



**Auditor of State  
Betty Montgomery**



**CONCORD TOWNSHIP  
FAYETTE COUNTY**

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FAYETTE COUNTY

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Concord Township  
Fayette County  
1325 Miami Trace Road SW  
Washington Court House, Ohio 43160

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Concord Township, Fayette County, Ohio (the Township), as of and for the years ended December 31, 2004 and 2003, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe 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 modified cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Concord Township, Fayette County, Ohio, as of December 31, 2004 and 2003, and the respective changes in modified cash financial position and the respective budgetary comparison for the General fund, Gasoline Tax Fund, Road and Bridge Fund, and Fire District Fund, thereof for the years then ended in conformity with the basis of accounting Note 1 describes.

For the years ended December 31, 2004 and 2003, the Township revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2005, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. It does not opine on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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



**Betty Montgomery**  
Auditor of State

October 4, 2005

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
Unaudited**

This discussion and analysis of Concord Township's (the Township) financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2004 and 2003, within the limitations of the Township's cash basis 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 2004 are as follows:

Net assets of governmental activities decreased \$3,825 or 2 percent, an insignificant change from the prior year. The fund most affected by the decrease in cash and cash equivalents were the Special Revenue Funds, which realized the greatest burden of increased costs in 2004; however, cost increases affected most funds.

The Township's general receipts are primarily property taxes. These receipts represent 32% percent of the total cash received for governmental activities during the year. Property tax receipts for 2004 changed very little compared to 2003.

Key highlights for 2003 are as follows:

Net assets of governmental activities decreased \$23,559 or 12 percent, a significant change from the prior year. The fund most affected by the decrease in cash and cash equivalents was the General Fund, which realized the greatest burden of increased costs in 2004; however, cost increases affected most funds.

The Township's general receipts are primarily property taxes. These receipts represent 33% percent of the total cash received for governmental activities during the year. Property and income tax receipts for 2003 changed very little compared to 2002.

**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.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
Unaudited  
(Continued)**

**Basis of Accounting**

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

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

**Reporting the Government as a Whole**

The primary government of the Township consists of all funds and departments that are not legally separate from the Township. For Concord Township, this includes general governmental operations and activities for which the township is financially accountable. The Township shares a joint fire department with Greene Township, Fayette County. The disbursements are included on Concord's operations; Greene reimburses Concord proportionately to assessed valuation periodically throughout the fiscal year.

The statement of net assets and the statement of activities reflect how the Township did financially during 2004 and 2003, 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 activity. 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 non financial 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.

The statement of net assets and the statement of activities, presents Governmental activities. All of the Township's basic services are reported here, including road and bridge maintenance, cemetery and parks maintenance, and fire protection. State and federal grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.



**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
Unaudited  
(Continued)**

**Reporting the Government's Most Significant Funds**

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

The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for non major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General Fund, Gasoline Tax Fund, the Road and Bridge Fund, the Fire District Fund. The Capital Projects Fund was a major fund during 2003. This fund had no activity during 2004.

**The Government as a Whole**

Table 1 provides a summary of the Township's net assets for 2004 compared to 2003 on a cash basis:

	<u>2004</u>	<u>2003</u>
<b>Assets</b>		
Cash and Cash Equivaler	<u>\$158,808</u>	<u>\$162,633</u>
Total Assets	<u><u>\$158,808</u></u>	<u><u>\$162,633</u></u>
<b>Net Assets</b>		
Unrestricted	<u>158,808</u>	<u>162,633</u>
Total Net Assets	<u><u>\$158,808</u></u>	<u><u>\$162,633</u></u>

As mentioned previously, net assets of governmental activities decreased \$3,825 or 2 percent during 2004 and \$23,559 or 12 percent during 2003. The primary reason contributing to the decrease in cash balances was that the Township implemented an aggressive paving program to maintain several roads that were in poor condition costing in excess of \$103,000 over the past two years.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
Unaudited  
(Continued)**

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

	Governmental Activities 2004	Governmental Activities 2003	Variance
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$3,859	\$2,978	\$881
Operating Grants and Contributions	79,784	78,910	874
Total Program Receipts	<u>83,643</u>	<u>81,888</u>	<u>1,755</u>
General Receipts:			
Property and Other Local Taxes	63,847	61,119	2,728
Grants and Entitlements Not Restricted to Specific Programs	27,855	26,024	1,831
Interest	886	1,801	(915)
Miscellaneous	21,347	11,193	10,154
Total General Receipts	<u>113,935</u>	<u>100,137</u>	<u>13,798</u>
Total Receipts	<u>197,578</u>	<u>182,025</u>	<u>15,553</u>
Disbursements:			
General Government	25,776	24,861	915
Public Safety	36,119	23,797	12,322
Public Works	119,566	124,525	(4,959)
Health	2,871	2,410	461
Conservation-Recreation	455	384	71
Capital Outlay	4,392	16,716	(12,324)
Principal Retirement	10,880	10,880	0
Interest and Fiscal Charges	1,345	2,011	(666)
Total Disbursements	<u>201,404</u>	<u>205,584</u>	<u>(4,180)</u>
Excess (Deficiency) Before Transfers	(3,826)	(23,559)	19,733
Net Assets, January 1, 2004	<u>162,633</u>	<u>186,192</u>	<u>(23,559)</u>
Net Assets, December 31, 2004	<u>\$158,807</u>	<u>\$162,633</u>	<u>(\$3,826)</u>

