

Nile Township  
Scioto County  
Regular Audit  
For the Years Ended December 31, 2011 and 2010



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# Dave Yost • Auditor of State

Board of Trustees  
Nile Township  
P.O. Box 100  
Friendship, Ohio 45630

We have reviewed the *Independent Auditor's Report* of Nile Township, Scioto County, prepared by Millhuff-Stang, CPA, Inc., for the audit period January 1, 2010 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Nile Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

November 14, 2012

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**Scioto County**  
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**Independent Auditor's Report**

Board of Trustees  
Nile Township  
P.O. Box 100  
Friendship, Ohio 45630

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nile Township, Scioto County, Ohio (the Township), as of and for the years ended December 31, 2011 and 2010, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Nile Township, Scioto County, Ohio, as of December 31, 2011 and 2010, and the respective changes in cash financial position and the respective budgetary comparisons for the General, Gasoline Tax, Road and Bridge, Fire Levy, Ambulance Levy, Fire Equipment Levy, and Police Levy Funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

As described in Note 11, during 2011 the Township adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2012 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

We conducted our audit to opine on the Township's financial statements taken as a whole. Management's Discussion and Analysis includes tables of net assets, changes in net assets, governmental activities and long-term debt. These tables provide additional information, but are not part of the basic financial statements. However, these tables are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These tables were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepting in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion and Analysis, and we express no opinion or any other assurance on it.



Natalie Millhuff-Stang, CPA  
President/Owner  
Millhuff-Stang, CPA, Inc.

June 28, 2012



Nile Township  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

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This discussion and analysis of Nile Township's (the Township) financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2011 and 2010, 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 2011 are as follows:

Net assets of governmental activities decreased \$221,697.

The Township's general receipts are primarily property taxes, permissive sales taxes, local government revenue assistance, franchise fees and interest.

Key highlights for 2010 are as follows:

Net assets of governmental activities increased \$74,370.

The Township's general receipts are primarily property taxes, permissive sales taxes, local government revenue assistance, franchise fees and interest.

**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.

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.

Nile Township  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

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**Reporting the Township as a Whole**

The statement of net assets and the statement of activities reflect how the Township did financially during 2011 and 2010, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year end. The statement of activities compares 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.

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 statement of net assets and the statement of activities, the Township reports only one type of activity:

Governmental activities: Most of the Township's basic services are reported here, including police, fire, streets, parks and emergency management services. Property taxes, permissive sales taxes, gasoline taxes, vehicle registrations, local government revenue assistance, licenses & permits and state & federal grants 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 which is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are all governmental funds.

Governmental Funds – Most of the Township's activities are reported in the 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 nonmajor 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, Gasoline Tax, Road and Bridge, Fire Levy, Ambulance Levy, Fire Equipment Levy, Police Levy, and Construction Funds. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

Nile Township  
 Management's Discussion and Analysis  
 For the Years Ended December 31, 2011 and 2010  
 Unaudited

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**The Township as a Whole**

Table 1 provides a summary of the Township's net assets for 2011 compared to 2010 and 2009:

(Table 1)

**Net Assets**

	Governmental Activities		
	2011	2010	2009
<b>Assets</b>			
Cash and Cash Equivalents	\$587,693	\$809,390	\$735,020
Total Assets	\$587,693	\$809,390	\$735,020
<b>Net Assets</b>			
Restricted for:			
Other Purposes	\$619,839	\$794,995	\$644,685
Unrestricted	(32,146)	14,395	90,335
Total Net Assets	\$587,693	\$809,390	\$735,020

As mentioned previously, net assets of governmental activities increased \$74,370 during 2010. The primary reason contributing to the increases in cash balances is that proceeds of bonds were not fully disbursed by the end of the year.

Net assets decreased in 2011 by \$221,697. This decrease can be attributed to the disbursement of bond proceeds remaining at December 31, 2010.

Nile Township  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

Table 2 reflects the changes in net assets in 2011 and 2010 and the comparisons to fiscal year 2009.

(Table 2)  
**Change in Net Assets**

	Governmental Activities 2011	Governmental Activities 2010	Governmental Activities 2009
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$16,125	\$12,810	\$17,910
Operating Grants and Contributions	96,854	97,261	96,546
<b>Total Program Receipts</b>	<b>112,979</b>	<b>110,071</b>	<b>114,456</b>
General Receipts:			
Property and Other Local Taxes	433,395	432,117	435,561
Grants and Entitlements Not Restricted to Specific Programs	220,225	124,902	177,310
Cable Franchise Fees	27,268	13,754	12,626
Interest	6,378	12,856	7,915
Miscellaneous	12,975	12,710	11,840
Other Debt Proceeds	0	850,000	0
<b>Total General Receipts</b>	<b>700,241</b>	<b>1,446,339</b>	<b>645,252</b>
<b>Total Receipts</b>	<b>813,220</b>	<b>1,556,410</b>	<b>759,708</b>
Disbursements:			
General Government	255,787	269,958	281,785
Public Safety	136,153	151,740	150,594
Public Works	212,649	162,546	127,040
Health	47,734	38,393	54,961
Capital Outlay	275,860	847,329	64,319
Principal Retirement	59,391	0	0
Interest and Fiscal Charges	47,343	12,074	0
<b>Total Disbursements</b>	<b>1,034,917</b>	<b>1,482,040</b>	<b>678,699</b>
 Increase (Decrease) in Net Assets	 (221,697)	 74,370	 81,009
 Net Assets, January 1	 809,390	 735,020	 654,011
<b>Net Assets, December 31</b>	<b>\$587,693</b>	<b>\$809,390</b>	<b>\$735,020</b>

Program receipts represent only 14 percent and 7 percent of total receipts in 2011 and 2010 respectively, and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, and charges for cemetery services.

General receipts represent 86 percent and 93 percent of the Township's total receipts in 2011 and 2010 respectively, and of this amount (net of bond proceeds), over 62 percent in 2011 and 30 percent in 2010 are local taxes. State and federal grants and entitlements make up the majority of the balance of the Township's general receipts. 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. These include the costs of the Trustees and Fiscal Officer, as well as internal services such as payroll and purchasing. Since many of these costs do not represent direct services to residents, we try to limit these costs.

Public Safety is the costs of police protection and EMS and fire protection.

