

**GREEN TOWNSHIP
HOCKING COUNTY
Regular Audit
December 31, 2009**

Perry & Associates
Certified Public Accountants, A.C.



Mary Taylor, CPA
Auditor of State

Board of Trustees
Green Township
P. O. Box 182
Logan, Ohio 43138

We have reviewed the *Independent Accountants' Report* of Green Township, Hocking County, prepared by Perry & Associates, Certified Public Accountants, A. C., for the audit period January 1, 2009 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.

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. Green Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 5, 2010

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**GREEN TOWNSHIP
HOCKING COUNTY**

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Perry & Associates
Certified Public Accountants, A.C.

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INDEPENDENT ACCOUNTANTS' REPORT

June 23, 2010

Green Township
Hocking County
P.O. Box 788
Logan, Ohio 43138

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Green Township, Hocking County, Ohio**, (the Township) as of and for the year ended December 31, 2009, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As discussed in Note 2C, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Green Township, Hocking County, Ohio, as of December 31, 2009, and the respective changes in cash financial position, reserve for encumbrances and the respective budgetary comparison for the General, Gasoline Tax, Road and Bridge, Fire Levy, Road District and Road Improvement Funds thereof for the year then ended in conformity with the basis of accounting Note 2C describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

Respectfully Submitted,

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

Perry and Associates
Certified Public Accountants, A.C.

Green Township, Hocking County
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

This discussion and analysis of the Green Township's financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2009, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2009 are as follows:

Net assets of governmental activities decreased \$62,525, a significant change from the prior year. All funds were affected by the down turn of the economy.

The Township's general receipts are primarily property taxes. These receipts represent respectively \$271,856 and 57 percent of the total cash received for governmental activities during the year. Property and income tax receipts for 2009 changed very little compared to 2008, there was a slight increase as the County has been enforcing the collection of delinquent taxes, and the growing amount of residents we are seeing in our township.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the Township-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 its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

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

Green Township, Hocking County
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2009, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program and . Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function or 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 property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

In the statement of net assets and the statement of activities, the Township activities are all considered to be of one type:

Governmental activities. Most of the Township's basic services are reported here, including police, fire, streets and parks. State and federal grants and income and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Township's Most Significant Funds

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

Governmental Funds - All of the Township's activities are reported in governmental funds. The Township's 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 are the General, Gasoline Tax, Road and Bridge, Fire Levy, Road District, and Road Improvement Funds.

Green Township, Hocking County
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

The Township as a Whole

Table 1 provides a summary of the Township's net assets for 2009 compared to 2008 on a cash basis:

	Governmental Activities		
	2009	2008	2007
Assets			
Cash and Cash Equivalents	\$ 142,751	\$ 205,276	\$ 273,493
Total Assets	\$ 142,751	\$ 205,276	\$ 273,493
 Net Assets			
Restricted for:			
Other Purposes	101,004	124,142	21,319
Unrestricted	41,747	81,134	252,114
Total Net Assets	\$ 142,751	\$ 205,276	\$ 273,433

As mentioned previously, net assets of governmental activities decreased \$62,525 during 2009. The primary reasons contributing to the decreases in cash balances are as follows:

- The Township had several roads that were in very poor condition that needed extra repairs, we had an increase in the amount of roads the Township chip & sealed.

Table 2 reflects the changes in net assets on a cash basis in 2008 and 2009 for governmental activities.

Green Township, Hocking County
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

(Table 2)

Changes in Net Assets

	Governmental Activities	
	2009	2008
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$ 1,000	\$ 3,600
Operating Grants and Contributions	97,798	101,073
Capital Grants and Contributions	12,000	10,500
Total Program Receipts	<u>110,798</u>	<u>115,173</u>
General Receipts:		
Property and Other Local Taxes	271,856	268,144
Sale of Fixed Assets	10,750	6,880
Debt Proceeds	0	15,000
Grants and Entitlements Not Restricted to Specific Programs	69,596	70,803
Interest	3,895	2,354
Miscellaneous	6,248	2,711
Total General Receipts	<u>362,345</u>	<u>365,892</u>
Total Receipts	<u>473,143</u>	<u>481,065</u>
Disbursements:		
General Government	68,911	46,227
Public Safety	32,525	29,133
Public Works	380,313	373,163
Health	13,025	15,279
Human Services	12,000	10,000
Capital Outlay	5,324	56,714
Principal Retirement	20,750	15,750
Interest and Fiscal Charges	2,820	3,016
Total Disbursements	<u>535,668</u>	<u>549,282</u>
Increase (Decrease) in Net Assets	(62,525)	(68,217)
Net Assets, January 1	<u>205,276</u>	<u>273,493</u>
Net Assets, December 31	<u>\$ 142,751</u>	<u>\$ 205,276</u>

Program receipts represent only 23 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money.

