

**GREEN TOWNSHIP
ROSS COUNTY, OHIO**

Audited Financial Statements

For the Years Ended December 31, 2007 and 2006



Mary Taylor, CPA
Auditor of State

Board of Trustees
Green Township
P. O. Box 759
Kingston, Ohio 45644-0759

We have reviewed the *Independent Accountant's Report* of Green Township, Ross County, prepared by Van Krevel and Company, CPA's, for the audit period January 1, 2006 through December 31, 2007. 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. Green Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

January 22, 2009

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**Green Township
Ross County, Ohio**

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Ross County, Ohio**

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INDEPENDENT ACCOUNTANT'S REPORT

Green Township
Ross County
P O Box 759
Kingston, Ohio 45644-0759

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Green Township, Ross County, Ohio (the Township), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Township's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 audits 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 our audits provide a reasonable basis for our opinions.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund and the aggregate remaining fund information of Green Township, Ross County, Ohio, as of December 31, 2007, and 2006, and the respective changes in cash financial position and the respective budgetary comparisons for the General, Gasoline Tax (2006), Road and Bridge, Fire District and Fire & Rescue Ambulance EMS Service Funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with Governmental Auditing Standards, we have also issued our report dated December 15, 2008, 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 audits.

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Green Township
Ross County, Ohio
Independent Accountant's Report

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Van Krevel & Company".

Van Krevel & Company
Dublin, Ohio

December 15, 2008

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

This discussion and analysis of Green Township's financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2007, and 2006, within the limitations of the Township's cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2007 are as follows:

Net assets of governmental activities decreased \$73,992, or 8.6%.

The Township's general receipts are primarily property taxes and grants. These receipts represent 49.8% and 12.2%, respectively, of the total cash received for governmental activities during the year. Property tax receipts for 2007 increased \$100,781 or 23.6%.

Key highlights for 2006 are as follows:

Net assets of governmental activities increased \$10,823, or 1.3%, an insignificant change from the prior year.

The Township's general receipts are primarily property taxes and grants. These receipts represent 52.0% and 12.9%, respectively, of the total cash received for governmental activities during the year. Property tax receipts for 2006 increased \$35,919, or 9.2%.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

Using the Basic Financial Statements (continued)

Report Components (continued)

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Township as a Whole

The statements of net assets and the statements of activities reflect how the Township did financially during 2007 and 2006, within the limitations of the cash basis of accounting. The statements of net assets present the cash balances and investments of the governmental activities of the Township at each year's end. The statements of activities compare cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

Reporting the Township as a Whole (continued)

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well, such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the statements of net assets and the statements of activities, the Township has one type of activity:

Governmental activities. Most of the Township's basic services are reported here, including general government, police, EMS, fire and streets. State and federal grants and income and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Township's Most Significant Funds

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are contained in one category:

Governmental Funds - All of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for non major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General Fund, Gasoline Tax Fund (2006), Road and Bridge Fund, Fire District Fund, Fire & Rescue Ambulance EMS Service Fund and the General Bond Retirement Fund (2006). The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

The Township as a Whole

Table 1 provides a summary of the Government's net assets for 2007, 2006, and 2005, on a cash basis:

	Governmental Activities			Total		
	2007	2006	2005	2007	2006	2005
	Assets					
Cash and Cash Equivalents	\$ 791,613	\$ 865,605	\$ 854,781	\$ 791,613	\$ 865,605	\$ 854,781
Total Assets	\$ 791,613	\$ 865,605	\$ 854,781	\$ 791,613	\$ 865,605	\$ 854,781
Net Assets						
Restricted for:						
Debt Service	\$ 6	\$ 2	\$ 2	\$ 6	\$ 2	\$ 2
Permanent Fund						
Expendable	6,413	5,929	5,556	6,413	5,929	5,556
Nonexpendable	5,000	5,000	5,000	5,000	5,000	5,000
Other Purposes	681,857	723,047	709,047	681,857	723,047	709,047
Unrestricted	98,337	131,627	135,176	98,337	131,627	135,176
Total Net Assets	\$ 791,613	\$ 865,605	\$ 854,781	\$ 791,613	\$ 865,605	\$ 854,781

As mentioned previously, net assets of governmental activities decreased \$73,992 (8.6%) and increased \$10,823 (1.3%) during 2007 and 2006, respectively. Total cash receipts increased \$238,113 (28.9%) and \$58,933 (7.7%) for 2007 and 2006, respectively. In 2007, cash receipts for property and other local taxes increased \$100,781, or 23.5%, while total cash disbursements increased \$322,929, or 39.7%. As a result, total cash disbursements exceeded total cash receipts during 2007. In 2006, total cash disbursements increased \$150,052, or 22.6%; however, cash receipts still exceeded total cash disbursements. The primary increase in cash disbursements for 2007 and 2006 was for public safety and capital outlay, which increased \$285,050 and \$209,820, respectively.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

The Township as a Whole (continued)

Table 2 reflects the changes in net assets in 2007, 2006, and 2005:

	(Table 2)					
	Changes in Net Assets			Totals		
	Governmental Activities					
	2007	2006	2005	2007	2006	2005
Receipts:						
Program Receipts:						
Charges for Services and Sales	\$ 146,258	\$ 120,839	\$ 112,950	\$ 146,258	\$ 120,839	\$ 112,950
Operating Grants and Contributions	166,064	125,885	144,021	166,064	125,885	144,021
Capital Grants and Contributions		18,750		-	18,750	
Total Program Receipts	<u>312,322</u>	<u>265,474</u>	<u>256,971</u>	<u>312,322</u>	<u>265,474</u>	<u>256,971</u>
General Receipts:						
Property and Other Local Taxes	528,785	428,004	392,085	528,785	428,004	392,085
Grants and Entitlements Not Restricted to Specific Programs	128,993	106,146	94,763	128,993	106,146	94,763
Notes Issued	50,000			50,000		
Sale of Fixed Assets			2,648			2,648
Cable Franchise Fees	10,622	9,108		10,622		
Interest	9,702	6,554	6,038	9,702	6,554	6,038
Miscellaneous	21,309	8,334	12,182	21,309	8,334	12,182
Total General Receipts	<u>749,411</u>	<u>558,146</u>	<u>507,716</u>	<u>749,411</u>	<u>558,146</u>	<u>507,716</u>
Total Receipts	<u>1,061,733</u>	<u>823,620</u>	<u>764,687</u>	<u>1,061,733</u>	<u>823,620</u>	<u>764,687</u>
Disbursements:						
General Government	181,660	163,106	165,829	181,660	163,106	165,829
Public Safety	388,037	307,058	171,979	388,037	307,058	171,979
Public Works	188,950	165,319	235,344	188,950	165,319	235,344
Health	15,151	18,744	5,056	15,151	18,744	5,056
Capital Outlay	278,859	74,788	47	278,859	74,788	47
Principal Retirement	73,498	71,920	70,125	73,498	71,920	70,125
Interest and Fiscal Charges	9,570	11,861	14,364	9,570	11,861	14,364
Total Disbursements	<u>1,135,725</u>	<u>812,796</u>	<u>662,744</u>	<u>1,135,725</u>	<u>812,796</u>	<u>662,744</u>
Increase (Decrease) in Net Assets	<u>(73,992)</u>	<u>10,824</u>	<u>101,943</u>	<u>(73,992)</u>	<u>10,824</u>	<u>101,943</u>
Net Assets, January 1	865,605	854,781	752,838	865,605	854,781	752,838
Net Assets, December 31	<u>\$ 791,613</u>	<u>\$ 865,605</u>	<u>\$ 854,781</u>	<u>\$ 791,613</u>	<u>\$ 865,605</u>	<u>\$ 854,781</u>

