

GREEN TOWNSHIP

INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED
DECEMBER 31, 2004 AND DECEMBER 31, 2003



**Auditor of State
Betty Montgomery**

Board of Trustees
Green Township, Ashland County
783 State Route 39 West
Perrysville, Ohio 44864

We have reviewed the *Independent Auditor's Report* of Green Township, Ashland County, prepared by Varney, Fink & Associates, Inc., for the audit period January 1, 2003 to December 31, 2004. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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. Green Township, Ashland County is responsible for compliance with these laws and regulations.

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BETTY MONTGOMERY
Auditor of State

February 17, 2006

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**GREEN TOWNSHIP
FOR THE YEARS ENDED
DECEMBER 31, 2004 AND DECEMBER 31, 2003**

TABLE OF CONTENTS

Independent Auditor's Report	1
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - All Governmental Fund Types - December 31, 2004	3
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - All Governmental Fund Types - December 31, 2003	4
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances – Fiduciary Fund Type - December 31, 2004/December 31, 2003	5
Notes to the Financial Statements	6
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	13
Schedule of Prior Audit Findings	15

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Green Township, Ashland County
783 State Route 39 West
Perrysville, OH 44864

We have audited the accompanying financial statements of Green Township, Ashland County (the Township), as of and for the years ended December 31, 2004 and December 31, 2003, as listed in the table of contents. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Township to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statements present for 2004 (and 2003), the revisions require presenting entity wide statements and also to present its larger (ie. major) funds separately for 2004. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Township has elected not to reformat its statements. Since this Township does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

INDEPENDENT AUDITOR'S REPORT (continued)

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended December 31, 2004 and do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2004, or its changes in financial position.

Also, 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 Green Township, Ashland County, as of December 31, 2004 and 2003, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 described.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the year ended December 31, 2004. The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2005 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

VARNEY, FINK & ASSOCIATES, INC.
Certified Public Accountants

August 18, 2005

**Green Township
Ashland County, Ohio
Combined Statement of Cash Receipts, Cash Disbursements and
Changes in Fund Cash Balances - All Governmental Fund Types
For the Year Ended December 31, 2004**

	General	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
Cash Receipts					
Taxes	\$76,477	\$171,762	\$39,744	\$0	\$287,983
Intergovernmental	56,517	101,628	3,786	0	161,931
Licenses, Permits and Fees	4,594	0	0	0	4,594
Earnings on Investments	3,750	32	0	0	3,782
Total Cash Receipts	141,338	273,422	43,530	0	458,290
Cash Disbursements					
General Government	105,438	0	0	0	105,438
Public Safety	0	73,727	0	0	73,727
Public Works	25,280	136,013	0	0	161,293
Health	1,629	20,633	0	0	22,262
Debt Service:					
Principal Payment	0	0	30,000	0	30,000
Interest and Fiscal Charges	0	0	25,440	0	25,440
Total Cash Disbursements	132,347	230,373	55,440	0	418,160
Total Receipts Over (Under) Disbursements	8,991	43,049	(11,910)	0	40,130
Other Financing Receipts/Disbursements					
Advances In	1,926	1,926	0	0	3,852
Advances Out	(1,926)	(1,926)	0	0	(3,852)
Transfers In	0	0	0	40,000	40,000
Transfers Out	(40,000)	0	0	0	(40,000)
Other Financing Sources	105	0	0	0	105
Total Other Financing Receipts/ Disbursements	(39,895)	0	0	40,000	105
Excess (Deficiency) of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	(30,904)	43,049	(11,910)	40,000	40,235
Fund Cash Balances, January 1, 2004	100,625	58,103	160,065	17	318,810
Fund Cash Balances, December 31, 2004	\$69,721	\$101,152	\$148,155	\$40,017	\$359,045
Reserve for Encumbrances, December 31, 2004	\$1,839	\$268	\$0	\$0	\$2,107

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

**Green Township
Ashland County, Ohio
Combined Statement of Cash Receipts, Cash Disbursements and
Changes in Fund Cash Balances - All Governmental Fund Types
For the Year Ended December 31, 2003**