Nile Township  
 Management's Discussion and Analysis  
 For the Years Ended December 31, 2011 and 2010  
 Unaudited

**Governmental Activities**

If you look at the statement of activities, 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 next two columns of the statement entitled program receipts identify amounts paid by people who are directly charged for the service 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 service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)

	<b>Governmental Activities</b>					
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2011	2011	2010	2010	2009	2009
General Government	\$ 255,787	\$ 255,787	\$ 269,958	\$ 269,958	\$ 281,785	\$ 281,785
Public Safety	136,153	136,153	151,740	151,740	150,594	150,594
Public Works	212,649	115,795	162,546	65,285	127,040	30,494
Health	47,734	31,609	38,393	25,583	54,961	37,051
Capital Outlay	275,860	275,860	847,329	847,329	64,319	64,319
Principal Payments	59,391	59,391	-	-	-	-
Interest and Fiscal Charges	47,343	47,343	12,074	12,074	-	-
<b>Total Disbursements</b>	<b>\$ 1,034,917</b>	<b>\$ 921,938</b>	<b>\$ 1,482,040</b>	<b>\$ 1,371,969</b>	<b>\$ 678,699</b>	<b>\$ 564,243</b>

The dependence upon property tax receipts is apparent as 89 percent of governmental activities are supported through these and other general receipts for 2011 and 93 percent for 2010.

**The Township's Funds**

Total governmental funds in 2011 had receipts of \$813,220 and disbursements of \$1,034,917.

Total governmental funds in 2010 had receipts of \$706,410 and disbursements of \$1,482,040. The Township also had \$850,000 in bond proceeds during 2010.

In 2011 General Fund receipts were higher than disbursements by \$50,622 indicating that the General Fund had surplus spending. In 2010 General Fund receipts were less than disbursements by \$75,940 indicating that the General Fund was in a deficit spending situation. However, because of funds carried forward from 2009 the General Fund was still in a surplus situation.

**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. The most significant budgeted fund is the General Fund.

During 2011, the Township amended its General Fund budget due to an increase in expected intergovernmental receipts. The Township had only had insignificant changes to its budget in 2010.

Nile Township  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

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**Capital Assets and Debt Administration**

Capital Assets

The Township does not currently keep track of its capital assets and infrastructure other than taking an inventory of what is on hand in January of each year. The current liability and property insurance policy keeps an accurate record of Township property, equipment and vehicles.

Debt

The Township had bonds outstanding at December 31, 2011 in the amount of \$790,609. See Note 9.

**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. Our newly prepared financial forecast predicts a surplus for 2012; therefore, the finance committee and the administration will continue to provide the services important to our residents. In 2011, the Township finished construction of a new office building and fire station.

**Contacting the Township's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors 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 Chris Norman, Fiscal Officer for Nile Township, P.O. Box 100, Friendship, Ohio 45630 or phone (740) 858-4777.

**Nile Township**  
**Scioto County**  
*Statement of Net Assets - Cash Basis*  
*December 31, 2011*

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<b>Assets</b>	Governmental Activities
Equity in Pooled Cash and Cash Equivalents	<u>\$ 587,693</u>
<i>Total Assets</i>	<u><u>\$ 587,693</u></u>
<b>Net Assets</b>	
Restricted for:	
Other Purposes	\$ 619,839
Unrestricted	<u>(32,146)</u>
<i>Total Net Assets</i>	<u><u>\$ 587,693</u></u>

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

**Nile Township**  
**Scioto County**  
*Statement of Activities - Cash Basis*  
*For the Year Ended December 31, 2011*

	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
General Government	\$ 255,787	\$ -	\$ -	\$ (255,787)
Public Safety	136,153	-	-	(136,153)
Public Works	212,649	-	96,854	(115,795)
Health	47,734	16,125	-	(31,609)
Capital Outlay	275,860	-	-	(275,860)
Principal Payments	59,391	-	-	(59,391)
Interest and Fiscal Charges	47,343	-	-	(47,343)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Governmental Activities	\$ 1,034,917	\$ 16,125	\$ 96,854	(921,938)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>General Receipts</b>				
Property Taxes Levied for:				
General Purposes				90,181
Other Purposes				343,214
Grants and Entitlements not Restricted to Specific Programs				220,225
Cable Franchise Fees				27,268
Interest				6,378
Miscellaneous				12,975
				<u>          </u>
Total General Receipts				700,241
				<u>          </u>
Change in Net Assets				(221,697)
				<u>          </u>
Net Assets Beginning of Year				809,390
				<u>          </u>
Net Assets End of Year				\$ 587,693
				<u>          </u>

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



**Nile Township**  
**Scioto County**  
*Statement of Cash Basis Assets and Fund Balances*  
*Governmental Funds*  
*December 31, 2011*

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Fire Levy Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Police Levy Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>										
Equity in Pooled Cash and Cash Equivalents	\$ 65,017	\$ 205,677	\$ 55,891	\$ 49,610	\$ 56,916	\$ 158,658	\$ 80,272	\$ (92,953)	\$ 8,605	\$ 587,693
Total Assets	<u>\$ 65,017</u>	<u>\$ 205,677</u>	<u>\$ 55,891</u>	<u>\$ 49,610</u>	<u>\$ 56,916</u>	<u>\$ 158,658</u>	<u>\$ 80,272</u>	<u>\$ (92,953)</u>	<u>\$ 8,605</u>	<u>\$ 587,693</u>
<b>Fund Balances</b>										
Amounts identified as:										
Restricted for:										
Road and Bridge Maintenance and Improvements	\$ -	\$ 205,677	\$ 55,891	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,815	\$ 274,383
Police Operations	-	-	-	-	-	-	80,272	-	-	80,272
Fire Operations	-	-	-	49,610	-	158,658	-	-	-	208,268
Emergency Medical Services	-	-	-	-	56,916	-	-	-	-	56,916
Unassigned	<u>65,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(92,953)</u>	<u>(4,210)</u>	<u>(32,146)</u>
Total Fund Balances	<u>\$ 65,017</u>	<u>\$ 205,677</u>	<u>\$ 55,891</u>	<u>\$ 49,610</u>	<u>\$ 56,916</u>	<u>\$ 158,658</u>	<u>\$ 80,272</u>	<u>\$ (92,953)</u>	<u>\$ 8,605</u>	<u>\$ 587,693</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2011*