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

The Township as a Whole (continued)

Program receipts represent 29.4% and 32.2% of total receipts for 2007 and 2006, respectively, and are comprised of charges for services, operating grants and contributions and capital grants and contributions.

General receipts represent 70.6% and 67.8% of the Townships' total receipts for 2007 and 2006, respectively. Of this amount, over 70.6% are property taxes for 2007 and 76.7% for 2006. Property taxes increased \$100,781 (23.6%) from 2006 to 2007 due to an additional 1.5 mill levy for the fire department. State and federal grants and entitlements comprised 17.2% and 19.0% of the Township's general receipts for 2007 and 2006, respectively. In 2007, notes issued for the purchase of a dump truck amounted to \$50,000 or 6.7%. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities.

Public safety is the cost of fire protection and EMS services; Public Works is the cost of maintaining and repairing roads and similar items; Health is for health services provided to the Township.

Cash disbursements for Capital Outlays increased \$204,071 (272.9%) from 2006 to 2007, primarily due to the purchase of a new EMS squad, a pickup truck with slide-in grass unit for fighting grass fires, and other fire fighting equipment.

Governmental Activities

If you look at the Statements of Activities on Page 14 and 22, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for General Government, Public Safety and Public Works, which account for 16.0% and 20.1%, 34.2% and 37.8% and 16.6% and 20.3% for the years 2007 and 2006, respectively. The next three columns of the Statements entitled Program Cash Receipts identify amounts paid by people who are directly charged for the services and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the services which ends up being paid from monies provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statements. A comparison between the total costs of services and the net costs of services for 2007, 2006 and 2005 is presented in Table 3.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

The Township as a Whole (continued)

(Table 3)

Governmental Activities

	Total Cost Of Services	Net Cost Of Services	Total Cost Of Services	Net Cost Of Services	Total Cost Of Services	Net Cost Of Services
	2007	2007	2006	2006	2005	2005
General Government	\$ 181,660	\$ 181,660	\$ 163,106	\$ 163,106	\$ 165,829	\$ 165,829
Public Safety	388,037	264,929	307,058	191,158	171,979	39,241
Public Works	188,950	25,386	165,319	26,995	235,344	116,711
Health	15,151	(10,499)	18,744	7,494	5,056	(544)
Capital Outlay	278,859	278,859	74,788	74,788	47	47
Principal Retirement	73,498	73,498	71,920	71,920	70,125	70,125
Interest and Fiscal Charges	9,570	9,570	11,861	11,861	14,364	14,364
Total Expenses	\$ 1,135,725	\$ 823,403	\$ 812,796	\$ 547,322	\$ 662,744	\$ 405,773

The dependence upon property tax receipts is apparent as over 72.5 % and 67.3 % of governmental activities in 2007 and 2006, respectively, are supported through these general receipts.

The Township's Funds

2007

Total governmental funds had receipts of \$1,081,733 and disbursements of \$1,155,725.

The fund balance of the General Fund decreased \$73,992, primarily as a result of an increase in cash expenditures for general government, capital outlay and a transfer of \$20,000 to other governmental funds. These increases were partially offset by increases in cash receipts for licenses, permits and fees and intergovernmental cash receipts.

The fund balance of the Road and Bridge fund increased \$32,580, primarily as a result of cash receipts resulting from the issuance of notes. This increase was partially offset by a decrease in cash receipts for property and other local taxes and increases in cash disbursements for public works and capital outlay.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

The Township's Funds (continued)

2007 (continued)

The fund balance of the Fire District Fund decreased \$83,526, primarily as a result of an increase in cash disbursements for public safety and capital outlay. This increase was due to the addition of an EMS vehicle and a fire truck and was partially offset by an increase in cash receipts from property and other local taxes due to an additional 1.5 mill levy approved in 2006, which began being collected in 2007.

The fund balance of the Fire & Rescue Ambulance EMS Service Fund decreased \$27,200, primarily as a result of an increase in cash disbursements for public safety due to the addition of a day crew in July, 2006.

2006

Total governmental funds had receipts of \$823,620 and disbursements of \$812,796.

The fund balance of the General Fund decreased \$3,549, primarily as a result of a decrease in intergovernmental cash receipts which was partially offset by a decrease in cash expenditures for public works.

The fund balance of the Gasoline Tax Fund increased \$20,019 partially as a result of an increase in intergovernmental cash receipts, but also due to the Township's cash receipts being in excess of cash disbursements.

The fund balance of the Road and Bridge Fund increased \$10,381, primarily as a result of an increase in cash receipts for property and other local taxes and a decrease in cash disbursements for public works that was partially offset by an increase in cash disbursements for capital outlay.

The fund balance of the Fire District Fund decreased \$33,733, primarily as a result of an increase in cash disbursements for public safety, which was partially offset by an increase in cash receipts from property and other local taxes.

The fund balance of the Fire & Rescue Ambulance EMS Service Fund increased \$35,654, primarily as a result of cash receipts being in excess of cash disbursements, despite an increase in cash disbursements for public safety.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. One of the more significant budgeted funds is the General Fund.