Program receipts represent only 42 percent in 2004 and 45 percent in 2003 of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money.

During 2004, General receipts represent 58 percent of the Township's total receipts, and of this amount, over 32 percent are local taxes. State and federal grants and entitlements make up the balance of the Township's general receipts 24 percent. Other receipts are very insignificant and somewhat unpredictable revenue sources.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
Unaudited  
(Continued)**

During 2003, General receipts represent 55 percent of the Township's total receipts, and of this amount, over 33 percent are local taxes. State and federal grants and entitlements make up the balance of the Township's general receipts 25 percent. Other receipts are very insignificant and somewhat unpredictable revenue sources

Disbursements for General Government represent the legislative and administrative costs of running the Township and the support services provided for the other Government activities. These include the miscellaneous costs of the board of trustees and the clerk/treasurer, as well as internal services such as accounting, payroll and purchasing, and maintaining the township building. Since these costs do not represent direct services to residents, we try to limit these costs to 12% of General Fund unrestricted receipts.

Disbursements for Public Safety are the costs of fire protection and have shown an increase of 52% from 2003 to 2004, primarily due to the increased costs related to replacing miscellaneous fire apparatus. Public Health Services is the amount funded to the county health board.

The bulk of disbursements for 2004 and 2003 are for Public Works projects; \$119,566 and \$124,525 respectively, 59% and 60% of total expenditures in each year. Represented in this disbursement category are the costs associated with maintaining the roads and bridges within the Township, included but not limited to paving, culvert replacement, bridge repair, labor and supplies, etc.

**Governmental Activities**

If you look at the Statement of Activities on pages 12 and 20, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for road and bridge maintenance, which account for 60% and 59% of all governmental disbursements, respectively for 2003 and 2004. General government also represents a significant cost, about 12% and 13% respectively for 2003 and 2004. 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 2004	Net Cost of Services 2004	Total Cost Of Services 2003	Net Cost of Services 2003
General Government	\$ 25,776	\$ 25,776	\$ 24,861	\$ 24,861
Public Safety	36,119	32,260	23,797	20,819
Public Works	119,566	39,782	124,525	45,615
Health	2,871	2,871	2,410	2,410
Conservation Recreation	455	455	384	384
Capital Outlay	4,392	4,392	16,716	16,716
Debt Service	12,225	12,225	12,891	12,891
<b>Total Expenses</b>	<b>\$ 201,404</b>	<b>\$ 117,761</b>	<b>\$ 205,584</b>	<b>\$ 123,696</b>

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
Unaudited  
(Continued)**

The dependence upon property tax receipts is apparent as over 32 percent in 2004 and 33 percent in 2003 of governmental activities are supported through these general receipts.

**The Government's Funds**

During 2004, total governmental funds had receipts of \$197,578 and disbursements of \$201,404. The greatest change within governmental funds occurred within the Road and Bridge Fund. The fund balance of the Road and Bridge Fund decreased \$10,310 as the result of increased costs for salaries and benefits and not achieving anticipated growth in income and property and other local tax receipts.

During 2003, total governmental funds had receipts of \$182,025 and disbursements of \$205,584. The greatest change within governmental funds occurred within the Road and Bridge Fund. The fund balance of the Road and Bridge Fund decreased \$13,110 as the result of increased costs for salaries and benefits and not achieving anticipated growth in income and property and other local tax receipts.

General Fund receipts were greater than disbursements by \$9,666 in 2004 and \$11,169 in 2003 indicating that the Township trustees limited their spending activities.

**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.

Final budgeted receipts and disbursements were equal to original budgeted receipts and disbursements for 2004 and 2003. The difference between final budgeted receipts and actual receipts was \$13,233 for 2004 and \$(211) for 2003.

Final disbursements were budgeted at \$126,265 and \$115,121 for 2004 and 2003 respectively, while actual disbursements were \$52,682 and \$43,145 for 2004 and 2003 respectively.