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Fire Levy Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Police Levy Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>										
Property and Other Local Taxes	\$ 90,181	\$ -	\$ 79,445	\$ 52,600	\$ 90,517	\$ 29,728	\$ 90,924	\$ -	\$ -	\$ 433,395
Intergovernmental	142,563	86,002	16,536	12,069	24,239	6,213	18,605	-	10,852	317,079
Fines, Licenses and Permits	27,268	-	-	-	-	-	-	-	16,125	43,393
Earnings on Investments	1,989	3,928	-	-	-	-	-	-	461	6,378
Miscellaneous	7,849	-	-	696	-	-	-	-	4,430	12,975
<b>Total Receipts</b>	<b>269,850</b>	<b>89,930</b>	<b>95,981</b>	<b>65,365</b>	<b>114,756</b>	<b>35,941</b>	<b>109,529</b>	<b>-</b>	<b>31,868</b>	<b>813,220</b>
<b>Disbursements</b>										
<b>Current:</b>										
General Government	147,337	-	739	14,270	89,856	926	2,659	-	-	255,787
Public Safety	-	-	-	35,988	23,802	227	76,136	-	-	136,153
Public Works	2,500	113,236	86,832	-	-	-	-	-	10,081	212,649
Health	25,159	-	-	-	-	-	-	-	22,575	47,734
Capital Outlay	6,738	1,141	2,022	37,963	5,263	10,377	-	212,356	-	275,860
<b>Debt Service:</b>										
Principal Payment	20,787	-	-	38,604	-	-	-	-	-	59,391
Interest and Fiscal Charges	16,707	-	-	30,636	-	-	-	-	-	47,343
<b>Total Disbursements</b>	<b>219,228</b>	<b>114,377</b>	<b>89,593</b>	<b>157,461</b>	<b>118,921</b>	<b>11,530</b>	<b>78,795</b>	<b>212,356</b>	<b>32,656</b>	<b>1,034,917</b>
Excess of Receipts Over (Under) Disbursements	50,622	(24,447)	6,388	(92,096)	(4,165)	24,411	30,734	(212,356)	(788)	(221,697)
Fund Balances Beginning of Year	14,395	230,124	49,503	141,706	61,081	134,247	49,538	119,403	9,393	809,390
Fund Balances End of Year	<u>\$ 65,017</u>	<u>\$ 205,677</u>	<u>\$ 55,891</u>	<u>\$ 49,610</u>	<u>\$ 56,916</u>	<u>\$ 158,658</u>	<u>\$ 80,272</u>	<u>\$ (92,953)</u>	<u>\$ 8,605</u>	<u>\$ 587,693</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 102,000	\$ 94,843	\$ 90,181	\$ (4,662)
Intergovernmental	26,600	79,611	142,563	62,952
Fines, Licenses and Permits	10,000	10,000	27,268	17,268
Earnings on Investments	3,500	3,500	1,989	(1,511)
Miscellaneous	5,000	6,819	7,849	1,030
<b>Total Receipts</b>	<b>147,100</b>	<b>194,773</b>	<b>269,850</b>	<b>75,077</b>
<b>Disbursements</b>				
<b>Current:</b>				
General Government	213,000	185,116	147,337	37,779
Public Works	2,500	3,000	2,500	500
Health	-	25,159	25,159	-
Capital Outlay	2,500	7,465	6,738	727
<b>Debt Service:</b>				
Principal Payment	7,500	20,787	20,787	-
Interest and Fiscal Charges	3,500	16,707	16,707	-
<b>Total Disbursements</b>	<b>229,000</b>	<b>258,234</b>	<b>219,228</b>	<b>39,006</b>
<b>Excess of Receipts Over (Under) Disbursements</b>	<b>(81,900)</b>	<b>(63,461)</b>	<b>50,622</b>	<b>114,083</b>
<b>Fund Balances Beginning of Year</b>	<b>14,395</b>	<b>14,395</b>	<b>14,395</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ (67,505)</b>	<b>\$ (49,066)</b>	<b>\$ 65,017</b>	<b>\$ 114,083</b>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Gasoline Tax Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Intergovernmental	\$ 70,000	\$ 70,000	\$ 86,002	\$ 16,002
Earnings on Investments	5,000	5,000	3,928	(1,072)
Total Receipts	<u>75,000</u>	<u>75,000</u>	<u>89,930</u>	<u>14,930</u>
Disbursements				
Current:				
Public Works	212,500	184,540	113,236	71,304
Capital Outlay	70,000	59,868	1,141	58,727
Total Disbursements	<u>282,500</u>	<u>244,408</u>	<u>114,377</u>	<u>130,031</u>
Excess of Receipts Over (Under) Disbursements	(207,500)	(169,408)	(24,447)	144,961
Fund Balances Beginning of Year	<u>230,124</u>	<u>230,124</u>	<u>230,124</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 22,624</u>	<u>\$ 60,716</u>	<u>\$ 205,677</u>	<u>\$ 144,961</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Road and Bridge Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 84,500	\$ 68,435	\$ 79,445	\$ 11,010
Intergovernmental	250	16,620	16,536	(84)
Total Receipts	84,750	85,055	95,981	10,926
Disbursements				
Current:				
General Government	5,500	5,500	739	4,761
Public Works	98,500	96,150	86,832	9,318
Capital Outlay	25,000	15,579	2,022	13,557
Total Disbursements	129,000	117,229	89,593	27,636
Excess of Receipts Over (Under) Disbursements	(44,250)	(32,174)	6,388	38,562
Fund Balances Beginning of Year	49,503	49,503	49,503	-
Fund Balances End of Year	\$ 5,253	\$ 17,329	\$ 55,891	\$ 38,562

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Fire Levy Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 48,500	\$ 37,946	\$ 52,600	\$ 14,654
Intergovernmental	500	12,304	12,069	(235)
Miscellaneous	3,000	3,000	696	(2,304)
Total Receipts	<u>52,000</u>	<u>53,250</u>	<u>65,365</u>	<u>12,115</u>
Disbursements				
Current:				
General Government	19,500	19,500	14,270	5,230
Public Safety	37,000	43,802	35,988	7,814
Capital Outlay	109,500	52,533	37,963	14,570
Debt Service:				
Principal Payment	15,000	53,604	38,604	15,000
Interest and Fiscal Charges	10,000	30,636	30,636	-
Total Disbursements	<u>191,000</u>	<u>200,075</u>	<u>157,461</u>	<u>42,614</u>
Excess of Receipts Over (Under) Disbursements	(139,000)	(146,825)	(92,096)	54,729
Fund Balances Beginning of Year	<u>141,706</u>	<u>141,706</u>	<u>141,706</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 2,706</u>	<u>\$ (5,119)</u>	<u>\$ 49,610</u>	<u>\$ 54,729</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Ambulance Levy Fund*  
*For the Year Ended December 31, 2011*

