

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**AUDIT REPORT**

**JANUARY 1, 2006 – DECEMBER 31, 2007**

**Wolfe, Wilson, & Phillips, Inc.  
37 South Seventh Street  
Zanesville, Ohio 43701**





Mary Taylor, CPA  
Auditor of State

Board of Trustees  
Yellow Creek Township  
P.O. Box 584  
Wellsville, Ohio 43968

We have reviewed the *Independent Auditors' Report* of Yellow Creek Township, Columbiana County, prepared by Wolfe, Wilson & Phillips, Inc., 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.

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. Yellow Creek Township is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

July 7, 2008

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**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

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**WOLFE, WILSON, & PHILLIPS, INC.**  
**37 SOUTH SEVENTH STREET**  
**ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT**

Yellow Creek Township  
Columbiana County  
P.O. Box 584  
Wellsville, Ohio 43968

We have audited the accompanying financial statements of the governmental activities, major funds and aggregate remaining fund information of Yellow Creek Township, Columbiana County as of and for the years ended December 31, 2007 and 2006, which collectively comprised the Township's basic financial statements. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the Township has prepared these financial statements and notes using the cash basis of accounting. 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 financial position-cash basis of the governmental activities, major funds and the aggregate remaining fund information of Yellow Creek Township, Columbiana County, as of December 31, 2007 and 2006, and the respective changes in financial position-cash basis and the respective budgetary comparison for the General Fund, Gas Tax Fund, Road and Bridge Fund, and Fire District Fund, thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 29, 2008, on our consideration of Yellow Creek Township's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* and should be read in conjunction with this report in considering 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 Government 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.

***Wolfe, Wilson, & Phillips, Inc.***  
Zanesville, Ohio  
May 29, 2008

**YELLOW CREEK TOWNSHIP, COLUMBIANA COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
UNAUDITED**

This discussion and analysis of the Yellow Creek Township's financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2007 and 2006, within the limitations of the Township's cash basis accounting. The intent of this discussion and analysis is to look at the Township's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the Township's financial performance.

**Highlights**

Key highlights for 2007 and 2006 are as follows:

The Township's general receipts are primarily Real Estate and property taxes for governmental activities for the year. Tax receipts for 2007 and 2006 changed very little compared to 2005 as development within the Township has stayed about the same.

In 2006, the Township paid off a General Obligation Note that was issued to purchase a backhoe. In 2007 the Township issued debt in the amount of \$75,000 to purchase a dump truck to be used for Township road maintenance.

**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 statement of activities provide information about the cash activities of the Township as a whole. The statement of cash basis assets and fund balances, and the statement of cash receipts, disbursements and changes in fund cash balances, present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the basic financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present 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.



**YELLOW CREEK TOWNSHIP, COLUMBIANA COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
UNAUDITED**

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 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 statements of net assets and statements of activities for 2007 and 2006 reflect how the Township did financially within the limitations of the cash basis of accounting. The statement of net assets present the cash balances of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the programs services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General cash receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well such as the Township's tax base, 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 and real estate taxes.

In the statement of net assets and the statement of activities, we divide the government into governmental activities. All of the Township's basic services are reported here, including road maintenance. Real estate and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**YELLOW CREEK TOWNSHIP, COLUMBIANA COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
UNAUDITED**

**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.

**Governmental Funds** - All of the Township's activities are 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 nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds for 2007 and 2006 the General Fund, Gasoline Tax Fund, Road and Bridge Fund, and Fire District Fund. The programs reported in governmental funds are related to those reported in the governmental activities section of the entity-wide statements. There are no reconciliations between the two reports as the township reports on the cash basis.

**The Government as a Whole**

Table 1 provides a summary of the Township's net assets for 2007 compared to 2006 on the cash basis:

		Table 1 NET ASSETS	
		<u>Governmental Activities</u>	
		<u>2007</u>	<u>2006</u>
Assets			
Cash		\$ 68,151	\$ 55,635
Total Assets		<u>68,151</u>	<u>55,635</u>
Net Assets			
Restricted for:			
Other Purposes		53,665	34,467
Unrestricted		14,486	21,168
Total Net Assets		<u>\$ 68,151</u>	<u>\$ 55,635</u>