During 2007 and 2006, the Township amended its General Fund budget for intergovernmental and other receipts. Actual receipts for 2007 and 2006 were \$17,993 and \$121 higher than budgeted, primarily due to licenses, permits and fees and other receipts.

Final disbursements for 2007 were budgeted at \$287,179, while actual disbursements were \$206,835, primarily due to lower expenditures than anticipated for general government. The result was a decrease in fund balance of \$33,290 for 2007.

Final disbursements for 2006 were budgeted at \$250,442, while actual disbursements were \$163,106, primarily due to lower expenditures than were anticipated for general government. The result was a decrease in fund balance of \$3,549 for 2006.

Capital Assets and Debt Administration

Capital Assets

The Township does not currently keep track of its capital assets and infrastructure. Acquisitions of property, plant and equipment are recorded as disbursements when paid.

Debt

At December 31, 2007 and 2006, the Township's outstanding debt included \$284,513 and \$307,877 in bank notes for the purchase of a fire truck, the building of a fire station and the purchase of a dump truck. For further information regarding the Township's debt, refer to Note 11 in the basic financial statements.

**Green Township
Ross County, Ohio**

**Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
(Unaudited)**

Current Issues

The challenge for all Townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases, shrinking funding. We rely heavily on local taxes and have very little industry to support the tax base. We will work diligently to maintain the highest level of services to our residents at the lowest possible cost.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens and taxpayers with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Brad McCorkle, Fiscal Officer, Green Township, 10153 S. R. 159, Kingston, Ohio 45644.

**Green Township
Ross County, Ohio**

**Statement of Net Assets –Cash Basis
December 31, 2007**

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 791,613</u>
<i>Total Assets</i>	<u><u>\$ 791,613</u></u>
Net Assets	
Restricted for:	
Debt Service	\$ 6
Permanent Fund:	
Expendable	6,413
Nonexpendable	5,000
Other Purposes	681,857
Unrestricted	<u>98,337</u>
<i>Total Net Assets</i>	<u><u>\$ 791,613</u></u>

**Green Township
Ross County, Ohio**

**Statement of Activities- Cash Basis
For the Year Ended December 31, 2007**

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	
Governmental Activities				
General Government	\$ 181,660			\$ (181,660)
Public Safety	388,037	120,608	2,500	(264,929)
Public Works	188,950		163,564	(25,386)
Health	15,151	25,650	-	10,499
Capital Outlay	278,859			(278,859)
Debt Service:				
Principal	73,498			(73,498)
Interest	9,570	-	-	(9,570)
	<u>\$ 1,135,725</u>	<u>\$ 146,258</u>	<u>\$ 166,064</u>	<u>(823,403)</u>
<i>Total Governmental Activities</i>				
General Receipts				
Property Taxes				528,785
Grants and Entitlements not Restricted to Specific Programs				128,993
Cable Franchise Fees				10,622
Sale of Notes				50,000
Earnings on Investments				9,702
Miscellaneous				21,309
				<u>749,411</u>
<i>Total General Receipts</i>				749,411
Change in Net Assets				(73,992)
<i>Net Assets Beginning of Year</i>				<u>865,605</u>
<i>Net Assets End of Year</i>				<u>\$ 791,613</u>

**Green Township
Ross County, Ohio**

**Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007**

	General	Road and Bridge	Fire District	Fire & Rescue Ambulance EMS Service	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$ 98,337	\$ 143,539	\$ 294,040	\$ 113,952	\$ 141,745	\$ 791,613
<i>Total Assets</i>	<u>\$ 98,337</u>	<u>\$ 143,539</u>	<u>\$ 294,040</u>	<u>\$ 113,952</u>	<u>\$ 141,745</u>	<u>\$ 791,613</u>
Fund Balances						
Unreserved:						
Undesignated, Reported in:						
General Fund	\$ 98,337	\$ -	\$ -	\$ -	\$ -	\$ 98,337
Special Revenue Funds	-	143,539	294,040	113,952	130,326	681,857
Debt Service Fund					6	6
Permanent Fund	-	-	-		11,413	11,413
<i>Total Fund Balances</i>	<u>\$ 98,337</u>	<u>\$ 143,539</u>	<u>\$ 294,040</u>	<u>\$ 113,952</u>	<u>\$ 141,745</u>	<u>\$ 791,613</u>

Green Township
Ross County, Ohio
Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2007