	<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	\$ 85,000	\$ 66,832	\$ 90,517	\$ 23,685
Intergovernmental	1,000	21,103	24,239	3,136
Miscellaneous	7,500	5,973	-	(5,973)
Total Receipts	<u>93,500</u>	<u>93,908</u>	<u>114,756</u>	<u>20,848</u>
Disbursements				
Current:				
General Government	117,000	115,500	89,856	25,644
Public Safety	20,000	24,292	23,802	490
Capital Outlay	18,000	12,058	5,263	6,795
Total Disbursements	<u>155,000</u>	<u>151,850</u>	<u>118,921</u>	<u>32,929</u>
Excess of Receipts Over (Under) Disbursements	(61,500)	(57,942)	(4,165)	53,777
Fund Balances Beginning of Year	<u>61,081</u>	<u>61,081</u>	<u>61,081</u>	<u>-</u>
Fund Balances End of Year	<u><u>\$ (419)</u></u>	<u><u>\$ 3,139</u></u>	<u><u>\$ 56,916</u></u>	<u><u>\$ 53,777</u></u>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Fire Equipment Levy Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$ 29,500	\$ 29,500	\$ 29,728	\$ 228
Intergovernmental	1,000	1,000	6,213	5,213
Total Receipts	<u>30,500</u>	<u>30,500</u>	<u>35,941</u>	<u>5,441</u>
Disbursements				
Current:				
General Government	4,000	4,000	926	3,074
Public Safety	10,000	227	227	-
Capital Outlay	<u>150,000</u>	<u>35,377</u>	<u>10,377</u>	<u>25,000</u>
Total Disbursements	<u>164,000</u>	<u>39,604</u>	<u>11,530</u>	<u>28,074</u>
Excess of Receipts Over (Under) Disbursements	(133,500)	(9,104)	24,411	33,515
Fund Balances Beginning of Year	<u>134,247</u>	<u>134,247</u>	<u>134,247</u>	<u>-</u>
Fund Balances End of Year	<u><u>\$ 747</u></u>	<u><u>\$ 125,143</u></u>	<u><u>\$ 158,658</u></u>	<u><u>\$ 33,515</u></u>

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



**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Police Levy Fund*  
*For the Year Ended December 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$ 95,000	\$ 76,746	\$ 90,924	\$ 14,178
Intergovernmental	-	18,605	18,605	-
Total Receipts	<u>95,000</u>	<u>95,351</u>	<u>109,529</u>	<u>14,178</u>
Disbursements				
Current:				
General Government	7,500	7,500	2,659	4,841
Public Safety	<u>135,000</u>	<u>135,000</u>	<u>76,136</u>	<u>58,864</u>
Total Disbursements	<u>142,500</u>	<u>142,500</u>	<u>78,795</u>	<u>63,705</u>
Excess of Receipts Over (Under) Disbursements	(47,500)	(47,149)	30,734	77,883
Fund Balances Beginning of Year	<u>49,538</u>	<u>49,538</u>	<u>49,538</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 2,038</u>	<u>\$ 2,389</u>	<u>\$ 80,272</u>	<u>\$ 77,883</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Net Assets - Cash Basis*  
*December 31, 2010*

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<b>Assets</b>	Governmental Activities
Equity in Pooled Cash and Cash Equivalents	<u>\$ 809,390</u>
<i>Total Assets</i>	<u><u>\$ 809,390</u></u>
<b>Net Assets</b>	
Restricted for:	
Other Purposes	\$ 794,995
Unrestricted	<u>14,395</u>
<i>Total Net Assets</i>	<u><u>\$ 809,390</u></u>

See accompanying notes to the basic financial statements

**Nile Township**  
**Scioto County**  
*Statement of Activities - Cash Basis*  
*For the Year Ended December 31, 2010*

	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
General Government	\$ 269,958	\$ -	\$ -	\$ (269,958)
Public Safety	151,740	-	-	(151,740)
Public Works	162,546	-	97,261	(65,285)
Health	38,393	12,810	-	(25,583)
Capital Outlay	847,329	-	-	(847,329)
Interest and Fiscal Charges	12,074	-	-	(12,074)
<b>Total Governmental Activities</b>	<u>\$ 1,482,040</u>	<u>\$ 12,810</u>	<u>\$ 97,261</u>	<u>(1,371,969)</u>
<b>General Receipts</b>				
Property Taxes Levied for:				
General Purposes				90,872
Other Purposes				341,245
Grants and Entitlements not Restricted to Specific Programs				124,902
Cable Franchise Fees				13,754
Interest				12,856
Miscellaneous				12,710
Other Debt Proceeds				850,000
<b>Total General Receipts</b>				<u>1,446,339</u>
Change in Net Assets				74,370
Net Assets Beginning of Year				<u>735,020</u>
Net Assets End of Year				<u>\$ 809,390</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Cash Basis Assets and Fund Balances*  
*Governmental Funds*  
*December 31, 2010*

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Fire Levy Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Police Levy Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
Assets										
Equity in Pooled Cash and Cash Equivalents	\$ 14,395	\$ 230,124	\$ 49,503	\$ 141,706	\$ 61,081	\$ 134,247	\$ 49,538	\$ 119,403	\$ 9,393	\$ 809,390
Total Assets	<u>\$ 14,395</u>	<u>\$ 230,124</u>	<u>\$ 49,503</u>	<u>\$ 141,706</u>	<u>\$ 61,081</u>	<u>\$ 134,247</u>	<u>\$ 49,538</u>	<u>\$ 119,403</u>	<u>\$ 9,393</u>	<u>\$ 809,390</u>
Fund Balances										
Unreserved:										
Undesignated, Reported in:										
General Fund	\$ 14,395	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,395
Special Revenue Funds	-	230,124	49,503	141,706	61,081	134,247	49,538	-	9,393	675,592
Capital Projects	-	-	-	-	-	-	-	119,403	-	119,403
Total Fund Balances	<u>\$ 14,395</u>	<u>\$ 230,124</u>	<u>\$ 49,503</u>	<u>\$ 141,706</u>	<u>\$ 61,081</u>	<u>\$ 134,247</u>	<u>\$ 49,538</u>	<u>\$ 119,403</u>	<u>\$ 9,393</u>	<u>\$ 809,390</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2010*