**YELLOW CREEK TOWNSHIP, COLUMBIANA COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
UNAUDITED**

Table 2 reflects the changes in net assets in 2007 and 2006

Table 2  
CHANGES IN NET ASSETS

	Governmental Activities	
	2007	2006
Receipts:		
Program Receipts:		
Charges for Services	\$ -	\$ 225
Operating Grants	112,986	100,355
Total Program Receipts	<u>112,986</u>	<u>100,580</u>
General Receipts;		
Property and Other Tax	206,480	172,395
Grants and Entitlements not Restricted	85,851	76,050
Debt Proceeds	75,000	-
Interest	263	163
Miscellaneous	15,252	5,644
Total General Receipts	<u>382,846</u>	<u>254,252</u>
Total Receipts	<u>495,832</u>	<u>354,832</u>
Disbursements:		
General Government	90,538	73,763
Public Safety	76,140	82,717
Public Works	224,280	179,006
Capital Outlay	75,000	-
Debt Service:		
Principal	13,591	12,152
Interest	3,767	6
Total Disbursements	<u>483,316</u>	<u>347,644</u>
Increase/(Decrease) In Net Assets	12,516	7,188
Net Assets, January 1	55,635	48,447
Net Assets, December 31	<u>\$ 68,151</u>	<u>\$ 55,635</u>

Program receipts represent 23% and 28% of total receipts for 2007 and 2006, respectively. They are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money.

General receipts represent 77% and 72% of the Township's total receipts for 2007 and 2006, respectively. Local taxes represent 54% and 68% of the general receipts. Grants and entitlements make up the balance of general receipts. Other receipts are insignificant and somewhat unpredictable receipt sources.

Disbursements for general government represent the overhead costs of running the Township and the support services provided for the other Township activities.

**YELLOW CREEK TOWNSHIP, COLUMBIANA COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
UNAUDITED**

**The Government's Funds**

Total governmental funds had receipts of \$507,332 and \$354,832 for 2007 and 2006 and disbursements of \$494,816 and \$347,644 for 2007 and 2006, respectively.

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

During 2007 and 2006, the Township made amendments to its appropriation budget and receipts budget to reflect changing circumstances. For both 2007 and 2006, actual receipts were greater than budgeted receipts.

Final budgeted disbursements for 2007 and 2006 were \$118,500 and \$91,098, respectively. Actual disbursements for 2007 and 2006 were \$102,038 and \$76,272, respectively. The Township kept spending close to budgeted amounts.

**Capital Assets and Debt Administration**

**Capital Assets**

The Township does not currently keep track of its capital assets and infrastructure in the accompanying financial statements, but records payments for capital assets as disbursements.

**Debt**

As of December 31, 2007, the Township has outstanding debt in the amount of \$61,409 with \$14,294 due within one year. The debt is a loan used to purchase a dump truck. Payments are made annually.

**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 Deborah A. Lyle, Fiscal Officer, P.O. Box 584, Wellsville, Ohio 43968.

**YELLOW CREEK TOWNSHIP  
COLIMBIANA COUNTY**

**STATEMENT OF NET ASSETS-CASH BASIS  
December 31, 2007**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 68,151</u>
<b>Total Assets</b>	<u><u>\$ 68,151</u></u>
<b>NET ASSETS:</b>	
Restricted for:	
Other Purposes	\$ 53,665
Unrestricted	<u>14,486</u>
<b>Total Net Assets</b>	<u><u>\$ 68,151</u></u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF ACTIVITIES-CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Cash</u> <u>Disbursements</u>	<u>Charges for</u> <u>Services</u> <u>and Sales</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital Grants</u> <u>and</u> <u>Contributions</u>	<u>Net</u> <u>(Disbursements)</u> <u>Receipts and</u> <u>Changes in</u> <u>Net Assets</u>
<b>Governmental Activities:</b>					
General Government	\$ 90,538	\$ -	\$ -	\$ -	\$ (90,538)
Public Safety	76,140	-	-	-	(76,140)
Public Works	224,280	-	112,986	-	(111,294)
Capital Outlay	75,000	-	-	-	(75,000)
Debt Service:					
Principal Retirement	13,591	-	-	-	(13,591)
Interest and Fiscal Charges	3,767	-	-	-	(3,767)
<b>Total Governmental Activities</b>	<u>\$ 483,316</u>	<u>\$ -</u>	<u>\$ 112,986</u>	<u>\$ -</u>	<u>\$ (370,330)</u>

**General Receipts:**

Property Taxes Levied for:	
General Purposes	\$ 206,480
Grants and Entitlements not	
Restricted to Specific Programs	85,851
Debt Proceeds	75,000
Interest	263
Miscellaneous	<u>15,252</u>
<b>Total General Receipts</b>	<u>382,846</u>
 Change in Net Assets	 12,516
 <b>Net Assets Beginning of Year</b>	 <u>55,635</u>
 <b>Net Assets End of Year</b>	 <u>\$ 68,151</u>

See notes to the basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
December 31, 2007**