General receipts represent 77 percent of the Township's total receipts, and of this amount, over 75 percent are local taxes. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the costs of council, as well as internal services such as payroll and purchasing. Since these costs do not represent direct services to residents, we try to limit these costs.

Green Township, Hocking County
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

Public Safety is the costs of police and fire protections; Public Works are the costs of maintaining the roads; Health Services are the services provided by the Hocking County Health Department; and Debt Services are the payments made to retire outstanding debt of the Township

Governmental Activities

If you look at the Statement of Activities on page 10, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for public works and general government, which account for 71 and 13 percent of all governmental disbursements, respectively. Public safety also represents a significant cost, about 6 percent. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The Net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)

Governmental Activities

	Total Cost of Services 2009	Net Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2008
General Government	\$ 68,911	\$ (68,911)	\$ 46,227	\$ (46,227)
Public Safety	32,525	(32,525)	29,133	(29,133)
Public Works	380,313	(270,515)	373,163	(261,750)
Health	13,025	(12,025)	15,279	(11,679)
Human Services	12,000	(12,000)	10,000	(10,000)
Other	-	-	-	160
Capital Outlay	5,324	(5,324)	56,714	(56,714)
Principal Retirement	20,750	(20,750)	15,750	(15,750)
Interest and Fiscal Charges	2,820	(2,820)	3,016	(3,016)
Total Expenses	<u>\$ 535,668</u>	<u>\$ (424,870)</u>	<u>\$ 549,282</u>	<u>\$ (434,109)</u>

The dependence upon property tax receipts is apparent as over 51 percent of governmental activities are supported through these general receipts.

The Township's Funds

Total governmental funds had receipts of \$473,143 and disbursements of \$535,668. The greatest change within governmental funds occurred within the General Fund.

General Fund receipts were less than disbursements by \$39,388 indicating that the General Fund is in a deficit spending situation, which is due to the Trustees now being paid out of the General Fund effective 2009. It was the recommendation of the finance committee and the administration that a reduction in disbursements was preferable to requesting additional funds from the taxpayers.

Green Township, Hocking County
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Township has a few significant budgeted funds.

Final disbursements were budgeted at \$102,488 while actual disbursements were \$99,703.

Debt Administration

At December 31, 2009, the Township's outstanding debt included \$31,000 for equipment. For further information regarding the Township's debt, refer to Note 9 to the basic financial statements.

Current Issues

The challenge for all Townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. With the increase costs and need for road materials, it is very hard to predict if any overall increases will be necessary.

Contacting the Township'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 Danika A. Lehman Fiscal Officer, Green Township, PO Box 182, Logan, OH 43138

Green Township, Hocking County
Statement of Net Assets - Cash Basis
As of December 31, 2009

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 142,751</u>
<i>Total Assets</i>	<u><u>142,751</u></u>
Net Assets	
Restricted for:	
Other Purposes	101,004
Unrestricted	<u>41,747</u>
<i>Total Net Assets</i>	<u><u>\$ 142,751</u></u>

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2009

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental Activities					
General Government	\$ 68,911	\$ -	\$ -	\$ -	\$ (68,911)
Public Safety	32,525	-	-	-	(32,525)
Public Works	380,313	-	97,798	12,000	(270,515)
Health	13,025	1,000	-	-	(12,025)
Human Services	12,000	-	-	-	(12,000)
Capital Outlay	5,324	-	-	-	(5,324)
Debt Service:					
Principal	20,750	-	-	-	(20,750)
Interest	2,820	-	-	-	(2,820)
<i>Total Governmental Activities</i>	<u>\$ 535,668</u>	<u>\$ 1,000</u>	<u>\$ 97,798</u>	<u>\$ 12,000</u>	<u>(424,870)</u>
 General Receipts					
Property Taxes					263,815
Other Taxes					8,041
Grants and Entitlements not Restricted to Specific Programs					69,596
Sale of Fixed Assets					10,750
Interest					3,895
Miscellaneous					6,248
<i>Total General Receipts</i>					<u>362,345</u>
Change in Net Assets					(62,525)
<i>Net Assets Beginning of Year</i>					<u>205,276</u>
<i>Net Assets End of Year</i>					<u>\$ 142,751</u>