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Fire Levy Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Policy Levy Fund	Construction Fund	Other Governmental Funds	Totals Governmental Funds
<b>Receipts</b>										
Property and Other Local Taxes	\$ 90,872	\$ -	\$ 76,070	\$ 52,910	\$ 91,070	\$ 29,909	\$ 91,286	\$ -	\$ -	\$ 432,117
Intergovernmental	40,347	87,930	17,196	17,761	22,402	7,273	19,923	-	9,331	222,163
Fines, Licenses and Permits	13,754	-	-	-	-	-	-	-	12,810	26,564
Earnings on Investments	7,764	4,568	-	-	-	-	-	-	524	12,856
Miscellaneous	7,290	-	-	815	-	-	-	-	4,605	12,710
<b>Total Receipts</b>	<b>160,027</b>	<b>92,498</b>	<b>93,266</b>	<b>71,486</b>	<b>113,472</b>	<b>37,182</b>	<b>111,209</b>	<b>-</b>	<b>27,270</b>	<b>706,410</b>
<b>Disbursements</b>										
<b>Current:</b>										
General Government	158,789	-	1,322	12,737	93,597	920	2,593	-	-	269,958
Public Safety	-	-	-	31,496	26,956	9,962	83,326	-	-	151,740
Public Works	35,910	45,221	77,431	-	-	-	-	-	3,984	162,546
Health	24,018	-	-	-	-	-	-	-	14,375	38,393
Capital Outlay	13,024	41,848	3,584	35,290	2,505	14,681	-	730,597	5,800	847,329
<b>Debt Service:</b>										
Interest and Fiscal Charges	4,226	-	-	7,848	-	-	-	-	-	12,074
<b>Total Disbursements</b>	<b>235,967</b>	<b>87,069</b>	<b>82,337</b>	<b>87,371</b>	<b>123,058</b>	<b>25,563</b>	<b>85,919</b>	<b>730,597</b>	<b>24,159</b>	<b>1,482,040</b>
Excess of Receipts Over (Under) Disbursements	(75,940)	5,429	10,929	(15,885)	(9,586)	11,619	25,290	(730,597)	3,111	(775,630)
<b>Other Financing Receipts/(Disbursements):</b>										
Other Debt Proceeds	-	-	-	-	-	-	-	850,000	-	850,000
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>850,000</b>	<b>-</b>	<b>850,000</b>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(75,940)	5,429	10,929	(15,885)	(9,586)	11,619	25,290	119,403	3,111	74,370
Fund Balances Beginning of Year	90,335	224,695	38,574	157,591	70,667	122,628	24,248	-	6,282	735,020
Fund Balances End of Year	<u>\$ 14,395</u>	<u>\$ 230,124</u>	<u>\$ 49,503</u>	<u>\$ 141,706</u>	<u>\$ 61,081</u>	<u>\$ 134,247</u>	<u>\$ 49,538</u>	<u>\$ 119,403</u>	<u>\$ 9,393</u>	<u>\$ 809,390</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*General Fund*  
*For the Year Ended December 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 96,000	\$ 87,881	\$ 90,872	\$ 2,991
Intergovernmental	29,600	35,790	40,347	4,557
Fines, Licenses and Permits	10,000	10,000	13,754	3,754
Earnings on Investments	4,000	4,000	7,764	3,764
Miscellaneous	5,000	5,540	7,290	1,750
Total Receipts	144,600	143,211	160,027	16,816
Disbursements				
Current:				
General Government	213,500	191,281	158,789	32,492
Public Works	52,500	52,500	35,910	16,590
Health	-	24,018	24,018	-
Capital Outlay	7,000	7,000	13,024	(6,024)
Debt Service:				
Interest and Fiscal Charges	3,261	4,226	4,226	-
Total Disbursements	276,261	279,025	235,967	43,058
Excess of Receipts Over (Under) Disbursements	(131,661)	(135,814)	(75,940)	59,874
Fund Balances Beginning of Year	90,335	90,335	90,335	-
Fund Balances End of Year	\$ (41,326)	\$ (45,479)	\$ 14,395	\$ 59,874

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Gasoline Tax Fund*  
*For the Year Ended December 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$ 70,000	\$ 70,000	\$ 87,930	\$ 17,930
Earnings on Investments	4,000	4,000	4,568	568
Total Receipts	74,000	74,000	92,498	18,498
Disbursements				
Current:				
Public Works	162,500	162,510	45,221	117,289
Capital Outlay	60,000	51,720	41,848	9,872
Total Disbursements	222,500	214,230	87,069	127,161
Excess of Receipts Over (Under) Disbursements	(148,500)	(140,230)	5,429	145,659
Fund Balances Beginning of Year	224,695	224,695	224,695	-
Fund Balances End of Year	\$ 76,195	\$ 84,465	\$ 230,124	\$ 145,659

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Road and Bridge Fund*  
*For the Year Ended December 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 79,000	\$ 62,262	\$ 76,070	\$ 13,808
Intergovernmental	500	17,530	17,196	(334)
Total Receipts	<u>79,500</u>	<u>79,792</u>	<u>93,266</u>	<u>13,474</u>
Disbursements				
Current:				
General Government	5,500	5,500	1,322	4,178
Public Works	98,000	98,000	77,431	20,569
Capital Outlay	<u>10,000</u>	<u>10,000</u>	<u>3,584</u>	<u>6,416</u>
Total Disbursements	<u>113,500</u>	<u>113,500</u>	<u>82,337</u>	<u>31,163</u>
Excess of Receipts Over (Under) Disbursements	(34,000)	(33,708)	10,929	44,637
Fund Balances Beginning of Year	<u>38,574</u>	<u>38,574</u>	<u>38,574</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 4,574</u>	<u>\$ 4,866</u>	<u>\$ 49,503</u>	<u>\$ 44,637</u>

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



**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Fire Levy Fund*  
*For the Year Ended December 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 49,000	\$ 36,239	\$ 52,910	\$ 16,671
Intergovernmental	500	17,996	17,761	(235)
Miscellaneous	1,500	(3,000)	815	3,815
Total Receipts	51,000	51,235	71,486	20,251
Disbursements				
Current:				
General Government	22,000	22,000	12,737	9,263
Public Safety	36,700	36,700	31,496	5,204
Capital Outlay	115,000	110,200	35,290	74,910
Debt Service:				
Principal Payment	20,000	20,000	-	20,000
Interest and Fiscal Charges	10,000	17,848	7,848	10,000
Total Disbursements	203,700	206,748	87,371	119,377
Excess of Receipts Over (Under) Disbursements	(152,700)	(155,513)	(15,885)	139,628
Fund Balances Beginning of Year	157,591	157,591	157,591	-
Fund Balances End of Year	\$ 4,891	\$ 2,078	\$ 141,706	\$ 139,628

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Ambulance Levy Fund*  
*For the Year Ended December 31, 2010*

