

**BUCKSKIN TOWNSHIP
ROSS COUNTY, OHIO**

Audited Financial Statements

For the Years Ended December 31, 2007 and 2006



Mary Taylor, CPA

Auditor of State

Board of Trustees
Buckskin Township
4003 Lyndon-Salem Road
South Salem, Ohio 45681

We have reviewed the *Independent Accountant's Report* of Buckskin Township, Ross County, prepared by Van Kregel and Company, CPA's, for the audit period January 1, 2006 through December 31, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 Accountant'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 Accountant'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. Buckskin Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

September 5, 2008

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Buckskin Township
Ross County, Ohio

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INDEPENDENT ACCOUNTANT'S REPORT

Buckskin Township
Ross County, Ohio
4003 Lyndon-Salem Road
South Salem, Ohio 45681

To the Board of Trustees:

We have audited the accompanying financial statements of Buckskin Township, Ross County, Ohio, (the Township), as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' Government Auditing Standards. Those standards require that we plan and perform the audits to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP requires presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require, Townships to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2007 and 2006, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Buckskin Township, Ross County, Ohio as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2008, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audits.

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

Van Krevel & Company
Dublin, Ohio

April 20, 2008

Buckskin Township
 Ross County, Ohio
 Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances
 All Governmental Fund Types
 For the Year Ended December 31, 2007

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$ 33,797	\$ 42,907	\$ -	\$ 76,704
Licenses, Permits, and Fees	813	3,400	-	4,213
Intergovernmental Receipts	63,537	112,453	18,750	194,740
Earnings on Investments	28,199	1,665	-	29,864
Miscellaneous	1,045	19,633	-	20,678
Total Cash Receipts	<u>127,391</u>	<u>180,058</u>	<u>18,750</u>	<u>326,199</u>
Cash Disbursements:				
Current:				
General Government	137,937	-	-	137,937
Public Safety	-	26,287	-	26,287
Public Works	-	119,759	-	119,759
Health	-	9,795	-	9,795
Capital Outlay	390	26,696	18,750	45,836
Total Cash Disbursements	<u>138,327</u>	<u>182,537</u>	<u>18,750</u>	<u>339,614</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(10,936)</u>	<u>(2,479)</u>	<u>-</u>	<u>(13,415)</u>
Other Financing Receipts/(Disbursements):				
Other Financing Sources	-	100	-	100
Total Other Financing Receipts/(Disbursements)	<u>-</u>	<u>100</u>	<u>-</u>	<u>100</u>
Excess of Cash Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(10,936)	(2,379)	-	(13,315)
Fund Cash Balances, January 1	<u>333,563</u>	<u>232,293</u>	<u>-</u>	<u>565,856</u>
Fund Cash Balances, December 31	<u>\$ 322,627</u>	<u>\$ 229,914</u>	<u>\$ -</u>	<u>\$ 552,541</u>

Buckskin Township
 Ross County, Ohio
 Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances
 All Governmental Fund Types
 For the Year Ended December 31, 2006

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
Cash Receipts:			
Property Tax and Other Local Taxes	\$ 32,381	\$ 41,303	\$ 73,684
Licenses, Permits, and Fees	962	6,450	7,412
Intergovernmental Receipts	73,913	109,759	183,672
Earnings on Investments	22,446	1,619	24,065
Miscellaneous	1,320	4,620	5,940
Total Cash Receipts	<u>131,022</u>	<u>163,751</u>	<u>294,773</u>
Cash Disbursements:			
Current:			
General Government	144,176	-	144,176
Public Safety	-	22,066	22,066
Public Works	-	104,590	104,590
Health	-	13,080	13,080
Capital Outlay	-	2,371	2,371
Total Cash Disbursements	<u>144,176</u>	<u>142,107</u>	<u>286,283</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(13,154)</u>	<u>21,644</u>	<u>8,490</u>
Other Financing Receipts/(Disbursements):			
Other Financing Sources	-	2,650	2,650
Total Other Financing Receipts/(Disbursements)	<u>-</u>	<u>2,650</u>	<u>2,650</u>
Excess of Cash Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(13,154)	24,294	11,140
Fund Cash Balances, January 1	<u>346,717</u>	<u>207,999</u>	<u>554,716</u>
Fund Cash Balances, December 31	<u>\$ 333,563</u>	<u>\$ 232,293</u>	<u>\$ 565,856</u>

Buckskin Township
Ross County, Ohio

Notes to the Financial Statements
December 31, 2007 and 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Buckskin Township, Ross County, (the Township) as a body corporate and politic. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance and cemetery maintenance. The Township contracts with the City of Greenfield to provide fire services and the Greenfield Area Life Squad to provide ambulance services.

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

B Basis of Accounting

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C Cash and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Township values certificates of deposit at cost.

D Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1 General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2 Special Revenue Funds

These funds account for proceeds from specific sources (other than those from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Road and Bridge Fund – This fund receives property tax monies to pay for constructing, maintaining, and repairing Township roads and bridges.

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

Buckskin Township
Ross County, Ohio

Notes to the Financial Statements
December 31, 2007 and 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 Special Revenue Funds (continued)

Special Levy Fund – This fund receives property tax monies to pay for contracting fire and ambulance services to the citizens of the Township.

3 Capital Projects Funds

These funds account for receipts restricted to acquiring or constructing major capital projects. The Township had the following significant Capital Projects Funds:

Issue II Fund – This fund receives monies from the Ohio Public Works Commission to pay for constructing, maintaining, and repairing Township roads.

E Budgetary Process

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

1 Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2 Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

3 Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled and reappropriated in the subsequent year.

A summary of the 2007 and 2006 budgetary activity appears in Note 3.

F Property, Plant and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Buckskin Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2007 and 2006

NOTE 2 EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2007</u>	<u>2006</u>
Demand Deposits	\$152,541	\$165,856
Certificates of Deposit	<u>400,000</u>	<u>400,000</u>
Total Deposits	<u>\$552,541</u>	<u>\$565,856</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

NOTE 3 BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2007, follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 100,370	\$ 127,391	\$ 27,021
Special Revenue	150,581	180,158	29,577
Capital Projects	<u>18,750</u>	<u>18,750</u>	<u>-</u>
Totals	<u>\$ 269,701</u>	<u>\$ 326,299</u>	<u>\$ 56,598</u>

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 431,000	\$ 138,327	\$ 292,673
Special Revenue	378,700	182,537	196,163
Capital Projects	<u>18,750</u>	<u>18,750</u>	<u>-</u>
Totals	<u>\$ 828,450</u>	<u>\$ 339,614</u>	<u>\$ 488,836</u>

Buckskin Township
 Ross County, Ohio

Notes to Financial Statements
 December 31, 2007 and 2006

NOTE 3 BUDGETARY ACTIVITY (continued)

Budgetary activity for the year ending December 31, 2006, follows:

2006 Budgeted vs. Actual Receipts			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 85,005	\$ 131,022	\$ 46,017
Special Revenue	141,234	166,401	25,167
Totals	<u>\$ 226,239</u>	<u>\$ 297,423</u>	<u>\$ 71,184</u>

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 431,500	\$ 144,176	\$ 287,324
Special Revenue	348,988	142,107	206,881
Totals	<u>\$ 780,488</u>	<u>\$ 286,283</u>	<u>\$ 494,205</u>

NOTE 4 PROPERTY TAXES

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax 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.

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.

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

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

Buckskin Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2007 and 2006

NOTE 5 RETIREMENT SYSTEM

The Township's officials and employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2007 and 2006, OPERS members contributed 9.5% and 9.0%, respectively, of their gross salaries. The Township contributed an amount equal to 13.85% and 13.7% of participants' gross salaries for 2007 and 2006, respectively. The Township has paid all contributions required through December 31, 2007.

NOTE 6 RISK MANAGEMENT

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to over 550 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverage, except as modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

The Plan issues its own policies and reinsures the Plan with A-VII or better rated carriers, except for the 15% casualty and the 10% property portions which the Plan retains. The Plan retains the lesser of 15% or \$37,500 of casualty losses and the lesser of 10% or \$100,000 of property losses.

Individual Members are only responsible for their self-retention (deductible) amounts which vary from Member to Member.

Plan Members are responsible for notifying the Plan of their intent to renew coverage by their renewal date. If a Member chooses not to renew with the Plan, they have no other financial obligation to the Plan but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former Member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles and report the following assets, liability and retained earnings at December 31, 2006 and 2005 (the latest information available):

	2006	2005
Assets	\$9,620,148	\$8,219,430
Liabilities	<u>(3,329,620)</u>	<u>(2,748,369)</u>
Members' Equity	<u>\$6,290,528</u>	<u>\$5,470,791</u>

You can read the completed audited financial statements for The Ohio Government Risk Management Plan at the Plan's website, www.ohioplan.org.

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

Buckskin Township
Ross County, Ohio
4003 Lyndon-Salem Road
South Salem, Ohio 45681

To the Board of Trustees:

We have audited the financial statements of Buckskin Township, Ross County, Ohio, (the Township), as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated April 20, 2008, wherein we noted that the Township prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

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Buckskin Township
Ross County, Ohio
Independent Accountant's Report on Internal Control over
Financial Reporting and on Compliance with Other Matters
Required by *Government Auditing Standards*

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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

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

Van Krevel & Company
Dublin, Ohio

April 20, 2008



Mary Taylor, CPA
Auditor of State

BUCKSKIN TOWNSHIP

ROSS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 18, 2008**