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Gasoline Tax	Road and Bridge	Fire Levy	Road District	Road Improvement	Other Governmental Funds	Total Governmental Funds
Assets								
Equity in Pooled Cash and Cash Equivalents	\$ 41,747	\$ 7,594	\$ 22,398	\$ 29,609	\$ 17,280	\$ 17,026	\$ 7,098	\$ 142,752
<i>Total Assets</i>	<u>41,747</u>	<u>7,594</u>	<u>22,398</u>	<u>29,609</u>	<u>17,280</u>	<u>17,026</u>	<u>7,098</u>	<u>142,752</u>
Fund Balances								
Reserved:								
Reserved for Encumbrances	12,753	-	8,796	-	\$4,862	-	714	27,125
Unreserved:								
Undesignated (Deficit), Reported in:								-
General Fund	28,993	-	-	-	-	-	-	28,993
Special Revenue Funds	-	7,594	13,602	29,609	12,418	17,026	6,384	86,633
<i>Total Fund Balances</i>	<u>\$ 41,746</u>	<u>\$ 7,594</u>	<u>\$ 22,398</u>	<u>\$ 29,609</u>	<u>\$ 17,280</u>	<u>\$ 17,026</u>	<u>\$ 7,098</u>	<u>\$ 142,751</u>

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2009

	General	Gasoline Tax	Road and Bridge	Fire Levy	Road District	Road Improvement	Other Governmental Funds	Total Governmental Funds
Receipts								
Property and Other Local Taxes	\$ 21,079	\$ -	\$ 107,945	\$ 33,785	\$ 51,380	\$ 57,668	\$ -	\$ 271,857
Licenses, Permits and Fees	-	-	-	-	-	-	1,000	1,000
Intergovernmental	22,142	85,643	17,538	7,375	10,360	12,180	24,156	179,394
Interest	3,452	208	-	-	-	-	235	3,895
Other	139	-	-	-	-	6,109	-	6,248
Total Receipts	46,812	85,851	125,483	41,160	61,740	75,957	25,391	462,394
Disbursements								
Current:								
General Government	68,911	-	-	-	-	-	-	68,911
Public Safety	-	-	-	32,526	-	-	-	32,526
Public Works	8,009	74,677	129,448	-	50,514	96,510	21,155	380,313
Health	9,630	-	-	-	-	-	3,395	13,025
Human Services	-	-	-	-	-	-	12,000	12,000
Capital Outlay	400	-	2,524	-	2,400	-	-	5,324
Debt Service:								
Principal Retirement	-	20,750	-	-	-	-	-	20,750
Interest and Fiscal Charges	-	2,820	-	-	-	-	-	2,820
Total Disbursements	86,950	98,247	131,972	32,526	52,914	96,510	36,550	535,669
<i>Excess of Receipts Over (Under) Disbursements</i>	(40,138)	(12,396)	(6,489)	8,634	8,826	(20,553)	(11,159)	(73,275)
Other Financing Sources (Uses)								
Sale of Fixed Assets	750	-	-	-	-	10,000	-	10,750
Advances In	17,400	17,400	-	-	-	-	-	34,800
Advances Out	(17,400)	(17,400)	-	-	-	-	-	(34,800)
Total Other Financing Sources (Uses)	750	-	-	-	-	10,000	-	10,750
Net Change in Fund Balances	(39,388)	(12,396)	(6,489)	8,634	8,826	(10,553)	(11,159)	(62,525)
Fund Balances Beginning of Year	81,134	19,990	28,887	20,975	8,454	27,579	18,257	205,276
Fund Balances End of Year	\$ 41,746	\$ 7,594	\$ 22,398	\$ 29,609	\$ 17,280	\$ 17,026	\$ 7,098	\$ 142,751

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 16,000	\$ 21,037	\$ 21,079	\$ 42
Intergovernmental	12,988	20,963	22,142	1,179
Interest	4,000	4,000	3,452	(548)
Other	-	115	139	24
<i>Total Receipts</i>	32,988	46,115	46,812	697
Disbursements				
Current:				
General Government	74,504	73,059	70,275	2,784
Public Works	4,107	8,361	8,361	-
Health	10,000	9,630	9,630	-
Capital Outlay	-	11,438	11,437	1
<i>Total Disbursements</i>	88,611	102,488	99,703	2,785
<i>Excess of Receipts Over (Under) Disbursements</i>	(55,623)	(56,373)	(52,891)	3,482
Other Financing Sources (Uses)				
Sale of Fixed Assets	-	750	750	-
Advances In	-	-	17,450	17,450
Advances Out	-	-	(17,450)	(17,450)
<i>Total Other Financing Sources (Uses)</i>	-	750	750	-
<i>Net Change in Fund Balance</i>	(55,623)	(55,623)	(52,141)	3,482
<i>Fund Balance Beginning of Year</i>	77,891	77,891	77,891	-
Prior Year Encumbrances Appropriated	3,243	3,243	3,243	-
<i>Fund Balance End of Year</i>	\$ 25,511	\$ 25,511	\$ 28,993	\$ 3,482