**Capital Assets and Debt Administration**

**Capital Assets**

The Township uses the UAN Inventory Accounting System to keep track of its capital assets. The system is updated annually in January to reflect capital purchases and minor equipment purchases from the prior year.

**Debt**

At December 31, 2004, the Township's outstanding debt included \$10,880 in general obligation bonds issued in conjunction with Green Township, Fayette County to purchase a fire truck for use by the Concord-Green Fire. For further information regarding the Township's debt, refer to Note 10 to the basic financial statements.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
Unaudited  
(Continued)**

**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. The Township plans to continue to monitor anticipated receipts and decrease spending as necessary.

**Contacting the Government'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 Bridget Sollars, Clerk-Treasurer, Concord Township, 1325 Miami Trace Road SW, Washington Court House, Ohio 43160.

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CONCORD TOWNSHIP  
FAYETTE COUNTY

STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2004

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$158,808</u>
<i>Total Assets</i>	<u><u>\$158,808</u></u>
<b>Net Assets</b>	
Restricted for:	
Fire Protection	5,219
Unrestricted	<u>153,589</u>
<i>Total Net Assets</i>	<u><u>\$158,808</u></u>

*See accompanying notes to the basic financial statements*

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Assets
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
<b>Governmental Activities</b>					
General Government	\$25,776				(\$25,776)
Public Safety	36,119	3,859			(32,260)
Public Works	119,566		79,784		(39,782)
Health	2,871				(2,871)
Conservation-Recreation	455				(455)
Capital Outlay	4,392				(4,392)
Debt Service	12,225				(12,225)
<i>Total Governmental Activities</i>	201,404	3,859	79,784	0	(117,761)
 <b>General Receipts</b>					
Property Taxes Levied for:					
				63,847	
				27,855	
				886	
				21,347	
				113,935	
				(3,826)	
				162,633	
				\$158,807	

See accompanying notes to the basic financial statements



**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2004**

	<u>General</u>	<u>Gasoline Tax Fund</u>	<u>Road &amp; Bridge Fund</u>	<u>Fire District Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$94,376	\$36,422	\$11,068	\$5,219	\$11,723	\$158,808
<i>Total Assets</i>	<u>\$94,376</u>	<u>\$36,422</u>	<u>\$11,068</u>	<u>\$5,219</u>	<u>\$11,723</u>	<u>\$158,808</u>
<b>Fund Balances</b>						
Unreserved:						
Undesignated , Reported in:						
General Fund	\$94,376					\$94,376
Special Revenue Funds		\$36,422	\$11,068	\$5,219	\$11,723	64,432
<i>Total Fund Balances</i>	<u>\$94,376</u>	<u>\$36,422</u>	<u>\$11,068</u>	<u>\$5,219</u>	<u>\$11,723</u>	<u>\$158,808</u>

*See accompanying notes to the basic financial statements*

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	General	Gasoline Tax Fund	Road & Bridge Fund	Fire District Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>						
Property and Other Local Taxes	\$21,542		\$21,542	\$20,763		\$63,847
Charges for Services	3,859					3,859
Intergovernmental	22,675	70,684	2,634	2,546	9,100	107,639
Interest	612	186			88	886
Other	3,870		75		5,084	9,029
<i>Total Receipts</i>	<u>52,558</u>	<u>70,870</u>	<u>24,251</u>	<u>23,309</u>	<u>14,272</u>	<u>185,260</u>
<b>Disbursements</b>						
Current:						
General Government	25,776					25,776
Public Safety	23,580			12,539		36,119
Public Works		69,353	31,866		18,347	119,566
Health	2,871					2,871
Conservation-Recreation	455					455
Capital Outlay		1,697	2,695			4,392
Debt Service:						0
Principal Retirement				10,880		10,880
Interest and Fiscal Charges				1,345		1,345
<i>Total Disbursements</i>	<u>52,682</u>	<u>71,050</u>	<u>34,561</u>	<u>24,764</u>	<u>18,347</u>	<u>201,404</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(124)</u>	<u>(180)</u>	<u>(10,310)</u>	<u>(1,455)</u>	<u>(4,075)</u>	<u>(16,144)</u>
<b>Other Financing Sources (Uses)</b>						
Other Financing Sources	9,790			2,528		12,318
<i>Total Other Financing Sources (Uses)</i>	<u>9,790</u>	<u>0</u>	<u>0</u>	<u>2,528</u>	<u>0</u>	<u>12,318</u>
<i>Net Change in Fund Balances</i>	9,666	(180)	(10,310)	1,073	(4,075)	(3,826)
<i>Fund Balances Beginning of Year</i>	84,710	36,602	21,378	4,146	15,797	162,633
<i>Fund Balances End of Year</i>	<u>\$94,376</u>	<u>\$36,422</u>	<u>\$11,068</u>	<u>\$5,219</u>	<u>\$11,722</u>	<u>\$158,807</u>