	<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	\$ 85,000	\$ 63,388	\$ 91,070	\$ 27,682
Intergovernmental	1,000	23,004	22,402	(602)
Miscellaneous	5,000	5,000	-	(5,000)
Total Receipts	<u>91,000</u>	<u>91,392</u>	<u>113,472</u>	<u>22,080</u>
Disbursements				
Current:				
General Government	131,500	131,500	93,597	37,903
Public Safety	21,500	27,158	26,956	202
Capital Outlay	8,600	2,942	2,505	437
Total Disbursements	<u>161,600</u>	<u>161,600</u>	<u>123,058</u>	<u>38,542</u>
Excess of Receipts Over (Under) Disbursements	(70,600)	(70,208)	(9,586)	60,622
Fund Balances Beginning of Year	<u>70,667</u>	<u>70,667</u>	<u>70,667</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 67</u>	<u>\$ 459</u>	<u>\$ 61,081</u>	<u>\$ 60,622</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Fire Equipment Levy Fund*  
*For the Year Ended December 31, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 29,000	\$ 21,965	\$ 29,909	\$ 7,944
Intergovernmental	1,000	8,160	7,273	(887)
<b>Total Receipts</b>	<b>30,000</b>	<b>30,125</b>	<b>37,182</b>	<b>7,057</b>
Disbursements				
Current:				
General Government	4,000	4,000	920	3,080
Public Safety	10,000	10,000	9,962	38
Capital Outlay	75,000	75,000	14,681	60,319
Debt Service:				
Principal Payment	25,000	25,000	-	25,000
Interest and Fiscal Charges	10,000	10,000	-	10,000
<b>Total Disbursements</b>	<b>124,000</b>	<b>124,000</b>	<b>25,563</b>	<b>98,437</b>
Excess of Receipts Over (Under) Disbursements	(94,000)	(93,875)	11,619	105,494
Fund Balances Beginning of Year	122,628	122,628	122,628	-
Fund Balances End of Year	<u>\$ 28,628</u>	<u>\$ 28,753</u>	<u>\$ 134,247</u>	<u>\$ 105,494</u>

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

**Nile Township**  
**Scioto County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Police Levy Fund*  
*For the Year Ended December 31, 2010*

	<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	\$ 95,000	\$ 75,427	\$ 91,286	\$ 15,859
Intergovernmental	-	19,923	19,923	-
Total Receipts	<u>95,000</u>	<u>95,350</u>	<u>111,209</u>	<u>15,859</u>
Disbursements				
Current:				
General Government	7,500	7,500	2,593	4,907
Public Safety	<u>120,000</u>	<u>120,000</u>	<u>83,326</u>	<u>36,674</u>
Total Disbursements	<u>127,500</u>	<u>127,500</u>	<u>85,919</u>	<u>41,581</u>
Excess of Receipts Over (Under) Disbursements	(32,500)	(32,150)	25,290	57,440
Fund Balances Beginning of Year	<u>24,248</u>	<u>24,248</u>	<u>24,248</u>	<u>-</u>
Fund Balances End of Year	<u><u>\$ (8,252)</u></u>	<u><u>\$ (7,902)</u></u>	<u><u>\$ 49,538</u></u>	<u><u>\$ 57,440</u></u>

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

**Nile Township**  
**Scioto County**  
Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 1 – Reporting Entity**

Nile Township, Scioto County, Ohio, is a body politic and corporate established in 1803 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.

**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 government services, maintenance of Township roads and bridges, and cemetery maintenance. The Township utilizes the Nile Volunteer Fire Department for fire protection. Police protection is provided by the Scioto County Sheriff's Office.

**B. Component Units**

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township.

The Township has no component units.

**C. Joint Ventures**

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Under the cash basis of accounting, the Township does not report assets for equity interests in joint ventures.

The Township has no joint ventures.

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 2.C, 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. Following are the more significant of the Township's accounting policies.

**A. Basis of Presentation**

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

**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 2 – Summary of Significant Accounting Policies (Continued)**

Government-Wide Financial Statements

The statement of net assets and the statement 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 nonexchange transactions.

The statement of net assets presents the cash balance of the governmental activities of the Township at year end. The statement of activities compares 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 restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is 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 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. Nonmajor 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 with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. All funds of the Township are governmental funds.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are the General, Gasoline Tax, Road and Bridge, Fire Levy, Ambulance Levy, Fire Equipment Levy, Police Levy, and Construction Funds. The General 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. The Gasoline Tax and Road & Bridge funds are used for the purpose of road and bridge maintenance in the Township. The Fire Levy and Ambulance Levy funds are used to run Fire and EMS services in the Township. The Fire Equipment Levy fund was established to supplement the original fire levy with the purchase of fire equipment. The Police Levy Fund provides a Scioto County Sheriff Deputy to the Township forty-hours per week. The Construction Fund accounts for bond proceeds and disbursements related to the construction of the new fire station.

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.

**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 2 – Summary of Significant Accounting Policies (Continued)**

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 expenses and liabilities) 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 Board of Trustees may appropriate.

The appropriations resolution is the Board of Trustees' authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Board of Trustees. The legal level of control has been established at the fund, function, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the 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 final amended certificate of estimated resources in effect at the end of the year.

The appropriations resolution 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 resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

**E. Cash and Cash Equivalents**

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 of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2011 and 2010, the Township's only investment was a repurchase agreement.

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 2011 and 2010 were \$1,989 and \$7,764, respectively, and \$4,389 and \$5,092, respectively, was credited to other Township funds.

**Nile Township**  
**Scioto County**  
Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 2 – Summary of Significant Accounting Policies (Continued)**

**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 financial statements.

**G. Capital Assets**

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

**H. Accumulated Leave**

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

**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 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

**J. Long-Term Obligations**

The Township's cash basis 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. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor capital outlay expenditure are reported at inception. Lease payments are reported when paid.

**K. 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 operations of the fire department, emergency management services department and maintenance of roads.

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. Net assets restricted for other purposes include resources restricted for the Gasoline Tax Fund, Road and Bridge Fund, Fire Levy Fund, Ambulance Levy Fund, Fire Equipment Levy Fund, Police Levy Fund, and Construction Fund.

**L. Fund Balance Reserves**

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. The Township had no fund balance reserves at December 31, 2010.



**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 2 – Summary of Significant Accounting Policies (Continued)**

**M. Fund Balances**

For December 31, 2011, fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

*Nonspendable* – The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

*Restricted* – Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

*Committed* – Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

*Assigned* – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the General Fund report all balances as *assigned* unless they are restricted or committed. In the General Fund, *assigned* amounts represent intended uses established by the Township Trustees or a Township official delegated that authority by resolution, or by State statute.

*Unassigned* – Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**N. 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. The Township had no interfund transactions for the years ending December 31, 2011 and 2010.

**Note 3 – 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 – Budget Basis presented for the General Fund, Gasoline Tax Fund, Road and Bridge Fund, Fire Levy Fund, Ambulance Levy Fund, Fire Equipment Levy Fund and Police Levy Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**Nile Township**  
**Scioto County**  
Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 4 – 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; and
7. The State Treasurer's investment pool (STAR Ohio).

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.

**Deposits**

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, 2011, the carrying amount of the Township's deposits was \$55,399 and the bank balance was \$70,000. The entire bank balance was covered by the Federal Depository Insurance Corporation.