	<u>General</u>	<u>Gas Tax</u>	<u>Road and Bridge</u>	<u>Fire District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>						
Equity in Pooled Cash and cash Equivalents	\$ 14,486	\$ 15,556	\$ 28,088	\$ 223	\$ 9,798	\$ 68,151
<b>Total Assets</b>	<u>\$ 14,486</u>	<u>\$ 15,556</u>	<u>\$ 28,088</u>	<u>\$ 223</u>	<u>\$ 9,798</u>	<u>\$ 68,151</u>
<b>Fund Balances:</b>						
Unreserved:						
General Fund	\$ 14,486	\$ -	\$ -	\$ -	\$ -	\$ 14,486
Special Revenue Fund	-	15,556	28,088	223	9,798	53,665
<b>Total Fund Balances</b>	<u>\$ 14,486</u>	<u>\$ 15,556</u>	<u>\$ 28,088</u>	<u>\$ 223</u>	<u>\$ 9,798</u>	<u>\$ 68,151</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>General</u>	<u>Gasoline Tax</u>	<u>Road and Bridge</u>	<u>Fire District</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>CASH RECEIPTS</b>							
Property and Other Local Taxes	\$ 27,232	\$ -	\$ 58,340	\$ 66,708	\$ -	\$ 54,200	\$ 206,480
Intergovernmental	63,513	97,898	8,286	9,267	-	19,873	198,837
Interest	198	-	-	-	-	65	263
Other	4,413	-	10,839	-	-	-	15,252
<b>Total Receipts</b>	<u>95,356</u>	<u>97,898</u>	<u>77,465</u>	<u>75,975</u>	<u>-</u>	<u>74,138</u>	<u>420,832</u>
<b>CASH DISBURSEMENTS:</b>							
Current:							
General Government	90,538	-	-	-	-	-	90,538
Public Safety	-	-	-	76,140	-	-	76,140
Public Works	-	100,061	55,208	-	-	69,011	224,280
Capital Outlay	-	-	-	-	75,000	-	75,000
Debt Service:							
Principal Retirement	-	-	13,591	-	-	-	13,591
Interest and Fiscal Charges	-	-	3,767	-	-	-	3,767
<b>Total Disbursements</b>	<u>90,538</u>	<u>100,061</u>	<u>72,566</u>	<u>76,140</u>	<u>75,000</u>	<u>69,011</u>	<u>483,316</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	4,818	(2,163)	4,899	(165)	(75,000)	5,127	(62,484)
<b>Other Financing Sources (Uses)</b>							
Debt Proceeds	-	-	-	-	75,000	-	75,000
Transfer - In	-	11,500	-	-	-	-	11,500
Transfer - Out	(11,500)	-	-	-	-	-	(11,500)
<b>Total Other Financing Sources (Uses)</b>	<u>(11,500)</u>	<u>11,500</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>
<b>Net Change in Cash Fund Balance</b>	(6,682)	9,337	4,899	(165)	-	5,127	12,516
<b>Cash Fund Balances Beginning of Year</b>	<u>21,168</u>	<u>6,219</u>	<u>23,189</u>	<u>388</u>	<u>-</u>	<u>4,671</u>	<u>55,635</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 14,486</u>	<u>\$ 15,556</u>	<u>\$ 28,088</u>	<u>\$ 223</u>	<u>\$ -</u>	<u>\$ 9,798</u>	<u>\$ 68,151</u>

See notes to basic financial statements.



