



BUCKSKIN TOWNSHIP, ROSS COUNTY

Regular Audit

For the Years Ended December 31, 2009 and 2008

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS





Mary Taylor, CPA

Auditor of State

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

We have reviewed the *Independent Auditor's Report* of Buckskin Township, Ross County, prepared by J.L. Uhrig and Associates, Inc., for the audit period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

April 7, 2010

88 E. Broad St. / Fifth Floor / Columbus, OH 43215-3506
Telephone: (614) 466-4514 (800) 282-0370 Fax: (614) 466-4490
www.auditor.state.oh.us

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BUCKSKIN TOWNSHIP, ROSS COUNTY
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Independent Auditor's Report

Board of Trustees
BuckskinTownship, Ross County
4003 Lyndon-Salem
South Salem, OH 45681

We have audited the accompanying financial statements of BuckskinTownship (the Township), Ross County as of and for the years ended December 31, 2009 and 2008. 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 audit.

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

As described more fully in Note 2, the Township 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.

Revisions to GAAP would require the Township to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2009 and 2008. Instead of the combined funds the accompanying financial statements presents for 2009 and 2008, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2009 and 2008. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statement does not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Township has elected not to reformat its statements. Since this Township does not use GAAP to measure financial statement amounts, 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, 2009 and 2008 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, 2009 and 2008, or its changes in financial position for the years then ended.

Board of Trustees
Buckskin Township, Ross County
Independent Auditor's Report

Also, in our opinion, the financial statements referred to in the first paragraph above presents fairly, in all material respects, the combined fund cash balances of the Township, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 2 describes.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the years ended December 31, 2009 and 2008. 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 a report dated March 8, 2010 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 grants. While we do 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* and should be read in conjunction with this report when considering the results of our audit.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.

March 8, 2010

BUCKSKIN TOWNSHIP, ROSS COUNTY
Combined Statement of Cash Receipts, Cash Disbursements, and
Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2009

	Governmental Fund Types			Totals
	General	Special Revenue	Capital Projects	
<u>Cash Receipts:</u>				
Local Taxes	\$38,064	\$45,668	\$0	\$83,732
Intergovernmental	52,548	111,035	23,438	187,021
Licenses, Permits, and Fees	302	6,300	0	6,602
Earnings on Investments	5,629	709	0	6,338
Other Revenue	3,786	5,246	0	9,032
Total Cash Receipts	100,329	168,958	23,438	292,725
<u>Cash Disbursements:</u>				
<i>Current:</i>				
General Government	139,801	0	0	139,801
Public Safety	0	64,841	0	64,841
Public Works	0	87,124	0	87,124
Health	0	10,014	0	10,014
Capital Outlay	0	32,453	23,438	55,891
Total Cash Disbursements	139,801	194,432	23,438	357,671
Total Cash Receipts Over/(Under) Cash Disbursements	(39,472)	(25,474)	0	(64,946)
<u>Other Financing Receipts:</u>				
Other Financing Receipts	0	2,100	0	2,100
Total Other Financing Receipts	0	2,100	0	2,100
Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements	(39,472)	(23,374)	0	(62,846)
Fund Cash Balances, January 1	304,686	238,017	0	542,703
<i>Fund Cash Balances, December 31</i>	<u>\$265,214</u>	<u>\$214,643</u>	<u>\$0</u>	<u>\$479,857</u>

See accompanying notes to the financial statements.

BUCKSKIN TOWNSHIP, ROSS COUNTY
Combined Statement of Cash Receipts, Cash Disbursements, and
Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2008

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Totals</u>
<u>Cash Receipts:</u>			
Local Taxes	\$37,196	\$44,598	\$81,794
Intergovernmental	63,285	114,642	177,927
Licenses, Permits, and Fees	602	3,500	4,102
Earnings on Investments	19,721	719	20,440
Other Revenue	1,580	6,272	7,852
Total Cash Receipts	<u>122,384</u>	<u>169,731</u>	<u>292,115</u>
<u>Cash Disbursements:</u>			
<i>Current:</i>			
General Government	140,325	0	140,325
Public Safety	0	26,636	26,636
Public Works	0	123,443	123,443
Health	0	8,874	8,874
Capital Outlay	0	2,675	2,675
Total Cash Disbursements	<u>140,325</u>	<u>161,628</u>	<u>301,953</u>
Total Cash Receipts Over/(Under) Cash Disbursements	(17,941)	8,103	(9,838)
Fund Cash Balances, January 1	<u>322,627</u>	<u>229,914</u>	<u>552,541</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$304,686</u></u>	<u><u>\$238,017</u></u>	<u><u>\$542,703</u></u>

See accompanying notes to the financial statements.

BUCKSKIN TOWNSHIP, ROSS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 1 – Reporting Entity

Buckskin Township, Ross County, Ohio (the Township), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

The Township provides general government services, 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.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The Township's financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. This method differs from generally accepted accounting principles because receipts are recognized when received in cash rather than when earned, and disbursements are recognized when a payment is made rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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:

General Fund: The General Fund is the general operating fund. It is used to account for all financial resources, except those required by law or contracted to be restricted.