See accompanying notes to the basic financial statements

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	Budgeted Amounts			(Optional) Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$20,500	\$20,500	\$21,542	\$1,042
Charges for Services	3,000	3,000	3,859	859
Intergovernmental	11,455	11,455	22,675	11,220
Interest	500	500	612	112
Other	3,870	3,870	3,870	0
<i>Total receipts</i>	<u>39,325</u>	<u>39,325</u>	<u>52,558</u>	<u>13,233</u>
<b>Disbursements</b>				
Current:				
General Government	31,931	31,931	25,776	6,155
Public Safety	26,500	26,500	23,580	2,920
Health	6,500	6,500	2,871	3,629
Conservation-Recreation	7,500	7,500	455	7,045
Capital Outlay	53,834	53,834	0	53,834
<i>Total Disbursements</i>	<u>126,265</u>	<u>126,265</u>	<u>52,682</u>	<u>73,583</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(86,940)</u>	<u>(86,940)</u>	<u>(124)</u>	<u>86,816</u>
<b>Other Financing Sources (Uses)</b>				
Other Financing Sources	2,230	2,230	9,790	7,560
<i>Total Other Financing Sources (Uses)</i>	<u>2,230</u>	<u>2,230</u>	<u>9,790</u>	<u>7,560</u>
<i>Net Change in Fund Balance</i>	(84,710)	(84,710)	9,666	94,376
<i>Fund Balance Beginning of Year</i>	84,710	84,710	84,710	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$94,376</u>	<u>\$94,376</u>

See accompanying notes to the basic financial statements

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GASOLINE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Intergovernmental	\$39,800	\$39,800	\$70,684	\$30,884
Interest	200	200	186	(14)
<i>Total receipts</i>	40,000	40,000	70,870	30,870
<b>Disbursements</b>				
Current:				
Public Works	70,677	70,677	69,353	1,324
Capital Outlay	5,925	5,925	1,697	4,228
<i>Total Disbursements</i>	76,602	76,602	71,050	5,552
<i>Excess of Receipts Over (Under) Disbursements</i>	(36,602)	(36,602)	(180)	36,422
<i>Net Change in Fund Balance</i>	(36,602)	(36,602)	(180)	36,422
<i>Fund Balance Beginning of Year</i>	36,602	36,602	36,602	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	\$0	\$0	\$36,422	\$36,422

*See accompanying notes to the basic financial statements*

**CONCORD TOWNSHIP  
FAYETTE 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, 2004**

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$21,955	\$21,955	\$21,542	(\$413)
Intergovernmental	2,000	2,000	2,634	634
Other			75	75
<i>Total receipts</i>	<u>23,955</u>	<u>23,955</u>	<u>24,251</u>	<u>296</u>
<b>Disbursements</b>				
Current:				
Public Safety	40,301	40,301	31,866	8,435
Capital Outlay	5,032	5,032	2,695	2,337
<i>Total Disbursements</i>	<u>45,333</u>	<u>45,333</u>	<u>34,561</u>	<u>10,772</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(21,378)</u>	<u>(21,378)</u>	<u>(10,310)</u>	<u>11,068</u>
<i>Net Change in Fund Balance</i>	(21,378)	(21,378)	(10,310)	11,068
<i>Fund Balance Beginning of Year</i>	21,378	21,378	21,378	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$11,068</u>	<u>\$11,068</u>

See accompanying notes to the basic financial statements

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
FIRE DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	Budgeted Amounts			(Optional) Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$21,020	\$21,020	\$20,763	(\$257)
Intergovernmental	2,500	2,500	2,546	46
<i>Total receipts</i>	<u>23,520</u>	<u>23,520</u>	<u>23,309</u>	<u>(211)</u>
<b>Disbursements</b>				
Current:				
Public Safety	17,436	17,436	12,539	4,897
Debt Service:				
Principal Retirement	10,880	10,880	10,880	0
Interest and Fiscal Charges	1,350	1,350	1,345	5
<i>Total Disbursements</i>	<u>29,666</u>	<u>29,666</u>	<u>24,764</u>	<u>4,902</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(6,146)</u>	<u>(6,146)</u>	<u>(1,455)</u>	<u>4,691</u>
<b>Other Financing Sources (Uses)</b>				
Other Financing Sources	2,000	2,000	2,528	528
<i>Total Other Financing Sources (Uses)</i>	<u>2,000</u>	<u>2,000</u>	<u>2,528</u>	<u>528</u>
<i>Net Change in Fund Balance</i>	(4,146)	(4,146)	1,073	5,219
<i>Fund Balance Beginning of Year</i>	4,146	4,146	4,146	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$5,219</u>	<u>\$5,219</u>