**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 28,464	\$ 28,464	\$ 27,232	\$ (1,232)
Intergovernmental	50,768	59,176	63,513	4,337
Interest	-	-	198	198
Other	-	-	4,413	4,413
<b>Total Receipts</b>	<u>79,232</u>	<u>87,640</u>	<u>95,356</u>	<u>7,716</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
General Government	<u>96,781</u>	<u>106,491</u>	<u>90,538</u>	<u>15,953</u>
<b>Total Disbursements</b>	<u>96,781</u>	<u>106,491</u>	<u>90,538</u>	<u>15,953</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	(17,549)	(18,851)	4,818	23,669
<b>Other Financing (Uses)</b>				
Transfer - Out	<u>-</u>	<u>(11,500)</u>	<u>(11,500)</u>	<u>-</u>
<b>Total Other Financing (Uses)</b>	<u>-</u>	<u>(11,500)</u>	<u>(11,500)</u>	<u>-</u>
<b>Net Change in Cash Fund Balance</b>	(17,549)	(30,351)	(6,682)	23,669
<b>Cash Fund Balances Beginning of Year</b>	20,659	20,659	20,659	-
<b>Prior Year Encumbrance Appropriated</b>	<u>509</u>	<u>509</u>	<u>509</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 3,619</u>	<u>\$ (9,183)</u>	<u>\$ 14,486</u>	<u>\$ 23,669</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GASOLINE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>CASH RECEIPTS</b>				
Intergovernmental	\$ 99,966	\$ 99,966	\$ 97,898	\$ (2,068)
<b>Total Receipts</b>	99,966	99,966	97,898	(2,068)
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Works	101,013	107,513	100,061	7,452
<b>Total Disbursements</b>	101,013	107,513	100,061	7,452
<b>Excess of Receipts Over (Under) Disbursements</b>	(1,047)	(7,547)	(2,163)	5,384
<b>Other Financing Sources</b>				
Transfer - In	-	-	11,500	(11,500)
<b>Total Other Financing Sources</b>	-	-	11,500	(11,500)
<b>Net Change in Cash Fund Balance</b>	(1,047)	(7,547)	9,337	16,884
<b>Cash Fund Balances Beginning of Year</b>	5,006	5,006	5,006	-
<b>Prior Year Encumbrance Appropriated</b>	1,213	1,213	1,213	-
<b>Cash Fund Balances End of Year</b>	<u>\$ 5,172</u>	<u>\$ (1,328)</u>	<u>\$ 15,556</u>	<u>\$ 16,884</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 49,982	\$ 60,776	\$ 58,340	\$ (2,436)
Intergovernmental	-	-	8,286	8,286
Interest	-	-	10,839	10,839
<b>Total Receipts</b>	<u>49,982</u>	<u>60,776</u>	<u>77,465</u>	<u>16,689</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Works	72,500	67,175	55,208	11,967
Debt Service:				
Principal Retirement	-	13,591	13,591	-
Interest and Fiscal Charges	-	3,767	3,767	-
<b>Total Disbursements</b>	<u>72,500</u>	<u>84,533</u>	<u>72,566</u>	<u>11,967</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	(22,518)	(23,757)	4,899	28,656
<b>Cash Fund Balances Beginning of Year</b>	<u>23,189</u>	<u>23,189</u>	<u>23,189</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 671</u>	<u>\$ (568)</u>	<u>\$ 28,088</u>	<u>\$ 28,656</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
FIRE DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 99,311	\$ 99,311	\$ 66,708	\$ (32,603)
Intergovernmental	-	-	9,267	9,267
<b>Total Receipts</b>	99,311	99,311	75,975	(23,336)
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Safety	99,699	100,083	76,140	23,943
<b>Total Disbursements</b>	99,699	100,083	76,140	23,943
<b>Excess of Receipts Over (Under) Disbursements</b>	(388)	(772)	(165)	607
<b>Cash Fund Balances Beginning of Year</b>	388	388	388	-
<b>Cash Fund Balances End of Year</b>	<u>\$ -</u>	<u>\$ (384)</u>	<u>\$ 223</u>	<u>\$ 607</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLIMBIANA COUNTY**

**STATEMENT OF NET ASSETS-CASH BASIS  
December 31, 2006**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 55,635</u>
<b>Total Assets</b>	<u><u>\$ 55,635</u></u>
<b>NET ASSETS:</b>	
Restricted for:	
Other Purposes	\$ 34,467
Unrestricted	<u>21,168</u>
<b>Total Net Assets</b>	<u><u>\$ 55,635</u></u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF ACTIVITIES-CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<b>Cash Disbursements</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Net (Disbursements) Receipts and Changes in Net Assets</b>
<b>Governmental Activities:</b>					
General Government	\$ 73,763	\$ 225	\$ -	\$ -	\$ (73,538)
Public Safety	82,717	-	-	-	(82,717)
Public Works	179,006	-	100,355	-	(78,651)
Debt Service					
Principal Retirement	12,152				(12,152)
Interest and Fiscal Charges	6	-	-	-	(6)
	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6)</u>
<b>Total Governmental Activities</b>	<u>\$ 347,644</u>	<u>\$ 225</u>	<u>\$ 100,355</u>	<u>\$ -</u>	<u>\$ (247,064)</u>

**General Receipts:**

Property Taxes Levied for:	
General Purposes	\$ 172,395
Grants and Entitlements not	
Restricted to Specific Programs	76,050
Interest	163
Miscellaneous	5,644
	<u>254,252</u>
Total General Receipts	<u>254,252</u>
Change in Net Assets	7,188
<b>Net Assets Beginning of Year</b>	<u>48,447</u>
<b>Net Assets End of Year</b>	<u>\$ 55,635</u>

See notes to the basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
December 31, 2006**