	General	Road and Bridge	Fire District	Fire & Rescue Ambulance EMS Service	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$ 56,833	\$101,164	\$287,717	\$ -	\$ 83,071	\$ 528,785
Charges for Services			2,316	118,292		120,608
Licenses, Permits and Fees	10,622				2,500	13,122
Intergovernmental	90,688	38,305	59,010		104,554	292,557
Earnings on Investments	8,910				792	9,702
Miscellaneous	6,492		14,817		25,650	46,959
<i>Total Receipts</i>	<u>173,545</u>	<u>139,469</u>	<u>363,860</u>	<u>118,292</u>	<u>216,567</u>	<u>1,011,733</u>
Disbursements						
Current:						
General Government	181,660					181,660
Public Safety			242,545	145,492		388,037
Public Works		103,046			85,904	188,950
Health				-	15,151	15,151
Capital Outlay	5,175	53,843	204,841		15,000	278,859
Debt Service:						-
Principal Retirement					73,498	73,498
Interest and Fiscal Charges				-	9,570	9,570
<i>Total Disbursements</i>	<u>186,835</u>	<u>156,889</u>	<u>447,386</u>	<u>145,492</u>	<u>199,123</u>	<u>1,135,725</u>
<i>Excess of Receipts Over (Under)</i> <i>Disbursements</i>	<u>(13,290)</u>	<u>(17,420)</u>	<u>(83,526)</u>	<u>(27,200)</u>	<u>17,444</u>	<u>(123,992)</u>
Other Financing Sources (Uses)						
Sale of Notes		50,000				50,000
Transfers In	-	-	-		20,000	20,000
Transfers Out	(20,000)		-	-	-	(20,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(20,000)</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>50,000</u>
<i>Net Change in Fund Balances</i>	<u>(33,290)</u>	<u>32,580</u>	<u>(83,526)</u>	<u>(27,200)</u>	<u>37,444</u>	<u>(73,992)</u>
<i>Fund Balances Beginning of Year</i>	<u>131,627</u>	<u>110,959</u>	<u>377,566</u>	<u>141,152</u>	<u>104,301</u>	<u>865,605</u>
<i>Fund Balances End of Year</i>	<u>\$ 98,337</u>	<u>\$143,539</u>	<u>\$294,040</u>	<u>\$ 113,952</u>	<u>\$ 141,745</u>	<u>\$ 791,613</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
General Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 63,119	\$ 63,119	\$ 56,833	\$ (6,286)
Licenses, Permits and Fees			10,622	10,622
Intergovernmental	51,280	86,864	90,688	3,824
Earnings on Investments	4,800	4,800	8,910	4,110
Miscellaneous		769	6,492	5,723
<i>Total receipts</i>	<u>119,199</u>	<u>155,552</u>	<u>173,545</u>	<u>17,993</u>
Disbursements				
Current:				
General Government	250,826	267,179	181,660	85,519
Capital Outlay	-	-	5,175	(5,175)
<i>Total Disbursements</i>	<u>250,826</u>	<u>267,179</u>	<u>186,835</u>	<u>80,344</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(131,627)</u>	<u>(111,627)</u>	<u>(13,290)</u>	<u>98,337</u>
Other Financing Uses				
Transfers Out		(20,000)	(20,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(131,627)	(131,627)	(33,290)	98,337
<i>Fund Balance Beginning of Year</i>	<u>131,627</u>	<u>131,627</u>	<u>131,627</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,337</u>	<u>\$ 98,337</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 112,199	\$ 112,199	\$ 101,164	\$ (11,035)
Intergovernmental	24,185	24,185	38,305	14,120
<i>Total receipts</i>	<u>136,384</u>	<u>136,384</u>	<u>139,469</u>	<u>3,085</u>
Disbursements				
Current:				
Public Works	193,500	243,500	103,046	140,454
Capital Outlay	53,843	53,843	53,843	-
<i>Total Disbursements</i>	<u>247,343</u>	<u>297,343</u>	<u>156,889</u>	<u>140,454</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(110,959)</u>	<u>(160,959)</u>	<u>(17,420)</u>	<u>143,539</u>
Other Financing Sources (Uses)				
Sale of Notes	-	50,000	50,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(110,959)	(110,959)	32,580	143,539
<i>Fund Balance Beginning of Year</i>	<u>110,959</u>	<u>110,959</u>	<u>110,959</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,539</u>	<u>\$ 143,539</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
Fire District Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 310,131	\$ 310,131	\$ 287,717	\$ (22,414)
Charges for Services			2,316	2,316
Intergovernmental	23,917	23,917	59,010	35,093
Miscellaneous			14,817	14,817
<i>Total receipts</i>	<u>334,048</u>	<u>334,048</u>	<u>363,860</u>	<u>29,812</u>
Disbursements				
Current:				
Public Safety	679,614	679,614	242,545	437,069
Capital Outlay	32,000	32,000	204,841	(172,841)
<i>Total Disbursements</i>	<u>711,614</u>	<u>711,614</u>	<u>447,386</u>	<u>264,228</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(377,566)</u>	<u>(377,566)</u>	<u>(83,526)</u>	<u>294,040</u>
<i>Fund Balance Beginning of Year</i>	<u>377,566</u>	<u>377,566</u>	<u>377,566</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 294,040</u>	<u>\$ 294,040</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
Fire & Rescue Ambulance EMS Service Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts				
Charges for Services	\$ 75,000	\$ 75,000	\$ 118,292	\$ 43,292
<i>Total receipts</i>	<u>75,000</u>	<u>75,000</u>	<u>118,292</u>	<u>43,292</u>
Disbursements				
Current:				
Public Safety	216,152	216,152	145,492	70,660
<i>Total Disbursements</i>	<u>216,152</u>	<u>216,152</u>	<u>145,492</u>	<u>70,660</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(141,152)</u>	<u>(141,152)</u>	<u>(27,200)</u>	<u>113,952</u>
<i>Fund Balance Beginning of Year</i>	<u>141,152</u>	<u>141,152</u>	<u>141,152</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,952</u>	<u>\$ 113,952</u>

**Green Township
Ross County, Ohio**

**Statement of Net Assets –Cash Basis
December 31, 2006**

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 865,605</u>
<i>Total Assets</i>	<u><u>\$ 865,605</u></u>
Net Assets	
Restricted for:	
Debt Service	2
Permanent Fund:	
Expendable	5,929
Nonexpendable	5,000
Other Purposes	723,047
Unrestricted	<u>131,627</u>
<i>Total Net Assets</i>	<u><u>\$ 865,605</u></u>

**Green Township
Ross County, Ohio**

**Statement of Activities- Cash Basis
For the Year Ended December 31, 2006**

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Assets
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental Activities					
General Government	\$ 163,106	\$ -	\$ -	\$ -	\$ (163,106)
Public Safety	307,058	109,589	6,311		(191,158)
Public Works	165,319		119,574	18,750	(26,995)
Health	18,744	11,250			(7,494)
Capital Outlay	74,788				(74,788)
Debt Service:					
Principal Retirement	71,920				(71,920)
Interest and Fiscal Charges	11,861				(11,861)
<i>Total Governmental Activities</i>	\$ 812,796	\$ 120,839	\$ 125,885	\$ 18,750	\$ (547,322)
General Receipts					
Property Taxes					428,004
Grants and Entitlements not Restricted to Specific Programs					106,146
Cable Franchise Fees					9,108
Earnings on Investments					6,554
Miscellaneous					8,334
<i>Total General Receipts</i>					558,146
Change in Net Assets					10,824
<i>Net Assets Beginning of Year</i>					854,781
<i>Net Assets End of Year</i>					\$ 865,605

**Green Township
Ross County, Ohio**

**Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2006**

	General	Gasoline	Road and Bridge	Fire District	Fire & Rescue Ambulance EMS Service	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets								
Equity in Pooled Cash and Cash Equivalents	\$ 131,627	\$ 49,760	\$ 110,959	\$ 377,566	\$ 141,152	\$ 2	\$ 54,539	\$ 865,605
<i>Total Assets</i>	<i>\$ 131,627</i>	<i>\$ 49,760</i>	<i>\$ 110,959</i>	<i>\$ 377,566</i>	<i>\$ 141,152</i>	<i>\$ 2</i>	<i>\$ 54,539</i>	<i>\$ 865,605</i>
Fund Balances								
Unreserved:								
Undesignated, Reported in:								
General Fund	\$ 131,627	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,627
Special Revenue Funds	-	49,760	110,959	377,566	141,152		43,610	723,047
Debt Service Fund						2		2
Permanent Fund	-						10,929	10,929
<i>Total Fund Balances</i>	<i>\$ 131,627</i>	<i>\$ 49,760</i>	<i>\$ 110,959</i>	<i>\$ 377,566</i>	<i>\$ 141,152</i>	<i>\$ 2</i>	<i>\$ 54,539</i>	<i>\$ 865,605</i>