See accompanying notes to the basic financial statements

CONCORD TOWNSHIP  
FAYETTE COUNTY

STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2003

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$162,633</u>
<i>Total Assets</i>	<u><u>\$162,633</u></u>
<b>Net Assets</b>	
Restricted for:	
Fire Protection	4,146
Unrestricted	<u>158,487</u>
<i>Total Net Assets</i>	<u><u>\$162,633</u></u>

*See accompanying notes to the basic financial statements*

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	
<b>Governmental Activities</b>				
General Government	\$24,861			(\$24,861)
Public Safety	23,797	2,978		(20,819)
Public Works	124,525		78,910	(45,615)
Health	2,410			(2,410)
Conservation-Recreation	384			(384)
Capital Outlay	16,716			(16,716)
Debt Service	12,891			(12,891)
<i>Total Governmental Activities</i>	205,584	2,978	78,910	(123,696)
		<b>General Receipts</b>		
		Property Taxes Levied for:		
		General Purposes		61,119
		Grants and Entitlements not Restricted to Specific Programs		26,024
		Interest		1,801
		Miscellaneous		11,193
		<i>Total General Receipts</i>		100,137
		Total General Receipts, Special Item, Transfers and Advances		100,137
		Change in Net Assets		(23,559)
		<i>Net Assets Beginning of Year</i>		186,192
		<i>Net Assets End of Year</i>		\$162,633

See accompanying notes to the basic financial statements



**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2003**

	<u>General</u>	<u>Gasoline Tax Fund</u>	<u>Road &amp; Bridge Fund</u>	<u>Fire District Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$84,710	\$36,602	\$21,378	\$4,146	\$15,797	\$162,633
<i>Total Assets</i>	<u>\$84,710</u>	<u>\$36,602</u>	<u>\$21,378</u>	<u>\$4,146</u>	<u>\$15,797</u>	<u>\$162,633</u>
<b>Fund Balances</b>						
Unreserved:						
Undesignated , Reported in:						
General Fund	\$84,710					\$84,710
Special Revenue Funds		\$36,602	\$21,378	\$4,146	\$15,797	77,923
<i>Total Fund Balances</i>	<u>\$84,710</u>	<u>\$36,602</u>	<u>\$21,378</u>	<u>\$4,146</u>	<u>\$15,797</u>	<u>\$162,633</u>

*See accompanying notes to the basic financial statements*

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	General	Gasoline Tax Fund	Road & Bridge Fund	Fire District Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>							
Property and Other Local Taxes	\$20,658		\$20,650	\$19,811			\$61,119
Charges for Services	2,978						2,978
Intergovernmental	20,914	54,158	3,876	2,525	14,253	9,208	104,934
Interest	1,110	390				301	1,801
Other	3,870		358			388	4,616
<i>Total Receipts</i>	<u>49,530</u>	<u>54,548</u>	<u>24,884</u>	<u>22,336</u>	<u>14,253</u>	<u>9,897</u>	<u>175,448</u>
<b>Disbursements</b>							
Current:							
General Government	24,861						24,861
Public Safety	15,370			8,427			23,797
Public Works		61,139	35,631			27,755	124,525
Health	2,410						2,410
Conservation-Recreation	384						384
Capital Outlay	100		2,363		14,253		16,716
Debt Service:							0
Principal Retirement				10,880			10,880
Interest and Fiscal Charges				2,011			2,011
<i>Total Disbursements</i>	<u>43,125</u>	<u>61,139</u>	<u>37,994</u>	<u>21,318</u>	<u>14,253</u>	<u>27,755</u>	<u>205,584</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>6,405</u>	<u>(6,591)</u>	<u>(13,110)</u>	<u>1,018</u>	<u>0</u>	<u>(17,858)</u>	<u>(30,136)</u>
<b>Other Financing Sources (Uses)</b>							
Other Financing Sources	4,764			1,813			6,577
<i>Total Other Financing Sources (Uses)</i>	<u>4,764</u>	<u>0</u>	<u>0</u>	<u>1,813</u>	<u>0</u>	<u>0</u>	<u>6,577</u>
<i>Net Change in Fund Balances</i>	11,169	(6,591)	(13,110)	2,831	0	(17,858)	(23,559)
<i>Fund Balances Beginning of Year</i>	73,541	43,193	34,488	1,315	0	33,655	186,192
<i>Fund Balances End of Year</i>	<u>\$84,710</u>	<u>\$36,602</u>	<u>\$21,378</u>	<u>\$4,146</u>	<u>\$0</u>	<u>\$15,797</u>	<u>\$162,633</u>