	<u>General</u>	<u>Gas Tax</u>	<u>Road and Bridge</u>	<u>Fire District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>						
Equity in Pooled Cash and cash Equivalents	\$ 21,168	\$ 6,219	\$ 23,189	\$ 388	\$ 4,671	\$ 55,635
<b>Total Assets</b>	<u>\$ 21,168</u>	<u>\$ 6,219</u>	<u>\$ 23,189</u>	<u>\$ 388</u>	<u>\$ 4,671</u>	<u>\$ 55,635</u>
<b>Fund Balances:</b>						
Reserved:						
Reserved for Encumbrances	\$ 509	\$ 1,213	\$ -	\$ -	\$ 343	\$ 2,065
Unreserved:						
General Fund	20,659	-	-	-	-	20,659
Special Revenue Fund	<u>-</u>	<u>5,006</u>	<u>23,189</u>	<u>388</u>	<u>4,328</u>	<u>32,911</u>
<b>Total Fund Balances</b>	<u>\$ 21,168</u>	<u>\$ 6,219</u>	<u>\$ 23,189</u>	<u>\$ 388</u>	<u>\$ 4,671</u>	<u>\$ 55,635</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>General</u>	<u>Gasoline Tax</u>	<u>Road and Bridge</u>	<u>Fire District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>CASH RECEIPTS</b>						
Property and Other Local Taxes	\$ 25,835	\$ -	\$ 50,272	\$ 65,605	\$ 30,683	\$ 172,395
Charges for Services	-	-	225	-	-	225
Intergovernmental	56,844	85,033	8,348	9,375	16,805	176,405
Interest	128	-	-	-	35	163
Other	3,010	-	1,878	-	756	5,644
<b>Total Receipts</b>	<u>85,817</u>	<u>85,033</u>	<u>60,723</u>	<u>74,980</u>	<u>48,279</u>	<u>354,832</u>
<b>CASH DISBURSEMENTS:</b>						
Current:						
General Government	73,763	-	-	-	-	73,763
Public Safety	-	-	-	82,717	-	82,717
Public Works	-	80,969	53,961	-	44,076	179,006
Debt Service						
Principal Retirement	2,000	2,302	1,000	-	6,850	12,152
Interest and Fiscal Charges	-	-	-	-	6	6
<b>Total Disbursements</b>	<u>75,763</u>	<u>83,271</u>	<u>54,961</u>	<u>82,717</u>	<u>50,932</u>	<u>347,644</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	10,054	1,762	5,762	(7,737)	(2,653)	7,188
<b>Cash Fund Balances Beginning of Year</b>	<u>11,114</u>	<u>4,457</u>	<u>17,427</u>	<u>8,125</u>	<u>7,324</u>	<u>48,447</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 21,168</u>	<u>\$ 6,219</u>	<u>\$ 23,189</u>	<u>\$ 388</u>	<u>\$ 4,671</u>	<u>\$ 55,635</u>

See notes to basic financial statements.



**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 27,752	\$ 30,325	\$ 25,835	\$ (4,490)
Intergovernmental	50,769	50,769	56,844	6,075
Interest	-	-	128	128
Other	-	-	3,010	3,010
<b>Total Receipts</b>	<u>78,521</u>	<u>81,094</u>	<u>85,817</u>	<u>4,723</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
General Government	86,520	89,098	74,272	14,826
Debt Service:				
Principal Retirement	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
<b>Total Disbursements</b>	<u>88,520</u>	<u>91,098</u>	<u>76,272</u>	<u>14,826</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	(9,999)	(10,004)	9,545	19,549
<b>Cash Fund Balances Beginning of Year</b>	<u>11,114</u>	<u>11,114</u>	<u>11,114</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 1,115</u>	<u>\$ 1,110</u>	<u>\$ 20,659</u>	<u>\$ 19,549</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GASOLINE TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>CASH RECEIPTS</b>				
Intergovernmental	\$ 97,054	\$ 97,054	\$ 85,033	\$ (12,021)
<b>Total Receipts</b>	97,054	97,054	85,033	(12,021)
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Works	97,742	97,742	82,182	15,560
Debt Service:				
Principal Retirement	2,302	2,302	2,302	-
<b>Total Disbursements</b>	100,044	100,044	84,484	15,560
<b>Excess of Receipts Over (Under) Disbursements</b>	(2,990)	(2,990)	549	3,539
<b>Cash Fund Balances Beginning of Year</b>	4,457	4,457	4,457	-
<b>Cash Fund Balances End of Year</b>	<u>\$ 1,467</u>	<u>\$ 1,467</u>	<u>\$ 5,006</u>	<u>\$ 3,539</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 48,416	\$ 48,416	\$ 50,272	\$ 1,856
Charges for Services	-	-	225	225
Intergovernmental	-	-	8,348	8,348
Other	-	-	1,878	1,878
<b>Total Receipts</b>	<u>48,416</u>	<u>48,416</u>	<u>60,723</u>	<u>12,307</u>
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Works	64,000	64,000	53,961	10,039
Debt Service:				
Principal Retirement	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
<b>Total Disbursements</b>	<u>65,000</u>	<u>65,000</u>	<u>54,961</u>	<u>10,039</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	(16,584)	(16,584)	5,762	22,346
<b>Cash Fund Balances Beginning of Year</b>	<u>17,427</u>	<u>17,427</u>	<u>17,427</u>	<u>-</u>
<b>Cash Fund Balances End of Year</b>	<u>\$ 843</u>	<u>\$ 843</u>	<u>\$ 23,189</u>	<u>\$ 22,346</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
FIRE DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>CASH RECEIPTS</b>				
Property and Other Local Taxes	\$ 68,792	\$ 69,752	\$ 65,605	\$ (4,147)
Intergovernmental	-	-	9,375	9,375
<b>Total Receipts</b>	68,792	69,752	74,980	5,228
<b>CASH DISBURSEMENTS:</b>				
Current:				
Public Safety	76,917	83,264	82,717	547
<b>Total Disbursements</b>	76,917	83,264	82,717	547
<b>Excess of Receipts Over (Under) Disbursements</b>	(8,125)	(13,512)	(7,737)	5,775
<b>Cash Fund Balances Beginning of Year</b>	8,125	8,125	8,125	-
<b>Cash Fund Balances End of Year</b>	<u>\$ -</u>	<u>\$ (5,387)</u>	<u>\$ 388</u>	<u>\$ 5,775</u>