**Green Township
Ross County, Ohio**

**Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2006**

	General	Gasoline	Road and Bridge	Fire District	Fire & Rescue Ambulance EMS Service	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Receipts								
Property and Other Local Taxes	\$ 63,563	\$ -	\$ 114,189	\$ 166,472	\$ -	\$ 83,781	\$ -	\$ 428,005
Charges for Services			-	-	109,589		-	109,589
Licenses, Permits and Fees	9,108						6,250	15,358
Intergovernmental	78,000	86,201	24,906	27,676	-		33,997	250,780
Earnings on Investments	5,794	287		-	-		473	6,554
Miscellaneous	3,092	-	-	5,242	-		5,000	13,334
<i>Total Receipts</i>	<u>159,557</u>	<u>86,488</u>	<u>139,095</u>	<u>199,390</u>	<u>109,589</u>	<u>83,781</u>	<u>45,720</u>	<u>823,620</u>
Disbursements								
Current:								
General Government	163,106						-	163,106
Public Safety				233,123	73,935			307,058
Public Works		66,469	86,714				12,136	165,319
Health							18,744	18,744
Capital Outlay			42,000				32,788	74,788
Debt Service:								
Principal Retirement						71,920	-	71,920
Interest and Fiscal Charges						11,861	-	11,861
<i>Total Disbursements</i>	<u>163,106</u>	<u>66,469</u>	<u>128,714</u>	<u>233,123</u>	<u>73,935</u>	<u>83,781</u>	<u>63,668</u>	<u>812,796</u>
<i>Excess of Receipts Over (Under)</i>								
<i>Disbursements</i>	<u>(3,549)</u>	<u>20,019</u>	<u>10,381</u>	<u>(33,733)</u>	<u>35,654</u>	<u>-</u>	<u>(17,948)</u>	<u>10,824</u>
<i>Fund Balances Beginning of Year</i>	<u>135,176</u>	<u>29,741</u>	<u>100,578</u>	<u>411,299</u>	<u>105,498</u>	<u>2</u>	<u>72,487</u>	<u>854,781</u>
<i>Fund Balances End of Year</i>	<u>\$ 131,627</u>	<u>\$ 49,760</u>	<u>\$ 110,959</u>	<u>\$ 377,566</u>	<u>\$ 141,152</u>	<u>\$ 2</u>	<u>\$ 54,539</u>	<u>\$ 865,605</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
General Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 63,446	\$ 63,563	\$ 63,563	\$ -
Licenses, Permits and Fees		9,108	9,108	-
Intergovernmental	44,878	78,000	78,000	-
Earnings on Investments	4,800	5,794	5,794	-
Miscellaneous	5,000	2,971	3,092	121
<i>Total receipts</i>	<u>118,124</u>	<u>159,436</u>	<u>159,557</u>	<u>121</u>
Disbursements				
Current:				
General Government	250,442	250,442	163,106	87,336
<i>Total Disbursements</i>	<u>250,442</u>	<u>250,442</u>	<u>163,106</u>	<u>87,336</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(132,318)</u>	<u>(91,006)</u>	<u>(3,549)</u>	<u>87,457</u>
<i>Fund Balance Beginning of Year</i>	<u>135,176</u>	<u>135,176</u>	<u>135,176</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,858</u>	<u>\$ 44,170</u>	<u>\$ 131,627</u>	<u>\$ 87,457</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
Gasoline Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Fees		-		-
Intergovernmental	50,725	86,201	86,201	-
Earnings on Investments	275	287	287	-
Miscellaneous	-	-	-	-
<i>Total receipts</i>	<u>51,000</u>	<u>86,488</u>	<u>86,488</u>	<u>-</u>
Disbursements				
Current:				
Public Works	<u>80,741</u>	<u>80,741</u>	<u>66,469</u>	<u>14,272</u>
<i>Total Disbursements</i>	<u>80,741</u>	<u>80,741</u>	<u>66,469</u>	<u>14,272</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(29,741)</u>	<u>5,747</u>	<u>20,019</u>	<u>14,272</u>
<i>Fund Balance Beginning of Year</i>	<u>29,741</u>	<u>29,741</u>	<u>29,741</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ 35,488</u>	<u>\$ 49,760</u>	<u>\$ 14,272</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 112,719	\$ 114,189	\$ 114,189	\$ -
Intergovernmental	21,759	24,906	24,906	-
<i>Total receipts</i>	<u>134,478</u>	<u>139,095</u>	<u>139,095</u>	<u>-</u>
Disbursements				
Current:				
Public Works	178,934	178,934	86,714	92,220
Capital Outlay	50,000	50,000	42,000	8,000
<i>Total Disbursements</i>	<u>228,934</u>	<u>228,934</u>	<u>128,714</u>	<u>100,220</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(94,456)</u>	<u>(89,839)</u>	<u>10,381</u>	<u>100,220</u>
<i>Fund Balance Beginning of Year</i>	<u>100,578</u>	<u>100,578</u>	<u>100,578</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 6,122</u>	<u>\$ 10,739</u>	<u>\$ 110,959</u>	<u>\$ 100,220</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
Fire District Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 156,646	\$ 166,204	\$ 166,472	\$ 268
Intergovernmental	61,260	27,676	27,676	0
Miscellaneous	1,000	5,313	5,242	(71)
<i>Total receipts</i>	<u>218,906</u>	<u>199,193</u>	<u>199,390</u>	<u>197</u>
Disbursements				
Current:				
Public Safety	578,696	578,696	233,123	345,573
<i>Total Disbursements</i>	<u>578,696</u>	<u>578,696</u>	<u>233,123</u>	<u>345,573</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(359,790)</u>	<u>(379,503)</u>	<u>(33,733)</u>	<u>345,770</u>
<i>Fund Balance Beginning of Year</i>	<u>411,299</u>	<u>411,299</u>	<u>411,299</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 51,509</u>	<u>\$ 31,796</u>	<u>\$ 377,566</u>	<u>\$ 345,770</u>