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Gasoline Tax Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$ 84,000	\$ 84,000	\$ 85,643	\$ 1,643
Miscellaneous	100	100	208	108
<i>Total Receipts</i>	84,100	84,100	85,851	1,751
Disbursements				
Current:				
Public Works	76,927	75,227	74,677	550
Debt Service:				
Principal Retirement	20,750	20,750	20,750	-
Interest and Fiscal Charges	1,154	2,854	2,820	34
<i>Total Disbursements</i>	98,831	98,831	98,247	584
<i>Net Change in Fund Balance</i>	(14,731)	(14,731)	(12,396)	2,335
<i>Fund Balance Beginning of Year</i>	19,514	19,514	19,514	-
Prior Year Encumbrances Appropriated	476	476	476	-
<i>Fund Balance End of Year</i>	\$ 5,259	\$ 5,259	\$ 7,594	\$ 2,335

The notes to the basic financial statements are an integral part of this statement

Green Township, Hocking County
*Statement of Receipts, Disbursements and Changes
 In Fund Balance - Budget and Actual -Budget Basis
 Road & Bridge Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 93,000	\$ 110,510	\$ 107,945	\$ (2,565)
Intergovernmental	12,000	14,973	17,538	2,565
<i>Total Receipts</i>	105,000	125,483	125,483	-
Disbursements				
Current:				
Public Works	129,002	134,831	130,441	4,390
Capital Outlay	2,000	10,327	10,327	-
<i>Total Disbursements</i>	131,002	145,158	140,768	4,390
<i>Net Change in Fund Balance</i>	(26,002)	(19,675)	(15,285)	4,390
<i>Fund Balance Beginning of Year</i>	28,100	28,100	28,100	-
Prior Year Encumbrances Appropriated	787	787	787	-
<i>Fund Balance End of Year</i>	\$ 2,885	\$ 9,212	\$ 13,602	\$ 4,390

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Fire Levy Fund
For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	(Optional) Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 30,400	\$ 27,815	\$ 33,785	\$ 5,970
Intergovernmental	4,000	6,585	7,375	790
<i>Total Receipts</i>	<u>34,400</u>	<u>34,400</u>	<u>41,160</u>	<u>6,760</u>
Disbursements				
Current:				
Public Safety	38,200	38,200	32,526	5,674
Capital Outlay	6,000	6,000	-	6,000
<i>Total Disbursements</i>	<u>44,200</u>	<u>44,200</u>	<u>32,526</u>	<u>11,674</u>
<i>Net Change in Fund Balance</i>	(9,800)	(9,800)	8,634	18,434
<i>Fund Balance Beginning of Year</i>	<u>20,975</u>	<u>20,975</u>	<u>20,975</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 11,175</u>	<u>\$ 11,175</u>	<u>\$ 29,609</u>	<u>\$ 18,434</u>

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
*Statement of Receipts, Disbursements and Changes
 In Fund Balance - Budget and Actual -Budget Basis
 Road District Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 46,000	\$ 49,069	\$ 51,380	\$ 2,311
Intergovernmental	6,500	10,360	10,360	-
<i>Total Receipts</i>	52,500	59,429	61,740	2,311
Disbursements				
Current:				
Public Works	58,237	60,837	55,376	5,461
Capital Outlay	-	2,400	2,400	-
<i>Total Disbursements</i>	58,237	63,237	57,776	5,461
<i>Net Change in Fund Balance</i>	(5,737)	(3,808)	3,964	7,772
<i>Fund Balance Beginning of Year</i>	6,836	6,836	6,836	-
Prior Year Encumbrances Appropriated	1,618	1,618	1,618	-
<i>Fund Balance End of Year</i>	\$ 2,717	\$ 4,646	\$ 12,418	\$ 7,772

The notes to the basic financial statements are an integral part of this statement.