**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 4 – Deposits and Investments (Continued)**

At December 31, 2010, the carrying amount of the Township's deposits was (\$123,560) and the bank balance was \$70,000. The entire bank balance was covered by the Federal Depository Insurance Corporation. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Township to a successful claim by the Federal Depository Insurance Corporation.

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 one hundred five percent of the deposits being secured.

**Investments**

As of December 31, 2011 and 2010, the Township had invested \$532,294 and \$932,950 respectively in repurchase agreements which mature daily.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township has no policy regarding interest rate risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township limits its investments to repurchase agreements.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The repurchase agreement is exposed to custodial credit risk as it is uninsured, unregistered, and held by the counterparty's trust department or agent but not in the Township's name. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Township has no policy for this risk. A repurchase agreement makes up 100% of the Township's investments.

**Note 5 – Property Taxes**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2011 represent the collection of 2010 taxes. Real property taxes received in 2011 were levied after October 1, 2010, on the assessed values as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 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 property tax receipts received in 2011 represent the collection of 2010 taxes. Public utility real and tangible personal property taxes received in 2011 became a lien on December 31, 2010, levied after October 1, 2009, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 5 – Property Taxes (Continued)**

Tangible personal property tax receipts received in 2010 (other than public utility property) represent the collection of 2010 taxes. Tangible personal property taxes received in 2010 were levied after October 1, 2009, on the true value as of December 31, 2009. Tangible personal property assessments have been completely phased out for 2011. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 3, with the remainder due September 20.

The full tax rate for all Township operations for the years ended December 31, 2011 and 2010, was 17.91 mills. The assessed values of real property, public utility property, and tangible personal property upon which property tax receipts were based are as follows:

	<u>2011</u>	<u>2010</u>
Real Property		
Residential / Agriculture	\$37,170,840	\$ 34,670,320
Public Utility Property	1,272,550	1,237,630
Tangible Personal Property	0	45,120
Total Assessed Value	<u>\$38,443,390</u>	<u>\$35,953,070</u>

**Note 6 – Risk Management**

The is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

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

The Township contracted with 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 governments 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 \$13,000,000 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 the annual aggregate limit of \$10,000,000.

**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 6 – Risk Management (Continued)**

Property Coverage

The Travelers Indemnity Company reinsures specific losses exceeding \$500,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$150,000 up to \$500,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides property aggregate stop loss coverage to APEEP based upon the combined Members' Total Insurable Value (TIV). If the stop loss is reached by payment of the Pools retained losses, Travelers will then reinsure property specific losses in excess of the retention up to their \$600,000,000 per occurrence limit. Additionally, effective January 1, 2009, APEEP provides an additional aggregate for the \$50,000 excess \$100,000 layer, with the aggregate limit tied to TIV, for the insurance coverages to the Pools.

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.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2011 and 2010:

	2011	2010
Assets	\$35,086,165	\$35,855,252
Liabilities	(9,718,792)	(10,664,724)
Net Assets	\$25,367,373	\$25,190,528

At December 31, 2011 and 2010, respectively, liabilities noted above include approximately \$9.1 million and \$9.9 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$8.6 million and \$9.5 million of unpaid claims to be billed to 938 member governments in the future, as of December 31, 2011 and 2010, 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 is approximately \$61,856.

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 years ending December 31, 2011 and 2010 were \$30,928 and \$25,934, respectively.

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.

**Nile Township**  
**Scioto County**  
Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 7 – Defined Benefit Pension Plan**

**Ohio Public Employees Retirement System**

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.

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.

The Ohio Revised Code provides statutory authority for member and employer contributions. For the years ended December 31, 2011 and 2010, members in state and local classifications contributed 10 percent of covered payroll, The Township's contribution rate for 2011 and 2010 was 14 percent of covered payroll. State statute sets a maximum contribution rate of the Township of 14 percent

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2011, 2010, and 2009 were \$24,562, \$25,705, and \$25,692 respectively. The full amount has been contributed for 2011, 2010 and 2009.

**Note 8 - Postemployment Benefits**

**Ohio Public Employees Retirement System**

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment healthcare plan. For qualifying members of both the traditional and combined pension plans, this plan includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement. Those belonging to the member-directed plan do not qualify for ancillary benefits, including post-employment healthcare coverage.

To qualify for post-employment 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 healthcare coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB 45.

The Ohio Revised Code permits, but does not require, OPERS to provide OPEB to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 8 - Postemployment Benefits (Continued)**

**A. Ohio Public Employees Retirement System (Continued)**

The Ohio Revised Code provides statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement benefits. Employer contribution rates are expressed as a percentage of covered payroll of active members. In 2011 and 2010, local government employers contributed 14 percent of covered payroll. The Ohio Revised Code currently limits the employers contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Active members do not make contributions to the OPEB plan.

OPERS' post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). Each year, OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4 percent of covered payroll for 2011, 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and coverage selected.

The Township's contributions allocated to fund post-employment healthcare benefits for the years ended December 31, 2011, 2010, and 2009 were \$11,561, \$10,925 and \$11,561 respectively; 100 percent has been contributed for 2011, 2010, and 2009.

The OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) on September 9, 2004, which was effective 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.

**Note 9 - Debt**

The Township's long-term debt activity for the year ended December 31, 2011, was as follows:

Governmental Activities	Interest Rate	Balance December 31, 2010	Additions	Reductions	Balance December 31, 2011
General Obligation Bond:					
2010 Fire Station Construction Bonds	3.8%	\$850,000	\$0	\$59,391	\$790,609
<b>Total</b>		<b>\$850,000</b>	<b>\$0</b>	<b>\$59,391</b>	<b>\$790,609</b>

The Township's long-term debt activity for the year ended December 31, 2010, was as follows:

Governmental Activities	Interest Rate	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
General Obligation Bond:					
2010 Fire Station Construction Bonds	3.8%	\$0	\$850,000	\$0	\$850,000
<b>Total</b>		<b>\$0</b>	<b>\$850,000</b>	<b>\$0</b>	<b>\$850,000</b>

The 2010 fire station construction bonds were issued for the purpose of constructing a new fire station. The bonds carry an interest rate of 3.8% and a term of 20 years. These bonds are general obligations bonds that are secured by the full faith and credit of the Township.