**Green Township
Ross County, Ohio**

**Statement of Receipts Disbursements and Changes in Fund Balances
Budget and Actual – Budget Basis
Fire & Rescue Ambulance EMS Service Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Charges for Services	\$ 75,000	\$ 109,589	\$ 109,589	\$ -
<i>Total receipts</i>	<u>75,000</u>	<u>109,589</u>	<u>109,589</u>	<u>-</u>
Disbursements				
Current:				
Public Safety	<u>180,498</u>	<u>180,498</u>	<u>73,935</u>	<u>106,563</u>
<i>Total Disbursements</i>	<u>180,498</u>	<u>180,498</u>	<u>73,935</u>	<u>106,563</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(105,498)</u>	<u>(70,909)</u>	<u>35,654</u>	<u>106,563</u>
<i>Fund Balance Beginning of Year</i>	<u>105,498</u>	<u>105,498</u>	<u>105,498</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ 34,589</u>	<u>\$ 141,152</u>	<u>\$ 106,563</u>

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 1 REPORTING ENTITY

Green Township, Ross County, Ohio (the Township) is a body politic and corporate 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 also has an elected Township Fiscal Officer.

The reporting entity is comprised of the primary government and believes these financial statements present all activities for which the Township is financially accountable.

A Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general governmental services, maintenance of Township roads and bridges, cemetery maintenance, fire protection and emergency medical services. The Township contracts with Pickaway Township Trustees of Pickaway County to provide fire and emergency medical services to the Southern portion of their Township.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

A Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including statements of net assets and statements of activities, and fund financial statements which provide a more detailed level of financial information.

Government Wide Financial Statements

The statements of net assets and the statements of activities display information about the Township as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other non exchange transactions.

The statements of net assets present the cash balances of the governmental activities of the Township at year end. The statements of activities compare disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government Wide Financial Statements (continued)

restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non major funds are aggregated and presented in a single column.

B Fund Accounting

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity and a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are governmental.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g., grants) and other non exchange transactions as governmental funds. The following are the Township's major governmental funds:

General Fund – This fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

Gasoline Tax Fund (2006) – This fund is used for salary for the road crew. The receipts are established from a gas tax that is sent to our Township through the County Auditor's office.

Road and Bridge Fund – This fund is used for the maintenance of roads and bridges, as well as for snow and ice removal. The receipts are established from a 1.2 inside the 10 millage limit tax.

Fire District Fund – This fund is used for fire protection and EMS services to its residents. The receipts are established from a continuous 2.0 mill outside the 10 mill limit that was passed by voters in November of 1989. There is also a five year renewal 1.0 mill that has to be voted on every five years for it to stay in effect. An additional 1.5 mill levy was added in 2006.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B Fund Accounting (continued)

Governmental Funds (continued)

Fire & Rescue Ambulance EMS Service Fund – This fund is used to pay EMS services for the township. The receipts for this fund are established from EMS billings. The Township pays fees to MBI Solutions on a monthly basis.

General Bond Retirement Fund (2006) – This fund is used for the repayment of monies borrowed for a new fire station, a ladder fire truck and a dump truck.

The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

C Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

D Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations ordinance is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds as is required by the ORC.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D Budgetary Process (continued)

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

E Cash and Investments

Township records identify the purchase of specific investments by specific funds.

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

Investments with an original maturity of less than one year at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than one year that were not purchased from the pool are reported as investments.

At December 31, 2007, the Township maintained an interest bearing checking account and had a certificate of deposit at Kingston National Bank. The certificate of deposit is maintained in a permanent fund, in which only the interest earned is expendable for the Mt. Pleasant Cemetery. The certificate of deposit is valued at cost.

Interest earnings are allocated to Township funds according to State statutes, grant requirements or debt related restrictions. Interest receipts credited to the General Fund during 2007 and 2006 were \$8,910 and \$5,794, respectively.

F Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying basic financial statements.

G Capital Assets

Acquisitions of property, plant and equipment (capital assets) are recorded as disbursements when paid. These items are not reflected as assets in the accompanying basic financial statements.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H Long Term Obligations

The Township's cash basis basic financial statements do not report liabilities for bonds or other long term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

I Employer Contributions to Cost Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and post retirement health care benefits.

J Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for maintaining and repairing Township roads, cemetery maintenance and providing fire protection and emergency medical services. The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

As of December 31, 2007 and 2006, none of the Township's restricted net assets of \$693,276 and 733,978, respectively, were restricted by enabling legislation.

K Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

NOTE 3 ACCOUNTABILITY AND COMPLIANCE

Contrary to Ohio law, budgetary expenditures in 2007 exceeded appropriation authority on the object level for capital projects in the General Fund by \$5,175 and the Fire District Fund by \$172,841.

NOTE 4 BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budgetary Basis presented for the General Fund and all major special revenue funds are prepared on the budgetary basis to provide meaningful comparison of actual results with the budget.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 5 DEPOSITS AND INVESTMENTS

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Township by the financial institution, or by a single collateral pool established by the financial institutions to secure the repayment of all public monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Township, or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

At year end, the Township maintained deposits at one bank. The carrying and bank balances of the Township's deposits at December 31, 2007 were \$791,613 and \$817,885, respectively. The carrying and bank balances of the Township's deposits at December 31, 2006 were \$868,605 and \$884,463, respectively. Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) or by eligible securities pledged by the financial institution as security for repayment.

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2007 and 2006, \$717,885 and \$784,463 of the Township's bank balance, respectively, was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105% of the deposits being secured.

Investments

The Township had no investments at December 31, 2007 and 2006.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 6 PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Property tax receipts received in 2007 and 2006 for real and public utility property taxes represent collection of the 2006 and 2005 taxes, respectively. Property tax payments received during 2007 and 2006 for tangible personal property (other than public utility property) is for 2007 and 2006 taxes, respectively.

2007 real property taxes are levied after October 1, 2007 on the assessed values as of January 1, 2007, the lien date. 2006 real property taxes are levied after October 1, 2006 on the assessed values as of January 1, 2006, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 2007 and 2006 real property taxes are collected in and are intended to finance 2008 and 2007, respectively.