	General	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
Cash Receipts					
Taxes	\$79,155	\$170,049	\$39,560	\$0	\$288,764
Intergovernmental	102,213	83,494	3,707	0	189,414
Licenses, Permits and Fees	5,185	0	0	0	5,185
Earnings on Investments	3,076	55	0	0	3,131
Other Receipts	0	715	0	0	715
Total Cash Receipts	189,629	254,313	43,267	0	487,209
Cash Disbursements					
General Government	114,398	0	0	0	114,398
Public Safety	3,152	75,235	0	0	78,387
Public Works	18,390	157,392	0	0	175,782
Health	1,634	20,657	0	0	22,291
Capital Outlay	338	8,257	0	59,349	67,944
Debt Service:					
Principal Payment	0	0	30,000	0	30,000
Interest and Fiscal Charges	0	0	27,506	0	27,506
Total Cash Disbursements	137,912	261,541	57,506	59,349	516,308
Total Receipts Over (Under) Disbursements	51,717	(7,228)	(14,239)	(59,349)	(29,099)
Other Financing Receipts/Disbursements					
Sale of Fixed Assets	0	10,500	0	0	10,500
Transfer In	0	0	0	2,581	2,581
Transfer Out	(1,403)	0	(1,178)	0	(2,581)
Other Financing Sources	1,364	193	0	0	1,557
Total Other Financing Receipts/ Disbursements	(39)	10,693	(1,178)	2,581	12,057
Excess (Deficiency) of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	51,678	3,465	(15,417)	(56,768)	(17,042)
Fund Cash Balances, January 1, 2003	48,947	54,638	175,482	56,785	335,852
Fund Cash Balances, December 31, 2003	\$100,625	\$58,103	\$160,065	\$17	\$318,810
Reserve for Encumbrances, December 31, 2003	\$783	\$913	\$0	\$0	\$1,696

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

Green Township
Ashland County, Ohio
Combined Statement of Cash Receipts, Cash Disbursements and
Changes in Fund Cash Balances - Fiduciary Fund Type
For the Years Ended December 31, 2004 and December 31, 2003

	<u>2004</u>	<u>2003</u>
	<u>Non-Expendable Trust Fund</u>	<u>Non-Expendable Trust Fund</u>
Operating Cash Receipts		
Earnings on Investments	<u>\$83</u>	<u>\$143</u>
Total Operating Cash Receipts	<u>83</u>	<u>143</u>
Operating Cash Disbursements		
Supplies and Materials	<u>0</u>	<u>51</u>
Total Operating Cash Disbursements	<u>0</u>	<u>51</u>
Operating Income	83	92
Non-Operating Cash Receipts		
Other Non-Operating Receipts	<u>0</u>	<u>605</u>
Excess of Receipts Over Disbursements	83	697
Fund Cash Balances, January 1,	<u>7,343</u>	<u>6,646</u>
Fund Cash Balances, December 31,	<u><u>\$7,426</u></u>	<u><u>\$7,343</u></u>
Reserve for Encumbrances, December 31,	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

GREEN TOWNSHIP
ASHLAND COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Description of the Entity

Green Township, Ashland 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 road and bridge maintenance and cemetery maintenance. The Township contracts with the Village of Perrysville and the Village of Loudonville to provide fire protection service and the Village of Loudonville to provide ambulance 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 a payment is made rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (ie. 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 reported 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.

Certificates of deposit and U.S. Treasury Bonds are valued at cost. Investment in STAR Ohio is recorded at share values 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:

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.

GREEN TOWNSHIP
ASHLAND COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Special Revenue Funds - These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are legally 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 to construct, maintain and repair Township roads and bridges.

Gasoline Tax Fund - This fund receives gasoline taxes to construct, maintain and repair Township roads.

Green-Perrysville Fire Special Levy Fund - This fund receives property tax money to pay for fire protection services.

Debt Service Fund – This fund is used to accumulate resources for the payment of bonds. The Township’s only Debt Service Fund is the Fire Station Bond Retirement Fund, which receives property tax money used for the retirement of bonds issued by the Township.

Capital Projects Fund – This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through trust funds). The Township’s only Capital Projects Fund is the Dump Truck Fund, which is used to set aside money for the purchase of a dump truck for the Township.

Fiduciary Funds (Trust Funds) – These fund are used to account for resources restricted by legally binding trust agreement. The Township had the following significant non-expendable trust funds:

County Line Cemetery Non-Expendable Trust Fund - This fund receives interest earnings from certificates of deposits. The interest earnings are used to pay for cemetery grounds maintenance.

Bethesda Cemetery Non-Expendable Trust Fund - This fund receives interest earnings from certificates of deposits, STAR Ohio Investments and a U.S. Savings Bond to pay for the cemetery grounds maintenance.

E. Budgetary Process

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

GREEN TOWNSHIP
ASHLAND COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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. 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 Township to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2004 and 2003 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. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation 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 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:

	2004	2003
Demand deposits	85,795	20,687
Certificates of Deposit	750	750
Total Deposits	86,545	21,437
U.S. Treasury Savings Bond	500	500
STAR Ohio	279,426	304,216
Total Investments	279,926	304,716
Total Deposits and Investments	366,471	326,153

GREEN TOWNSHIP
ASHLAND COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

2. **EQUITY IN POOLED CASH AND INVESTMENTS** (continued)

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation.