See notes to basic financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. DESCRIPTION OF THE REPORTING ENTITY**

**Reporting Entity**

The Township of Yellow Creek, Columbiana County, 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 and a publicly elected Fiscal Officer.

The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure that the financial statements are not misleading.

**Primary Government**

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection. The Township contracts with the Wellsville Volunteer Fire Department and the Highlandtown Volunteer Fire Department to provide fire services.

**Component Units**

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

Yellow Creek Township has no component units.

**Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools**

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

The Township participates in a public entity risk pool. Note 6 to the financial statements provide additional information for this entity. This organization is: Public Entity Risk Pool: Ohio Township Association Risk Management Authority (OTARMA). OTARMA provides property, casualty and liability coverage.

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

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements, in which case GASB prevails. Following are more of the Township's accounting policies.

**Basis of Presentation**

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

**Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities or the Township that are governmental and those that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or service. The Township has no business-type activities.

The statement of net assets present the cash balance of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the programs goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

**Fund Financial Statements**

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Accounting**

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are divided into one category: governmental.

**Governmental Funds**

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds for 2007 and 2006 are the General Fund, Gasoline Tax Fund, Road and Bridge Fund, and Fire District Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio. The Road and Bridge Fund is used for road and bridge maintenance. The Gasoline Tax Fund is used for the maintenance and up keep of roads. The Fire District Fund is used to collect real estate taxes and disbursed for fire contracts. The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

**Basis of Accounting**

The Township's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note. There were no modifications having substantial support.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue billed or provided services not yet collected) and certain liabilities (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Budgetary Process**

All funds are legally required to be budgeted and appropriated (except certain agency funds). The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the township may appropriate.

The appropriations ordinance is the Township's authorization to spend resources and set limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported in the original budget on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

**Cash and Investments**

To improve cash management, cash received by the Township is deposited into a checking and savings account which earns 4.58 percent interest. In 2007 and 2006, interest credited to the General Fund was \$198 and \$128, respectively.

**Restricted Assets**

Cash and cash equivalents are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Amounts restricted for other purposes represents special revenue funds restricted to a specific use.



**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Inventory and Prepaid Items**

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**Employer Contributions to Cost-Sharing Pension Plans**

The Township recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Note 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

**Long-Term Obligations**

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither a other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

**Net Assets**

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include gasoline tax receipts used for the upkeep of Township roads and bridges, real estate tax used for fire protection, capital projects funds are used for improvements in the Township.

**Capital Assets**

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

**Fund Balance Reserve**

The Township may reserve any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. The Township has no reserves as of December 31, 2007. As of December 31, 2006, the Township had \$2,065 in reserves. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods.

**Accumulated Leave**

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

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Interfund Transactions**

Exchange transactions between funds are reported as cash receipts in the seller funds and as cash disbursements in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented on the financial statements. In the government-wide statements, transfers within governmental activities are eliminated.