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2007 public utility property taxes which became a lien on December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes. 2006 public utility property taxes which became a lien on December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

2007 tangible property taxes are levied after October 1, 2006, on the true value as of December 31, 2006. Collections are made in 2007. 2006 tangible property taxes are levied after October 1, 2005, on the true value as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 is 12.5%. This will be reduced to 6.25% for 2008, and zero for 2009. Payments made by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all Township operations for the years ended December 31, 2007 and 2006, was \$6.30 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 and 2006 property tax receipts were based are as follows:

	<u>2007</u>	<u>2006</u>
Real Property	\$ 87,740,630	\$ 84,539,670
Public Utility Property	5,515,980	5,807,540
Tangible Personal Property	<u>12,253,640</u>	<u>18,001,980</u>
 Total Assessed Value	 <u>\$105,510,250</u>	 <u>\$108,349,190</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of taxes collected.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 7 RISK MANAGEMENT

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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 coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member townships pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For an occurrence prior to January 1, 2006 OTARMA retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence, including loss adjustment expenses. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust OTARMA's retained earnings, APEEP provides *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (for claims prior to January 1, 2006) or \$3,000,000 (for claims on or after January 1, 2006) as noted above.

Property Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable value. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2006 was \$1,901,127.

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 township.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 7 RISK MANAGEMENT (continued)

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net assets at December 31, 2007 and 2006 (the latest information available):

	<u>2007</u>	<u>2006</u>
Assets	\$43,210,703	\$42,042,275
Liabilities	<u>(13,357,837)</u>	<u>(12,120,661)</u>
Net Assets	<u>\$29,852,866</u>	<u>\$29,921,614</u>

At December 31, 2007 and 2006 respectively, liabilities noted above include approximately \$12.5 million and \$11.3 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$11.6 million and \$10.8 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$37,184. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

Based on discussions with OTARMA the expected rates charged by OTARMA to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership. The Township's contributions to OTARMA for the past three years are as follows:

<u>Year</u>	<u>Contribution</u>
2007	\$18,592
2006	19,176
2005	19,190

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they give written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 8 DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

Plan Description - The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only in the traditional plans.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the years ended December 31, 2007 and 2006, the members of all three plans were required to contribute 9.5 and 9.0 percent, respectively, of their annual covered salaries. The Township’s contribution rate for pension benefits for 2007 and 2006 was 13.85 and 13.70 percent, respectively.

The Township’s required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$31,591, \$25,372, and \$22,014 respectively. The full amount has been contributed for 2007, 2006, and 2005. Contributions to the member-directed plan for 2007 were \$31,591 made by the Township and \$21,669 made by the plan members. Contributions for 2006 were \$25,372 made by the Township and \$16,668 made by the plan members.

NOTE 9 POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description – OPERS provides a cost-sharing multi-employer defined benefit postemployment healthcare plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment healthcare. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for postemployment healthcare coverage, age and service retirees under the traditional and combined plans must have ten years or more of qualifying Ohio service credit. Healthcare coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide healthcare benefits to eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 9 POSTEMPLOYMENT BENEFITS (continued)

Ohio Public Employees Retirement System (continued)

Disclosures for the healthcare plan are provided separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614)222-5601 or (800) 222-7377.

Funding Policy – The postemployment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund postemployment healthcare through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postemployment healthcare.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007 and 2006, Township employers contributed 13.85 and 13.70 percent, respectively, of covered payroll. Each year, The OPERS retirement board determines the portion of the employer contribution that will be set aside for funding postemployment healthcare benefits. The amount of the employer contributions which was allocated to fund postemployment healthcare was 5.00 percent of covered payroll for January 1 through June 30, 2007, and 6.00 percent from July 1 through December 31, 2007. The portion used to fund healthcare for 2006 was 4.50 percent of covered payroll.

The Retirement Board is also authorized to establish rules for the payment of a portion of the healthcare benefits by the retiree or retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and selected coverage.

The Township's contributions allocated to fund postemployment healthcare benefits for the years ended December 31, 2007, 2006, and 2005 were \$ 12,545, \$ 8,334, and \$ 6,498, respectively; 100 percent has been contributed for 2007, 2006, and 2005.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the healthcare plan.

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 10 DEBT

The Township's long term debt activity for the years ended December 31, 2007 and 2006 was as follows:

<u>Governmental Activities</u>		<u>Interest</u>	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
		<u>Rate</u>	<u>12/31/05</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/06</u>	<u>One Year</u>
Bank Note – Fire Station							
Issued 2003 (\$375,000)	3.20%	\$276,275	\$ 0	\$ 51,920	\$224,355	\$ 53,497	
Bank Note – Fire Truck							
Issued 2003 (\$140,000)	3.55%	<u>100,000</u>	<u>0</u>	<u>20,000</u>	<u>80,000</u>	<u>20,000</u>	
		<u>\$376,275</u>	<u>\$ 0</u>	<u>\$ 71,920</u>	<u>\$304,355</u>	<u>\$ 73,497</u>	
		<u>Interest</u>	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
		<u>Rate</u>	<u>12/31/06</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/07</u>	<u>One Year</u>
Bank Note – Fire Station							
Issued 2003 (\$375,000)	3.20%	\$224,355	\$ 0	\$ 53,498	\$170,857	\$ 55,090	
Bank Note – Fire Truck							
Issued 2003 (\$140,000)	3.55%	80,000	0	20,000	60,000	20,000	
Bank Note – Dump Truck							
Issued 2007 (\$50,000)	4.80%	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>50,000</u>	<u>10,000</u>	
		<u>\$304,355</u>	<u>\$ 50,000</u>	<u>\$ 73,498</u>	<u>\$280,857</u>	<u>\$ 85,090</u>	

The Township does not have general obligation bonds. These are regular amortized loans that are within the tax revenues for the Township. The \$140,000 loan is for the purchase of a 1996 Pierce Ladder Truck that was purchased in 2003. The \$375,000 loan is for the building of Fire Station #2 located on Delano Road. The \$50,000 loan is for a 2008 Ford F-550 Dump Truck.

