

**SPRINGFIELD 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
Springfield Township
95 Musselman Mill Road
Chillicothe, Ohio 45601-9352

We have reviewed the *Independent Accountant's Report* of Springfield Township, Ross County, prepared by Van Krevel and Company, 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. Springfield Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 3, 2008

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Springfield Township
Ross County, Ohio

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INDEPENDENT ACCOUNTANT'S REPORT

Springfield Township
Ross County, Ohio
95 Musselman Mill Road
Chillicothe, Ohio 45601-9352

To the Board of Trustees:

We have audited the accompanying financial statements of Springfield 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 and reserve for encumbrances of Springfield 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 November 3, 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

November 3, 2008

Springfield 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

	Governmental Fund Types					Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Permanent Fund	
Cash Receipts:						
Property Tax and Other Local Taxes	\$ 35,276	\$ 147,830	\$ 29,503	\$ -	\$ -	\$ 212,609
Intergovernmental Receipts	179,343	142,893		30,500	-	352,736
Earnings on Investments	4,000	365	-	-	86	4,451
Miscellaneous	12,952	2,187		-	-	15,139
Total Cash Receipts	<u>231,571</u>	<u>293,275</u>	<u>29,503</u>	<u>30,500</u>	<u>86</u>	<u>584,935</u>
Cash Disbursements:						
Current:						
General Government	95,203	45,342		-	-	140,545
Public Safety		2,016		-	-	2,016
Public Works	10,054	147,620		-	-	157,674
Health	2,800	430		-	-	3,230
Capital Outlay		30,092		30,500		60,592
Debt Service - Principal Payments			25,677			25,677
Debt Service - Interest Payments			6,563			6,563
Total Cash Disbursements	<u>108,057</u>	<u>225,500</u>	<u>32,240</u>	<u>30,500</u>	<u>-</u>	<u>396,297</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>123,514</u>	<u>67,775</u>	<u>(2,737)</u>	<u>-</u>	<u>86</u>	<u>188,638</u>
Fund Cash Balances-January 1	<u>9,858</u>	<u>65,436</u>	<u>2,764</u>	<u>-</u>	<u>1,995</u>	<u>80,053</u>
Fund Cash Balances-December 31	<u>\$ 133,372</u>	<u>\$ 133,211</u>	<u>\$ 27</u>	<u>\$ -</u>	<u>\$ 2,081</u>	<u>\$ 268,691</u>
Reserve For Encumbrances	<u>\$ 2,044</u>	<u>\$ 514</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,558</u>

Springfield 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

	Governmental Fund Types					Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Permanent Fund	
Cash Receipts:						
Property Tax and Other Local Taxes	\$ 32,220	\$ 135,594	\$ 33,285	\$ -	\$ -	\$ 201,099
Intergovernmental Receipts	53,760	131,771		18,750	-	204,281
Earnings on Investments	1,879	268	-	-	57	2,204
Miscellaneous	15,009	553		-	-	15,562
Total Cash Receipts	<u>102,868</u>	<u>268,186</u>	<u>33,285</u>	<u>18,750</u>	<u>57</u>	<u>423,146</u>
Cash Disbursements:						
Current:						
General Government	70,132	48,583		-	-	118,715
Public Safety		9,222		-	-	9,222
Public Works	9,148	140,293		-	-	149,441
Health	4,200	1,400		-	-	5,600
Capital Outlay	15,155	92,002		18,750		125,907
Debt Service - Principal Payments		12,500	25,700			38,200
Debt Service - Interest Payments		3,115	5,361			8,476
Total Cash Disbursements	<u>98,635</u>	<u>307,115</u>	<u>31,061</u>	<u>18,750</u>	<u>-</u>	<u>455,561</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>4,233</u>	<u>(38,929)</u>	<u>2,224</u>	<u>-</u>	<u>57</u>	<u>(32,415)</u>
Other Financing Receipts/(Disbursements):						
Advances In		2,000		-	-	2,000
Advances Out		(2,000)				(2,000)
Other Financing Sources	593					593
Total Other Financing Receipts/(Disbursements)	<u>593</u>	<u>-</u>			<u>-</u>	<u>593</u>
Excess of Cash Receipts Over (Under) Cash Disbursements and Other Financing Disbursements	<u>4,826</u>	<u>(38,929)</u>	<u>2,224</u>	<u>-</u>	<u>57</u>	<u>(31,822)</u>
Fund Cash Balances-January 1	<u>5,032</u>	<u>104,365</u>	<u>540</u>		<u>1,938</u>	<u>111,875</u>
Fund Cash Balances-December 31	<u>\$ 9,858</u>	<u>\$ 65,436</u>	<u>\$ 2,764</u>	<u>\$ -</u>	<u>\$ 1,995</u>	<u>\$ 80,053</u>
Reserve for Encumbrances, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Springfield 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 Springfield Township, Ross 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 maintenance of Township roads and bridges, cemetery maintenance, fire protection and emergency medical 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.