**3. CHANGE IN BASIS OF ACCOUNTING AND RESTATEMENT OF FUND EQUITY**

Last audit period the Township reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. This audit period the Township has implemented the cash basis of accounting. The fund financial statements now present each major fund in a separate column with nonmajor funds aggregated and presented in a single column, rather than a column for each fund type. There was no restatement of fund equity due to this change.

**4. BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Budgetary Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparisons of actual results with the budget. The differences between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). There were no outstanding encumbrances at year-end for 2007 and \$2,065 for 2006, respectively.

**5. DEPOSITS**

Monies held by the Township are classified by State into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, including negotiable order of withdrawal (NOW) accounts.

Inactive deposits are public deposits that the Township has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**5. DEPOSITS (Continued)**

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuance of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligation of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligation described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by collateral pledged to the Township by the financial institution, or by a collateral pool established by the financial institution, to secure the repayment of all public monies deposited with the institution. The Huntington National Bank is the financial institution for Yellow Creek Township.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**5. DEPOSITS (Continued)**

The Township did not have any undeposited cash on hand for 2007 and 2006.

**Deposits:**

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are the possession of an outside party. At year ended December 31, 2007, \$3,371 of the Township's bank balance of \$103,371 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name. At year ended December 31, 2006, \$398 of the Township's bank balance of \$100,398 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

**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 governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

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

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. RISK MANAGEMENT (Continued)**

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, The Travelers Indemnity Company 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.

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, 2006 and 2005, the latest information available.

Casualty Coverage	2006	2005
Assets	\$ 32,031,312	\$ 30,485,638
Liabilities	(11,443,952)	(12,344,576)
Retained Earnings	<u>\$ 20,587,360</u>	<u>\$ 18,141,062</u>
Property Coverage	2006	2005
Assets	\$ 10,010,963	\$ 9,177,796
Liabilities	(676,709)	(1,450,031)
Retained Earnings	<u>\$ 9,334,254</u>	<u>\$ 7,771,765</u>

At December 31, 2006 and 2005, respectively, casualty coverage liabilities noted above include approximately \$10.8 million and \$11.6 million of estimated incurred claims payable. The Casualty Coverage assets and retained earnings above also include approximately \$10.8 million and \$11.6 million of unpaid claims to be billed to approximately 958 member governments in the future, as of December 31, 2006 and 2005, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Townships's share of these unpaid claims collectible in future years is approximately \$9,150. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. RISK MANAGEMENT (Continued)**

Based on discussion with OTARMA, the expected rates OTARMA charges 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 annual 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>Contributions to OTARMA</u>	
2005	\$ 7,278
2006	6,693
2007	4,575

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.

The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

**7. DEFINED BENEFIT PENSION PLAN**

**Ohio Public Employees Retirement System**

The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

**Post Employment Benefits**

**Ohio Public Employees Retirement System**

For the years ended December 31, 2007 and 2006, the members in the traditional plan, were required to contribute 9.5 and 9.0, percent, respectively, of their annual covered salaries. The Township's contribution rate for pension benefits for 2007 and 2006 was 13.85 percent and 13.70 percent, respectively. 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, 2007, 2006, and 2005 were \$16,631, \$16,734, and \$16,411, respectively. The full amount has been contributed for 2007, 2006 and 2005. Contributions to the member-directed plan for 2007 were \$16,631 made by the Township and \$11,407 made by the plan members.

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. 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 portion of employer contributions in 2007, for all employers, allocated to health care was 5.0% from January 1 through June 30, 2007 and 6.0% from July 1, 2007 through December 31, 2007.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as December 31, 2006, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between .50 percent and 5 percent annually for the next eight years and 4 percent annually after nine years.

All investments are carried at market value. 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, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 362,130. Actual employer contributions for 2007 and 2006 which were used to fund postemployment benefits was \$6,604 and \$5,496, respectively. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2006, (the latest information available) were \$12.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**8. PROPERTY TAXES**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2007 represent the collection of 2006 taxes. Real property taxes received in 2007 were levied after October 1, 2006, on the assessed values as of January 1, 2006, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstance, State statute permits alternate payment dates to be established.

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

Tangible personal property tax is assessed by the property owners, who must be 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.