The following is a summary of the Township's future annual debt service requirements as of December 31, 2007:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 85,090	\$ 9,803	\$ 94,893
2009	86,851	6,710	93,561
2010	88,916	3,149	92,065
2011	10,000	960	10,960
2012	<u>10,000</u>	<u>481</u>	<u>10,481</u>
Totals	<u>\$280,857</u>	<u>\$21,103</u>	<u>\$301,960</u>

**Green Township
Ross County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 11 INTERFUND TRANSFERS

Transfers made during the year ended December 31, 2007, were as follows:

<u>Interfund Transfers</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 0	\$ 20,000
Non-Major Special Revenue Funds	<u>20,000</u>	<u> </u>
Total All Funds	<u>\$ 20,000</u>	<u>\$ 20,000</u>

Transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

NOTE 12 CONTINGENCIES

The Township is defendant in various lawsuits. Although management cannot presently determine the outcomes of these suits, they believe the resolution of these matters will not materially adversely affect the Township's financial condition.

**INDEPENDENT ACCOUNTANT'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Green Township
Ross County
P O Box 759
Kingston, Ohio 45644-0759

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Township as of and for the years ended December 31, 2007, and 2006, which collectively comprise the Township's basic financial statements and have issued our report thereon dated December 15, 2008, wherein, we noted the Township uses a comprehensive accounting basis other than generally accepted accounting principles. We conducted our audits 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*.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purposed described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2007-001 through 2007-004.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Township's internal control will not prevent or detect a material financial statement misstatement.

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Internal Control Over Financial Reporting (continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, of the significant deficiencies described above, we believe Finding 2007-004 is a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompany schedule of findings as item 2007-005.

The Township's responses to the findings identified in our audits are described in the accompanying Schedule of Findings. We did not audit the Township's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of the audit committee, management, and Board of Trustees. We intend it for no one other than these specified parties.



Van Krevel & Company
Dublin, Ohio

December 15, 2008

**Green Township
Ross County, Ohio**

**Schedule of Findings
December 31, 2007 and 2006**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2007-001

Significant Deficiency

Ohio Administrative Code 117-2-02(A) states that all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance related legal and contractual requirements and prepare financial statements.

During 2007 and 2006, cash receipts and disbursements were not always posted to the correct receipt/expenditure classifications, based upon the source of the receipt/purpose of the disbursement. Reclassification entries have been made to the accompanying financial statements to accurately reflect the proper classifications of receipts and disbursements.

We recommend the Township Fiscal Officer review the Uniform Accounting Network (UAN) Chart of Accounts included in the Ohio Township Handbook for proper classifications of receipts and disbursements and use due care in posting receipts and disbursements to the Township's books.

Official's Response: The current Fiscal Officer will utilize the Ohio Township Handbook to determine proper account classifications. He will also review the appropriations and expenditures for 2008 to determine any errors that may have been made by the previous office holder and attempt to correct these, if possible, prior to rolling into the 2009 Fiscal Year.

FINDING NUMBER 2007-002

Significant Deficiency

During our tests of budgetary compliance, we noted that approved appropriations and estimated resources were not reflected accurately in the accounting records. Such differences could cause deficit spending and/or spending not in accordance with the legislative authority. We recommend all approved appropriations and estimates resources, including amendments, that are filed with the County Auditor be duplicated in the accounting system.

The financial statements have been revised to reflect the estimated receipts as certified with the County Budget Commission and changes in appropriations as approved by the Board of Trustees.

Official's Response: The current Fiscal Officer will enter all approved appropriations and estimated resources that are filed with the County Auditor in the accounting system. He will also review the approved appropriations and estimated resources for 2008 to try and determine if any entries have not been made by the previous office holder and attempt to correct these, if possible, prior to rolling into the 2009 Fiscal Year.

**Green Township
Ross County, Ohio**

**Schedule of Findings
December 31, 2007 and 2006**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2007-003

Significant Deficiency

The Township currently contracts with MBI Solutions to handle soft billings of EMS charges. However, no Township personnel are reviewing the reports in order to determine that the billings are being properly handled. We recommend that the Fiscal Office select several EMS runs each month and verify proper billing and subsequent collection.

Official's Response: The current Fiscal Officer has indicated that he will begin testing on a monthly basis and will also review the records from the months prior to the start of his term in office for 2008.

FINDING NUMBER 2007-004

Significant Deficiency and Material Weakness

The Township outsources their EMS billings to a third party. Collections from the billings are deposited to a lockbox account. The activity from the lockbox account is not recorded on the Township's records until transfers are made from the lockbox account to the primary checking account. As a result, receipts are reported net of bank charges, and the balance in the lockbox account is not recorded on the Township books.

The financial statements have been revised to reflect the unrecorded transactions. At December 31, 2007, the cash fund balance of the Other Governmental Funds was increased by \$328 as a result of these transactions.

Official's Response: The current Fiscal Officer has indicated that prior to closing the 2008 Fiscal Year, the funds located in the separate EMS account will be transferred to the primary checking account in its entirety. These funds will be recorded in the UAN system within Fund 2281. The separate EMS account will then be closed and commencing at the start of the 2009 Fiscal Year, all future receipts will be deposited directly into the primary checking account and will be recorded into the UAN accounting system on a regular basis. The bank charges will be recorded along with the receipts as a direct charge.

FINDING NUMBER 2007-005

Noncompliance Citation/Control Deficiency

Ohio Revised Code Section 5705.41(B) prohibits a subdivision or taxing unit from expending money unless it has been appropriated.

The Township appropriated at the fund/function/object level of control. During 2007, the Township expended \$5,175 in the General Fund and \$204,841 in the Fire District Fund for capital outlay. These expenditures were appropriated under General Government, Public Safety and Capital Outlay. For purposes of financial statement presentation, the expenditures have been reclassified under Capital Outlay which caused the expenditures to exceed appropriations by \$5,175 and \$172,841 in the General and Fire District Funds, respectively.

**Green Township
Ross County, Ohio**

**Schedule of Findings
December 31, 2007 and 2006**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

We recommend all appropriation changes be approved by the Township Trustees prior to posting to the appropriation ledger. Additionally, the Township Fiscal Officer should review the definitions included in the Uniform Accounting Network Chart of Accounts in the Township Accounting Manual when appropriating funds to the various object levels.

Official's Response: The current Fiscal Officer will utilize the Ohio Township Handbook to determine proper account classifications so that appropriate fund/function/object level codes are used when assigning appropriations. By properly determining the correct codes, future reclassifications can be avoided. He will also review the previously assigned appropriation codes for 2008 to try and determine if any entries have been erroneously made by the previous office holder and attempt to correct these, if possible, prior to rolling into the 2009 Fiscal Year.



Mary Taylor, CPA
Auditor of State

GREEN TOWNSHIP

ROSS 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
FEBRUARY 5, 2009**