental revenue for the purpose of paying debt used in constructing , equipping and furnishing the fire station.

4. Capital Projects 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:

Permanent Improvement Fire - This fund is used to purchase equipment for fire department.

Permanent Improvement Pool- This fund is used for the construction, and equipment purchases for the Township pool.

5. 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:

Mausoleum Trust (Expendable) - Interest earnings are posted to the Mausoleum Fund and are designated for the upkeep of family headstones and plot located in Maplewood cemetery.

Ulry Trust (Non-expendable) - Interest earning are posted to the ULRY trust fund and are designated for the upkeep of the family plot located in Maplewood cemetery.

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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. Unencumbered appropriations lapse at year end.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. 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.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2001 and 2000 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

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's basis of accounting.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investment pool used by all funds except the nonexpendable trust fund. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	2001	2000
Demand deposits	\$ 40,000	\$ 142,518
Money Market	234	6,554
Total deposits	40,234	149,072
Repurchase Agreement	1,188,671	0
STAR Ohio	57,131	0
U. S. Treasury	580,834	672,553
Total investments	1,826,636	672,553
Total deposits and investments	\$1,866,870	\$821,625

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

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

Investments: U.S. Treasury Notes are held in book-entry form by the Federal Reserve, in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities.

The Township's financial institution transfers securities to the Township's agent to collateralize repurchase agreements. The securities are not in the Township's name.

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 ended December 31, 2001 and December 31, 2000 follows:

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$832,717	\$888,413	\$55,696
Special Revenue	2,307,920	2,323,046	15,126
Debt Service	307,020	322,586	15,566
Capital Projects	1,081,000	373,302	(707,698)
Expendable Trust	20	17	(3)
Non-Expendable Trust	28	28	0
Total	<u>\$4,528,705</u>	<u>\$3,907,393</u>	<u>(\$621,013)</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$802,997	\$632,950	\$170,047
Special Revenue	2,187,051	1,837,435	349,616
Debt Service	308,775	308,594	181
Capital Projects	500,884	490,380	10,504
Expendable Trust	1,100	0	1,100
Non-Expendable Trust	100	0	100
Total	<u>\$3,800,907</u>	<u>\$3,269,360</u>	<u>\$531,547</u>

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$710,191	\$734,119	\$23,928
Special Revenue	1,514,878	1,486,029	(28,849)
Debt Service	308,071	317,390	9,319
Capital Projects	255,458	256,767	1,309
Expendable Trust	28	21	(7)
Non-Expendable Trust	44	28	(16)
Total	\$2,788,670	\$2,794,354	\$5,684

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$724,961	\$563,059	\$161,902
Special Revenue	2,047,066	1,833,609	213,457
Debt Service	303,603	298,276	5,327
Capital Projects	255,458	237,634	17,824
Expendable Trust	1,000	0	1,000
Non-Expendable Trust	100	0	100
Total	\$3,332,188	\$2,932,578	\$399,610

4. PROPERTY TAX

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

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

5. DEBT

Debt outstanding at December 31, 2001 was as follows:

Debt Type	<u>Principal</u>	<u>Interest Rate</u>
Fire Station Construction Bonds	\$1,240,000	4.4%
Fire Facilities Notes	180,000	5.5%
Fire Truck Capital Lease	<u>157,105</u>	4.5%
Total	<u><u>\$1,577,105</u></u>	

Fire Station Construction Bonds and Facility Notes, with an interest rate of 4.4 and 5.5% were issued in 1998 for the purpose of constructing, equipping and furnishing a fire house. General obligation bonds are direct obligations of the Township for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the Township.

The capital lease is for a new fire truck received by the Township in 2001, with an interest rate of 4.5%

Year ending December 31:	<u>General Obligation Bonds</u>	<u>Fire Facilities Notes</u>	<u>Capital Lease</u>
2002	\$243,000	\$69,900	\$86,445
2003	255,115	66,600	86,445
2004	251,295	63,300	0
2005	252,158	0	0
2006 - 2010	424,742	0	0
Total	<u><u>\$1,426,310</u></u>	<u><u>\$199,800</u></u>	<u><u>\$172,890</u></u>

6. RETIREMENT SYSTEMS

The Township's certified Fire Fighters belong to the Police and Fire Pension Fund (OP+ F). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. OP+F and PERS are a cost-sharing, multiple-employer plans. These plans provide retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

6. RETIREMENT SYSTEMS (Continued)

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, the Township contributed the firefighter's 10.0% and the employer's 24.0% to the OP+F. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% participants' 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 Township has paid all contributions required through December 31, 2001.

7. RISK MANAGEMENT

Risk Pool Membership

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty insurance for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Insurance

OTARMA retains casualty risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, from the General Reinsurance Corporation. If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Insurance

OTARMA retains property risks including automobile physical damage up to \$100,000 on any specific loss. The Travelers Indemnity Company reinsures specific losses exceeding \$100,000. The Travelers Indemnity Company also provides aggregate excess coverage for property including automobile physical damage subject to an annual stop loss. When the stop loss is reached in any year, The Travelers Indemnity Company provides coverage in excess of \$10,000.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2000, which is the latest information available:

PLAIN TOWNSHIP
FRANKLIN COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)

7. RISK MANAGEMENT (Continued)

<u>Casualty Coverage</u>	<u>2000</u>
Assets	\$22,684,383
Liabilities	<u>8,924,977</u>
Retained earnings	<u>\$13,759,406</u>
<u>Property Coverage</u>	<u>2000</u>
Assets	\$4,156,784
Liabilities	<u>497,831</u>
Retained earnings	<u>\$3,658,953</u>

The Township also provides health, dental and vision insurance to full-time employees through a private carrier.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Plain Township
Franklin County
P.O. Box 273
New Albany, Ohio 43054

To the Board of Trustees:

We have audited the accompanying financial statements of the Plain Township, Franklin County, Ohio (the Township), as of and for the years ended December 31, 2001 and December 31, 2000, and have issued our report thereon dated March 25, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 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 March 25, 2002.

Plain Township
Franklin County
Report on Compliance and on Internal Control Required by
Government Auditing Standards
Page 2

This report is intended solely for the information and use of management and 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 25, 2002



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
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PLAIN TOWNSHIP

FRANKLIN 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 18, 2002**