See accompanying notes to the basic financial statements

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Budgeted Amounts			(Optional) Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$20,400	\$20,400	\$20,658	\$258
Charges for Services	2500	2500	2978	478
Intergovernmental	11080	11080	20914	9,834
Interest	1500	1500	1110	(390)
Other	3870	3870	3870	0
<i>Total receipts</i>	<u>39,350</u>	<u>39,350</u>	<u>49,530</u>	<u>10,180</u>
<b>Disbursements</b>				
Current:				
General Government	32,718	32,718	24,861	7,857
Public Safety	21,000	21,000	15,370	5,630
Health	6,000	6,000	2,410	3,590
Conservation-Recreation	7,580	7,580	384	7,196
Capital Outlay	47,823	47,823	100	47,723
<i>Total Disbursements</i>	<u>115,121</u>	<u>115,121</u>	<u>43,125</u>	<u>71,996</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(75,771)</u>	<u>(75,771)</u>	<u>6,405</u>	<u>82,176</u>
<b>Other Financing Sources (Uses)</b>				
Other Financing Sources	2,230	2,230	4,764	2,534
<i>Total Other Financing Sources (Uses)</i>	<u>2,230</u>	<u>2,230</u>	<u>4,764</u>	<u>2,534</u>
<i>Net Change in Fund Balance</i>	(73,541)	(73,541)	11,169	84,710
<i>Fund Balance Beginning of Year</i>	73,541	73,541	73,541	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$84,710</u>	<u>\$84,710</u>

See accompanying notes to the basic financial statements

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GASOLINE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Intergovernmental	\$39,500	\$39,500	\$54,158	\$14,658
Interest	500	500	390	(110)
<i>Total receipts</i>	40,000	40,000	54,548	14,548
<b>Disbursements</b>				
Current:				
Public Works	83,194	83,194	61,139	22,055
<i>Total Disbursements</i>	83,194	83,194	61,139	22,055
<i>Excess of Receipts Over (Under) Disbursements</i>	(43,194)	(43,194)	(6,591)	36,603
<i>Net Change in Fund Balance</i>	(43,194)	(43,194)	(6,591)	36,603
<i>Fund Balance Beginning of Year</i>	43,193	43,193	43,193	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	(\$1)	(\$1)	\$36,602	\$36,603

*See accompanying notes to the basic financial statements*

**CONCORD TOWNSHIP  
FAYETTE 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, 2003**

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$20,400	\$20,400	\$20,650	\$250
Intergovernmental	2871	2871	3876	1,005
Other	2000	2000	358	(1,642)
<i>Total receipts</i>	<u>25,271</u>	<u>25,271</u>	<u>24,884</u>	<u>(387)</u>
<b>Disbursements</b>				
Current:				
Public Safety	48,468	48,468	35,631	12,837
Capital Outlay	10,000	10,000	2,363	7,637
<i>Total Disbursements</i>	<u>58,468</u>	<u>58,468</u>	<u>37,994</u>	<u>20,474</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(33,197)</u>	<u>(33,197)</u>	<u>(13,110)</u>	<u>20,087</u>
<i>Net Change in Fund Balance</i>	(33,197)	(33,197)	(13,110)	20,087
<i>Fund Balance Beginning of Year</i>	34,488	34,488	34,488	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$1,291</u>	<u>\$1,291</u>	<u>\$21,378</u>	<u>\$20,087</u>

See accompanying notes to the basic financial statements

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
FIRE DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$21,550	\$21,550	\$19,811	(\$1,739)
Intergovernmental	2,000	2,000	2,526	526
<i>Total receipts</i>	<u>23,550</u>	<u>23,550</u>	<u>22,337</u>	<u>(1,213)</u>
<b>Disbursements</b>				
Current:				
Public Safety	13,285	13,285	8,427	4,858
Debt Service:				
Principal Retirement	10,880	10,880	10,880	0
Interest and Fiscal Charges	2,700	2,700	2,011	689
Issuance Costs				0
<i>Total Disbursements</i>	<u>26,865</u>	<u>26,865</u>	<u>21,318</u>	<u>5,547</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(3,315)</u>	<u>(3,315)</u>	<u>1,019</u>	<u>4,334</u>
<b>Other Financing Sources (Uses)</b>				
Other Financing Sources	2,000	2,000	1,813	(187)
<i>Total Other Financing Sources (Uses)</i>	<u>2,000</u>	<u>2,000</u>	<u>1,813</u>	<u>(187)</u>
<i>Net Change in Fund Balance</i>	(1,315)	(1,315)	2,832	4,147
<i>Fund Balance Beginning of Year</i>	1,315	1,315	1,315	0
Prior Year Encumbrances Appropriated				0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$4,147</u>	<u>\$4,147</u>

See accompanying notes to the basic financial statements

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

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

**1. Description of the Township and Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of Concord Township, Fayette County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides general governmental services including road and bridge maintenance, cemetery maintenance, and fire protection.