Special Revenue Funds: These funds are used to account for proceeds from specific sources (other than 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 is comprised of taxes on the sale of gasoline which is distributed to the Township based upon road mileage determined by the state, and used for the repair and maintenance of Township roads.

Road and Bridge Fund – This fund receives personal property tax money for maintaining and repairing Township roads and bridges.

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

Capital Project 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 fund:

BUCKSKIN TOWNSHIP, ROSS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies - (continued)

Issue II Fund – This fund is used to account for Issue II monies received and expended by the Ross County Engineer on behalf of the Township for road and bridge maintenance.

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.

Budgetary Process

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

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 Ross County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year-end.

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

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

A summary of 2009 and 2008 budgetary activity appears in Note 4.

Property, Plant and Equipment

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

Accumulated Leave

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 basis of accounting.

BUCKSKIN TOWNSHIP, ROSS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 3 – Cash and Investments

The Township maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The Township had no investments at year end. The carrying amount of cash at year end was as follows:

	December 31, 2009	December 31, 2008
Demand Deposits	\$79,857	\$142,703
Certificate of Deposit	400,000	400,000
	\$479,857	\$542,703

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

Note 4 – Budgetary Basis of Accounting

The Township's budgetary activity for the years ending December 31, 2009 and December 31, 2008 was as follows:

2009 Budgeted vs. Actual Receipts

Fund Type	Receipts		Variance
	Budgeted	Actual	
General	\$79,620	\$100,329	\$20,709
Special Revenue	162,844	171,058	8,214
Capital Projects	23,438	23,438	0
<i>Total</i>	\$265,902	\$294,825	\$28,923

2009 Budgeted vs. Actual Budgetary Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$384,000	\$139,801	\$244,199
Special Revenue	400,200	194,432	205,768
Capital Projects	23,438	23,438	0
<i>Total</i>	\$807,638	\$357,671	\$449,967

BUCKSKIN TOWNSHIP, ROSS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Budgetary Basis of Accounting - (continued)

2008 Budgeted vs. Actual Receipts

Fund Type	Receipts		
	Budgeted	Actual	Variance
General	\$104,053	\$122,384	\$18,331
Special Revenue	152,837	169,731	16,894
<i>Total</i>	<u>\$256,890</u>	<u>\$292,115</u>	<u>\$35,225</u>

2008 Budgeted vs. Actual Budgetary Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$426,500	\$140,325	\$286,175
Special Revenue	382,300	161,628	220,672
<i>Total</i>	<u>\$808,800</u>	<u>\$301,953</u>	<u>\$506,847</u>

BUCKSKIN TOWNSHIP, ROSS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 5 – Property Taxes

Real property taxes become a lien on January 1 proceeding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semi-annual payments, the first half is due December 31, and 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 April 30.

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

The full tax rate for all Township operations for the years ended December 31, 2009 and 2008 was 3.50 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2009 and 2008 property tax receipts were based are as follows:

	2009	2008
Real Property		
Residential & Agricultural	\$26,062,540	\$25,923,910
Commercial/Industrial/Mineral	361,190	361,190
Tangible Personal Property	86,160	113,450
Public Utility	2,430,530	2,376,080
Total Assessed Value	\$28,940,420	\$28,774,630

BUCKSKIN TOWNSHIP, ROSS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

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.

Risk Pool Membership

The Township belongs to the Ohio Government Risk Management Plan (the “Plan”), a non-assessable, 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 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’s, 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 the Plan retains. The Plan pays 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.

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

Plan members are responsible to notify 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. The former member’s covered claims, which occurred during their membership period, remain the responsibility of the Plan.

The Plan’s audited financial statements conform with generally accepted accounting principles and reported the following assets, liabilities and members’ Equity at December 31, 2008 and 2007 (the latest information available):

<u>Combined Coverage</u>	<u>2008</u>	<u>2007</u>
Assets	\$10,471,114	\$11,136,455
Liabilities	5,286,781	4,273,553
Retained Earnings	<u>\$5,184,333</u>	<u>\$6,862,902</u>

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

Note 7 – Retirement Systems

The Township’s employees belong to the Public Employees Retirement System (OPERS). OPERS is a cost sharing, multiple-employer plan. The plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2009 and 2008, members contributed 10% of their gross salaries. The Township contributed an amount equal to 14% of participants’ gross salaries. The Township has paid all contributions required through December 31, 2009.

**Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Required by
Government Auditing Standards**

Board of Trustees
Buckskin Township, Ross County
4003 Lyndon-Salem
South Salem, OH 45681

We have audited the accompanying financial statement of Buckskin Township, Ross County, Ohio (the Township), as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated March 8, 2010, wherein we noted that the Township followed accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and timely corrected.

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

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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Board of Trustees
Buckskin Township, Ross County
Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Required by
Government Auditing Standards

We did note certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated March 8, 2010.

We intend this report solely for the information and use of the Board of Trustees and management, and is not intended to be and should not be used by anyone other than these specified parties.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.

March 8, 2010



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
MAY 6, 2010**