The full tax rate for all Township operations for the year ended December 31, 2007, was \$3.20 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property	
Residential/Agriculture	\$ 27,813,400
Commercial/Industrial/Mineral	811,330
Public Utility Property	
Real	-
Personal	821,120
Tangible Personal Property	<u>2,134,330</u>
Total Assessed Value	<u><u>\$ 31,580,180</u></u>



**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

**9. DEBT**

Long term debt of the Township, as of December 31, 2007 is as follows:

	Balance January 1 2006	Additions	Deductions	Balance December 31 2007	Amount Due Within One Year
Note-Backhoe	\$ 12,152	\$ -	\$ 12,152	\$ -	\$ -
Note-Dump Truck	-	75,000	13,591	61,409	14,294
<b>Total</b>	<b>\$ 12,152</b>	<b>\$ 75,000</b>	<b>\$ 25,743</b>	<b>\$ 61,409</b>	<b>\$ 14,294</b>

A general obligation note was issued in 2004 for the purchase of a new backhoe to be used for Township road maintenance. This note was paid off in 2006.

A promissory note was issued in the amount of \$75,000 in 2007 for the purchase of a dump truck to be used for Township road maintenance. This note is collateralized by the dump truck. Payments are made annually.

Amortization of the above debt is as follows:

	Dump Truck	
	Principal	Interest
2008	\$ 14,294	\$ 3,064
2009	15,007	2,351
2010	15,756	1,602
2011	16,352	816
<b>Total</b>	<b>\$ 61,409</b>	<b>\$ 7,833</b>

**10. COMPLIANCE AND ACCOUNTABILITY.**

Contrary to Section 5705.39, Ohio Revised Code, the Township had various funds in which appropriations exceeded estimated resources.

Contrary to Section 5705.41(D), Ohio Revised Code, the Township had expenditures made prior to certification.

**WOLFE, WILSON, & PHILLIPS, INC.  
37 SOUTH SEVENTH STREET  
ZANESVILLE, OHIO 43701**

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

Yellow Creek Township  
Columbiana County  
P.O. Box 584  
Wellsville, Ohio 43968

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Yellow Creek Township, Columbiana County, Ohio, as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated May 29, 2008, wherein we noted the Township followed the cash basis of accounting, a comprehensive accounting basis other 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Yellow Creek 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 to 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 a misstatement of the Township's financial statements that is more than inconsequential will not be prevented or detected by the Township's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Township's internal control.

Our consideration of internal control over financial reporting was for the limited purposes described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control 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 have reported to management in a separate letter dated May 29, 2008.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Yellow Creek Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that we must report under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2007-01 and 2007-02. Also, we noted certain immaterial instances of noncompliance that we have reported to the management of Yellow Creek Township in a separate letter dated May 29, 2008.

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

This report is intended for the information of the Township's management, fiscal officer, and Auditor of State, and is not intended to be and should not be used by anyone other than these specified parties.

***Wolfe, Wilson, & Phillips, Inc.***  
Zanesville, Ohio  
May 29, 2008

**YELLOW CREEK TOWNSHIP  
COLUMBIANA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007 and 2006**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**FINDING NUMBER 2007-01**

Ohio Revised Code Section 5705.41(D) states in part that no subdivision shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of Fiscal Officer of the subdivision. The Fiscal Officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

Prior certification was not obtained for 24% in 2007 and 27% in 2006 of the expenditures tested.

The Fiscal Officer should certify funds before each payment is made through the issuance of a regular, blanket, or super blanket purchase order. Blanket certificates should be issued for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of Trustees against any specific line item account over a period not running beyond the end of the current fiscal year. A super blanket purchase order can be completed for any amount for expenditures and contracts from a specific line item appropriation account in a specified fund for most recurring or reasonable predictable operating expenditures. This is not to extend beyond the current year. More than one super blanket may be outstanding at one particular time for a particular line item appropriation account.

Also, as an alternative, the Township can issue then and now certificates for expenses up to \$3,000. Then and now certificates allow the Fiscal Officer to certify that both at the time the expenditure was made and at the time that the certification is completed, sufficient funds are available. These certificates can be certified by the Fiscal Officer without subsequent authorization from the Trustees. However, then and now certificates issued by the Fiscal Officer over \$3,000, must be authorized by the Trustees within thirty days after payment.

Client Response: We agree with finding and will try to improve in the future.

**FINDING NUMBER 2007-02**

Ohio Revised Code Section 5705.39 states that total appropriations from each fund shall not exceed the total estimated resources. In 2007, the General Fund had appropriations exceed estimated resources by \$9,183. The Gasoline Tax Fund had appropriations exceeding estimated resources by \$1,328. The Road and Bridge Fund had appropriations exceed estimated resources by \$568. The Fire District Fund had appropriations exceed estimated resources by \$384. In 2006, the Township had appropriations exceed estimated resources in the Fire District Fund by \$5,387.

Client Response: We agree with finding and will monitor budgetary procedures more closely.



**Mary Taylor, CPA**  
Auditor of State

**YELLOW CREEK TOWNSHIP**

**COLUMBIANA 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  
JULY 17, 2008**