Certificates of deposit are valued 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:

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

Springfield Township
Ross County, Ohio

Notes to the Financial Statements
December 31, 2007 and 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D Fund Accounting (continued)

2 Special Revenue Funds (continued)

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

Special Fire Fund – This fund receives property tax monies levied by the Township to pay for fire and emergency medical service protection for the Township.

3 Debt Service Fund

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township had the following significant Debt Service Fund.

General Note Retirement – This fund receives property tax monies used to retire debt that has been incurred by the Township that is not paid from other funds.

4 Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Funds:

Public Works Commission Project Fund – This fund records revenues received and expenses incurred by the Ross County Engineer on behalf of the Township in connection with repaving various roads within the Township.

Community Development Block Grant (CDBG) – This fund accounts for grant monies received and expended on behalf of the Township.

4 Permanent Fund

These funds are used to account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Township's programs. The Township had the following Permanent Fund:

Cemetery Bequest Fund – This fund receives monies to be held in a nonexpendable trust by the Township with earnings designated for the upkeep and/or improvements to the cemeteries within the Township.

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. Unencumbered appropriations lapse at year end.

Springfield Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2007 and 2006

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 carried over, and need not be reappropriated.

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.

G Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

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	\$166,419	\$78,520
Certificates of Deposit	<u>102,272</u>	<u>1,533</u>
Total Cash and Cash Equivalents	<u>\$268,691</u>	<u>\$80,053</u>

Deposit: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Springfield Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2007 and 2006

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	\$ 228,029	\$ 231,571	\$ 3,542
Special Revenue	284,924	293,275	8,351
Debt Service	30,503	29,503	(1,000)
Capital Projects	30,500	30,500	-
Permanent	-	86	86
Totals	\$ 573,956	\$ 584,935	\$ 10,979

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 127,219	\$ 110,101	\$ 17,118
Special Revenue	301,712	226,014	75,698
Debt Service	32,445	32,240	205
Capital Projects	30,500	30,500	-
Permanent	-	-	-
Totals	\$ 491,876	\$ 398,855	\$ 93,021

Springfield 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			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 114,081	\$ 103,461	\$ (10,620)
Special Revenue	274,393	268,186	(6,207)
Debt Service	33,285	33,285	-
Capital Projects	18,750	18,750	-
Permanent	-	57	57
Totals	\$ 440,509	\$ 423,739	\$ (16,770)

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 119,154	\$ 98,635	\$ 20,519
Special Revenue	378,758	307,115	71,643
Debt Service	33,825	31,061	2,764
Capital Projects	18,750	18,750	-
Permanent	-	-	-
Totals	\$ 550,487	\$ 455,561	\$ 94,926

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.

Springfield Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2007 and 2006

NOTE 5 DEBT

Debt outstanding at December 31, 2007, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Note – Dump Truck	\$ 49,223	3.83%
General Obligation Note – Emergency Squad	50,000	4.10%
General Obligation Note – Road Contract	<u>35,000</u>	4.50%
Total	<u>\$134,223</u>	

The Township has three outstanding notes used for the purchase of a dump truck, the purchase of an emergency squad, and for road contracts. The notes expire in 2011 and 2012. The general obligation notes are supported by the full faith and credit of the Township and are payable from unvoted property tax receipts to the extent that other resources are not available to meet annual principal and interest payments.

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

<u>Year Ending December 31</u>	
2008	\$ 31,219
2009	30,158
2010	29,106
2011	28,056
2012	14,506
2013-2014	<u>19,212</u>
Total	<u>\$152,257</u>

NOTE 6 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, with the Township contributing an amount equal to 13.85% and 13.7% of participants' gross salaries, respectively. The Township has paid all contributions required through December 31, 2007.

Springfield Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2007 and 2006

NOTE 6 RISK MANAGEMENT

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

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

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member townships pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

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

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

Property Coverage

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

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

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective township.

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

Springfield Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2007 and 2006

NOTE 6 RISK MANAGEMENT (continued)

Financial Position

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

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

At December 31, 2007 and 2006 respectively, liabilities noted above include approximately \$12.5 million and \$11.3 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$11.6 million and \$10.8 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$6,968. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

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

<u>Year</u>	<u>Contribution</u>
2007	\$11,593
2006	13,325
2005	13,967

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

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

Springfield Township
Ross County, Ohio
95 Musselman Mill Road
Chillicothe, Ohio 45601-9352

To the Board of Trustees:

We have audited the financial statements of Springfield 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 November 3, 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.

We noted certain matters that we reported to the Township's management in a separate letter dated November 3, 2008.

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Springfield 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 did note certain noncompliance or other matters that we reported to the Government's management in a separate letter dated November 3, 2008.

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



Van Krevel & Company
Dublin, Ohio

November 3, 2008



Mary Taylor, CPA
Auditor of State

SPRINGFIELD 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
DECEMBER 16, 2008**