**Reporting Entity**

A reporting entity is comprised of the primary government, component units and other organizations included ensuring that the basic financial statements are not misleading. The primary government of the Township consists of all funds and departments that are not legally separate from the Township. For Concord Township, this includes general government operations and activities for which the Township is financially accountable. The Township has no component units.

**2. Summary of Significant Accounting Policies**

Although Ohio Administrative Code Section 117-2-03 (B) requires the Township's financial report to follow generally accepted accounting principles, the Township chooses to prepare its financial statements and notes in accordance with the cash-basis of accounting. The Township recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred.

**A. Fund Accounting**

The Township uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Township functions or activities. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Township classifies all funds as governmental.

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

General Fund - The general fund accounts for all financial resources except for restricted resources requiring a separate accounting. The general fund balance is available for any purpose provided it is expended or transferred according to Ohio law.

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining, and repairing Township roads and bridges.

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining, and repairing Township roads.

Motor Vehicle License Tax Fund - This fund receives motor vehicle tax money for constructing, maintaining and repairing Township roads.

Fire District Fund – This fund receives property tax money for fire protection services.

Capital Projects Fund – This fund receives Issue II funds for previously approved road and bridge capital projects.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2004 AND 2003  
(Continued)**

**2. Summary of Significant Accounting Policies (Continued)**

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

**B. Basis of Presentation**

The Township's basic financial statements consist of a government-wide statement of activities, and fund financial statements providing more detailed financial information.

**Government-wide Financial Statement of Activities:** This statement displays information about the Township as a whole.

The government-wide statement of activities compares disbursements with program receipts for each segment of the Township's governmental activities. These disbursements are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. 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, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each business segment or governmental function is self-financing on the modified-cash basis or draws from the Township's general receipts.

**Fund Financial Statements:** Fund financial statements report detailed information about the Township. 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.

**C. Pooled Cash and Cash Equivalents**

The Township pools cash from all funds for investment purposes. Interest in the pool is presented as "equity in pooled cash and cash equivalents on the financial statements.

The Township values investments and cash equivalents at cost.

Following Ohio statutes, the Township allocates interest earnings. Interest revenue credited to the general fund during fiscal year 2004 was \$612, with a total of \$886 for all funds. Interest revenue credited to the general fund during fiscal year 2003 was \$1,110, with a total of \$1,801 for all funds.

**D. Restricted Assets**

Cash and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Creditors, contributors, grantors, laws of other governments or enabling legislation is the source of the restrictions.

**E. Capital Assets**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these assets.



**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2004 AND 2003  
(Continued)**

**2. Summary of Significant Accounting Policies (Continued)**

**F. Compensated Absences**

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

**G. Long-term Obligations**

Bonds and other long-term obligations are not recognized as a liability in the financial statements under the modified cash-basis of accounting. These statements report proceeds of debt when cash is received, and debt service disbursements for debt principal payments.

**H. Net Assets**

Net assets are reported as restricted when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on its use.

The Township first applies restricted resources when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

**I. Interfund Activity**

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchasing funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented on the financial statements.

**J. Budgetary Data**

Ohio law requires all funds to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which use 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 amounts that the Board of Trustees may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board of Trustees uses the object level within each fund and function as its legal level of control.

The certificate of estimated resources may be amended during the year if the Clerk projects increases or decreases in receipts. The amounts reported as the original budget in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budget in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed.

The Board may amend appropriations throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budget reflect the first appropriation for that fund covering the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budget represent the final appropriation the Board passed during the year.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2004 AND 2003  
(Continued)**

**3. Property Taxes**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopt rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**4. Deposits and Investments**

Ohio law restricts deposits and investments to the following:

1. Commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts;
2. Money market deposits;
3. Savings accounts or certificates of deposit;
4. United States Treasury securities, or securities of its agencies or instrumentalities the federal government guarantees;
5. No-load money market mutual funds consisting exclusively of obligations described in (4) above and repurchase agreements secured by such obligations;
6. Bonds and obligations of the State of Ohio;
7. The State Treasurer's investment pool (STAR Ohio, a Rule 2-a7-like pool);
8. Certain bankers' acceptances and commercial paper notes;
9. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

An investment must mature within five years from the purchase date unless matched to a specific obligation or debt of the Township and must be purchased with the expectation it will be held to maturity. Investments may only be made through specified dealers and institutions.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2004 AND 2003  
(Continued)**

**4. Deposits and Investments (Continued)**

Deposits At December 31<sup>st</sup>, 2004, the carrying amount of the Township's deposits was \$158,808 and the bank balance was \$163,934. At December 31<sup>st</sup>, 2003, the carrying amount of the Township's deposits was \$162,633. \$100,000 of the bank balance was covered by federal depository insurance and the remainder was uninsured, but was collateralized by pooled securities. 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 Deposit Insurance Corporation.