**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 9 – Debt (Continued)**

These bonds are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the year and in the respective principal amount as follows:

2012	31,399
2013	32,592
2014	33,830
2015	35,116
2016	36,450
2017	37,835
2018	39,273
2019	40,766
2020	42,315
2021	43,923
2022	45,592
2023	47,324
2024	49,122
2025	50,989
2026	52,927
2027	54,938
2028	57,025
2029	59,193

Principal and interest requirements on the Township’s outstanding debt are as follows:

For the Year Ended December 31:	Principal	Interest	Total
2012	\$31,399	\$30,043	\$61,442
2013	32,592	28,850	61,442
2014	33,830	27,611	61,441
2015	35,116	26,326	61,442
2016	36,450	24,992	61,442
2017-2021	204,112	103,098	307,210
2022-2026	245,954	61,255	307,209
2027-2029	171,156	13,170	184,326
Total	\$790,609	\$315,345	\$1,105,954

The Ohio Revised Code provides that net general obligation debt of the Township, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 5.5 percent of the tax valuation of the Township. The Revised Code further provides that total voted and unvoted debt of the Township less the same exempt debt shall never exceed amount equal to 10.5 percent of its tax valuation. The effects of debt limitations at December 31, 2011 and 2010 respectively were an overall debt margin of \$3,459,905 and \$3,235,776 and an unvoted debt margin of \$38,443 and \$35,953.

**Note 10 – Contingent Liabilities**

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.



**Nile Township  
Scioto County**

Notes to the Basic Financial Statements  
For the Years Ended December 31, 2011 and 2010

**Note 11 – Change in Accounting Principles**

In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”, which the Township has implemented for the year ended December 31, 2011. This pronouncement does not affect the calculation of the Township’s fund balances but does shift the focus of fund balance reporting from the availability of fund resources for budgeting to the extent to which the Township is bound to honor constraints on the specific purposes for which amounts in funds can be spent (See Note 2). Fund balances have been classified in the financial statements, as applicable, for the year ended December 31, 2011 in accordance with this pronouncement. This pronouncement also requires that certain funds previously reported as Special Revenue Funds be reclassified to the General Fund. The Township has no funds that required fund reclassification.

**Note 12 – Compliance**

The Township did not pursue a debt service levy for the repayment of bonds, which was contrary to the established bond agreement. The Township had appropriations in excess of estimated resources, which was contrary to Ohio Revised Code Section 5705.39. The Township incurred a negative fund balance in its Construction Fund at December 31, 2011, which is contrary to Ohio Revised Code Section 5705.10.

**Note 13 – Related Party Transactions**

At each monthly meeting, Gene Ridout, Township Trustee, made or approved motions to approve bills to be paid each month and, instances, signed those checks. Quality Heating and Air was included amongst the bills to be paid on various occasions in 2011 and 2010. However, there were also instances where Gene Ridout specifically abstained on payments to Quality Heating and Air. Quality Heating and Air is owned by Gene Ridout’s son.

Payments to Quality Heating and Air for 2011 and 2010 were as follows:

Date	Check Number	Amount
<i>2010</i>		
11/15/10	7056	\$978
10/18/10	6986	28
7/26/10	6814	2,780
2/16/10	6414	742
Total		<u>\$4,548</u>
<i>2011</i>		
12/12/11	7954	\$2,870
6/13/11	7512	167
3/14/11	7348	2,600
2/14/11	7280	1,134
1/10/11	7199	70
Total		<u>\$6,841</u>

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Board of Trustees  
Nile Township  
P.O. Box 100  
Friendship, Ohio 45630

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nile Township, Scioto County, Ohio (the Township) as of and for the years ended December 31, 2011 and 2010, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 28, 2012, wherein we noted the Township follows the cash basis of accounting, a basis of accounting other than generally accepted accounting principles. We also noted, for the year ended December 31, 2011, the Township adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of the Township is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses to be a material weakness. This item is identified as item 2011-001.

Nile Township  
Scioto County

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Page 2

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2011-002 and 2011-003.

We noted certain matters that we reported to management of the Township in a separate letter dated June 28, 2012.

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

This report is intended solely for the information and use of management, the Board of Trustees, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.



Natalie Millhuff-Stang, CPA  
President/Owner  
Millhuff-Stang, CPA, Inc.

June 28, 2012

**Nile Township**  
**Scioto County**  
*Schedule of Findings and Responses*  
*For the Years Ended December 31, 2011 and 2010*

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**Findings Related to the Financial Statements Required to be Reported in Accordance With GAGAS**

**FINDING NUMBER 2011-001**

**Material Weakness – Financial Reporting**

A monitoring system by the Township should be in place to prevent or detect material misstatements for the accurate presentation of the Township's financial statements. The Township misclassified various receipts and disbursements during the audit and, in certain instances, recorded such items in incorrect funds. In addition, the Township issued bonds during 2010 for the construction of a new fire station. These proceeds were deposited into a special revenue fund instead of properly recording those proceeds and related disbursements within capital projects fund. These financial statements have been adjusted to correct these errors. The Township should implement monitoring procedures to ensure financial activity is properly records.

***Client Response:***

The Fiscal Officer will examine the UAN system for more accurate line items so both revenues and expenses can be properly classified.

**FINDING NUMBER 2011-002**

**Noncompliance – Debt Covenants**

Section 9 of the fire station construction bond agreement states that an annual debt service tax levy will be assessed for the repayment of bonds. Section 10 of this agreement states that these levied funds shall be placed into a separate and distinct fund to be used for the repayment of bonds. The Township did not levy the required debt service tax levy and made debt payments from its fire equipment levy. The Township should ensure that debt agreements are thoroughly reviewed and that established covenants are properly adhered to. Upon inquiry, we did note that the Township was able to obtain a subsequent opinion from its legal counsel that the Township could use its general fire levy to repay debt. As such, we adjusted the financial statements to record payments into allowable funds.

***Client Response:***

The Township will continue repaying debt with allowable funds.

**FINDING NUMBER 2011-003**

**Noncompliance – Appropriations in Excess of Estimated Resources**

Ohio Revised Code Section 5705.39 states that that total appropriations from each fund shall not exceed the total estimated resources. The Township had appropriations in excess of estimated resources in various funds in 2011 and 2010. The Township should implement the appropriate procedures, such as periodic comparisons of estimated resources to appropriations, to ensure that appropriations are limited to estimated resources to ensure improper spending does not occur.

***Client Response:***

The Township will more closely monitor budgetary activity and will ensure that all adjustments are properly posted to amended certificates to ensure that beginning balances are reliable.

**Nile Township**  
**Scioto County**  
*Schedule of Prior Audit Findings*  
*For the Years Ended December 31, 2011 and 2010*

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Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2009-001	Material weakness – material misclassifications	No	Reissued as Finding Number 2011-001
2009-002	Ohio Revised Code 5705.41(D) – proper certification of funds.	No	Reissued in management letter

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# Dave Yost • Auditor of State

**NILE TOWNSHIP**

**SCIOTO 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  
NOVEMBER 27, 2012**