Investments: U.S. Savings Bonds are held in book-entry form by the Federal Reserve, in the name of the Township.

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, 2004 and December 31, 2003 was as follows:

2004 Budget vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$83,782	\$141,443	\$57,661
Special Revenue	243,891	273,422	29,531
Debt Service	43,818	43,530	(288)
Capital Projects	40,000	40,000	0
Total	\$411,491	\$498,395	\$86,904

2004 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$182,396	\$174,186	\$8,210
Special Revenue	301,080	230,641	70,439
Debt Service	205,062	55,440	149,622
Capital Projects	40,065	0	40,065
Total	\$728,603	\$460,267	\$268,336

GREEN TOWNSHIP
ASHLAND COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

3. **BUDGETARY ACTIVITY** (continued)

2003 Budget vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$119,159	\$190,993	\$71,834
Special Revenue	238,488	265,006	26,518
Debt Service	45,037	43,267	(1,770)
Capital Projects	0	0	0
Total	\$402,684	\$499,266	\$96,582

2003 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$137,634	\$138,695	(\$1,061)
Special Revenue	281,527	262,454	19,073
Debt Service	231,524	57,506	174,018
Capital Projects	59,366	59,349	17
Total	\$710,051	\$518,004	\$192,047

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 payments, the first half is due December 31. The second half payment is due the following June 20.

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

Tangible personal property tax is assessed to 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.

GREEN TOWNSHIP
ASHLAND COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

5. **DEBT**

Debt outstanding at December 31, 2004 was as follows:

	Principal	Interest Rate
General Obligation Bonds Series 1992	\$325,000	Variable (8.62% - 7.00%)

The General Obligation Bonds were issued to finance the construction of a new fire station to service the Township. The Bonds are collateralized solely by the Township's taxing authority.

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

Year Ending December 31,	General Obligation Bonds
2005	\$57,750
2006	60,300
2007	62,500
2008 - 2010	242,100
Total	\$422,650

6. **RETIREMENT SYSTEMS**

Employees belong to the Ohio Public Employees Retirement System (OPERS), OPERS is a cost-sharing, multiple-employer defined pension plan. This plan provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to: 277 East Town Street, Columbus, Ohio 43215 or by calling (614)466-2085 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2003 and 2002, PERS members contributed 8.5% of their gross salaries. For 2004 the Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2004.

GREEN TOWNSHIP
ASHLAND COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

7. **PENDING CLAIMS OR POTENTIAL CLAIMS**

A controversy exists between the Board of Trustees of Green Township as the taxing authority of the Green-Perrysville Fire District and the Village of Perrysville to which Counsel has provided the following:

1. A certain fire protection contract between these two entities for fire protection provided by the Village of Perrysville within the Green-Perrysville Fire District, including additional money the Village of Perrysville alleges it is due over and above what it has been paid under this existing four-year contract, and that the total amount in controversy is probably no more than about \$3,850 per year over a four-year period (i.e., or about \$15,300). It is not possible to predict the ultimate outcome of this controversy at the present time, particularly where the outcome of this controversy is likely dependent upon the outcome of Item #2, below.
2. Competing claims over the ownership of the fire station building built at a cost of about \$580,000 and paid for with bond money received through a 1.8 mil bond issue for 20 years, passed by the voters of the Green-Perrysville Fire District at the election held on May 8, 1990. It is not possible to predict the ultimate outcome of this complex controversy at the present time. It is possible that this controversy, as well as the controversy mentioned in Item #1, above, may ultimately be resolved through judicial proceedings initiated by either one party or the other and involving competing claims and counter-claims and between the parties.

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees
Green Township, Ashland County
3601 Glenwood Boulevard
Reminderville, OH 44202

We have audited the financial statements of Green Township, Ashland County (the Township), as of and for the years ended December 31, 2004 and December 31, 2003, and have issued our report thereon dated August 18, 2005, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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.

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 caused by error or fraud 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 operations that we consider to be material weaknesses.

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 and contracts, 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 or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain matters that we have reported to management of the Township in a separate letter dated August 18, 2005.

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (continued)

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than those specified parties.

VARNEY, FINK & ASSOCIATES, INC.
Certified Public Accountants

August 18, 2005

**GREEN TOWNSHIP
ASHLAND COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §505**

FOR THE YEARS ENDED DECEMBER 31, 2004 AND DECEMBER 31, 2003

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected</u>	<u>Not Corrected, Partially Corrected, Significantly Different Corrective Action Taken, or Finding No Longer Valid; Explain</u>
2002-001	Improper allocation of interest earnings	Yes	Finding no longer valid.



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140

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GREEN TOWNSHIP

ASHLAND COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MARCH 2, 2006**