**5. Risk Management**

**A. Risk Pool Membership**

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty 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

OTARMA retains casualty risks up to \$250,000 per claim, including loss 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 \$5,000,000 in the aggregate per year. Townships can elect additional coverage, from \$2,000,000 to \$10,000,000 from the General Reinsurance Corporation.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

OTARMA retains property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsures losses exceeding \$100,000 up to \$500,000,000 per occurrence. APEEP's Guarantee Fund pays losses and loss adjustment expenses exceeding operating contributions.

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.

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.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2004 AND 2003  
(Continued)**

**5. Risk Management (Continued)**

<u>Casualty Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$30,687,203	\$27,792,223
Liabilities	<u>(13,640,962)</u>	<u>(11,791,300)</u>
Retained earnings	<u>\$17,046,241</u>	<u>\$16,000,923</u>

<u>Property Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$7,799,073	\$6,791,060
Liabilities	<u>(753,906)</u>	<u>(750,956)</u>
Retained earnings	<u>\$7,045,167</u>	<u>\$6,040,104</u>

**B. Workers' Compensation**

For fiscal year 2003 and 2004 the Township participated in the Ohio Township Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the Township by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating Townships is calculated as one experience and a common premium rate is applied to all Townships in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to Townships that can meet the GRP's selection criteria. The firm of Frank Gates Company provides administrative, cost control and actuarial services to the GRP.

**C. Employee Medical Benefits**

The Township offers optional participation in a group medical plan operated by Medical Mutual Of Ohio. Medical Mutual provides claim review and processing. Members of the plan are required to remit 25% of the medical premium.

**6. 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% 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.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2004 AND 2003  
(Continued)**

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

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 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the years ended December 31<sup>st</sup>, 2003 and December 31<sup>st</sup>, 2004, the members were required to contribute 8.5 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2003 and 2004 was 13.55 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2003, and 2004 were \$ 5,538, and \$ 5,740 respectively.

**7. Postemployment Benefits**

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2003 and 2004 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 5.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.00 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 364,881. Actual employer contributions for 2004 which were used to fund postemployment benefits were \$2,118. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2004 AND 2003  
(Continued)**

**7. Postemployment Benefits (Continued)**

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

**8. Long – Term Liabilities**

Debt outstanding at December 31, 2004 was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$10,880	6.17%

Debt outstanding at December 31, 2003 was as follows:

General Obligation Bonds	\$21,760	6.17%
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The general obligation notes were issued in conjunction with Green Township, Fayette County, Ohio to finance the purchase of a fire truck to be used for the Concord-Green Fire Department. The notes are collateralized solely by each Township's taxing authority. The amounts reflected above represent Concord Township's share of the debt.

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

	General Obligation Notes
Year ending December 31: 2005	\$11,551



**Auditor of State  
Betty Montgomery**

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

Concord Township  
Fayette County  
1325 Miami Trace Road SW  
Washington Court House, Ohio 43160

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Concord Township, Fayette County, Ohio (the Township), as of and for the year ended December 31, 2004 and 2003, which collectively comprise the Township's basic financial statements and have issued our report thereon dated October 4, 2005 wherein we noted that the Township prepared its financial statements uses a comprehensive basis of accounting other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Township's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Township's management dated October 4, 2005, we reported a matter involving internal control over financial reporting we did not deem a reportable condition.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance we must report under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2004-001.

We intend this report solely for the information and use of the audit committee, management, Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

October 4, 2005



**CONCORD TOWNSHIP  
FAYETTE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2004 AND 2003**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2004-001**

**Finding for Recovery – Repaid Under Audit**

Ohio Revised Code, Section 507.09, provides that the township clerk is entitled to compensation based on the township's annual budget. In townships having a budget of more than two hundred fifty thousand but not more than five hundred thousand dollars, the township clerk's annual compensation has been established at \$11,143 for 2003 and \$11,547 for 2004 (beginning on the Clerk's re-appointment date of April 1, 2004). During 2004, an error was made in the calculation of the Clerk's salary. The Clerk incorrectly began receiving the 2004 established salary on January 1, 2004. The Clerk should not have received the established 2004 salary until her re-appointment date of April 1, 2004. The Township's Clerk, Bridget Sollars, was entitled to \$11,446 in annual compensation; however she was compensated \$11,548. This resulted in an overpayment of \$102. When notified, the Clerk immediately repaid this amount to the Township's General Fund.





**Auditor of State  
Betty Montgomery**

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800-282-0370

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**CONCORD TOWNSHIP**

**FAYETTE 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 10, 2005**