Green Township, Hocking County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
Road Improvement Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$ 49,700	\$ 47,057	\$ 57,668	\$ 10,611
Intergovernmental	7,000	11,276	12,180	904
Other	-	6,109	6,109	-
<i>Total Receipts</i>	56,700	64,442	75,957	11,515
Disbursements				
Current:				
Public Works	80,776	98,518	96,510	2,008
<i>Total Disbursements</i>	80,776	98,518	96,510	2,008
<i>Excess of Receipts Over (Under) Disbursements</i>	(24,076)	(34,076)	(20,553)	13,523
Other Financing Sources (Uses)				
Sale of Fixed Assets	-	10,000	10,000	-
<i>Total Other Financing Sources (Uses)</i>	-	10,000	10,000	-
<i>Net Change in Fund Balance</i>	(24,076)	(24,076)	(10,553)	13,523
<i>Fund Balance Beginning of Year</i>	25,796	25,796	25,796	-
Prior Year Encumbrances Appropriated	1,783	1,783	1,783	-
<i>Fund Balance End of Year</i>	\$ 3,503	\$ 3,503	\$ 17,026	\$ 13,523

The notes to the basic financial statements are an integral part of this statement

Note 1 – Reporting Entity

Green Township, Hocking County, Ohio (the Township), is a body politic and corporate established in 1818 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 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.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, and cemetery maintenance. The Township contracts with the City of Logan for fire protection. Police protection is provided by Hocking County Sheriff.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, 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 and the fund financial statements for the proprietary funds, 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 conflict with or contradict GASB pronouncements, in which case GASB prevails. The Township does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the Township's accounting policies.

The Township does not have proprietary funds, business-type activities, or enterprise funds.

A. 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. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash 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 program's 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 certain 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.

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial 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 and enterprise 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.

B. 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 Township only has governmental funds.

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 include: General, Gasoline Tax, Fire Levy, Road & Bridge, Fire, Road Improvement, and Road District. 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 Gasoline Fund receives monies from the gasoline taxes, The Road & Bridge, Fire, Road Improvement and Road District funds are funded with property taxes. These funds are used for labor, equipment, and materials for road maintenance and repairs.

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

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. 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.

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

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. 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 sets 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.

Note 2 – Summary of Significant Accounting Policies (continued)

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 as the original budgeted amounts 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.

E. Deposits and Investments

The Township deposits all revenue into a regular checking account, however during September of 2008, a High Performance Interest Bearing Checking account was opened to be used to transfer monies in and out of to the regular checking to be used for expenses. The Township also had a Certificate of Deposit for \$100,000 which was to be used as the carryover balance for 2010.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2009 was \$3,452, Motor Vehicle License Tax Fund was \$235 and Gasoline Tax Fund was \$208.

F. Restricted Assets

Cash, cash equivalents and investments 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. The Township had no restricted assets.

H. 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.

I. Interfund Receivables/Payables

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements. There were advances to the Gasoline Tax Fund from the General Fund and all advances were repaid by 2009 year end.

J. 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.

K. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Note 2 – Summary of Significant Accounting Policies (continued)

L. 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.

M. 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.

The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Fund Balance Reserves

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

Note 3 – 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 and other major funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$12,753 for the General Fund and \$14,372 for other major special revenue funds.

Note 4 – Deposits and Investments

Monies held by the Township are classified by State statute 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, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have 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.

Note 4 – Deposits and Investments (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.
3. Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
4. 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 daily, and the term of the agreement must not exceed thirty days.
5. Bonds and other obligations of the State of Ohio or Ohio local governments.
6. Timer certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts.
7. No-load money market mutual funds consisting exclusively of obligations 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.
8. 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.

Deposits

As of December 31, 2009 the carrying amount of the Township's deposits was \$142,751. All of the bank balance was covered by federal depository insurance and \$0.00 was uninsured and uncollateralized.

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.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Property tax receipts received in 2009 for real and public utility property taxes represents collections of the 2009 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) is for 2009 taxes.

2009 real property taxes are levied after October 1, 2009 on the assessed values as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010.

Real property taxes are payable annually or semi-annually. 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 circumstances, State statute permits alternate payment dates to be established.

Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 public utility property taxes which became a lien on December 31, 2008 are levied after October 1, 2009 and are collected in 2010 with real property taxes

Note 5 – Property Taxes (Continued)

The full tax rate for all Township operations for the year ended December 31, 2009 was \$1.98 per \$1,000 of assessed value. The assessed values of real and personal property upon which 2009 property tax receipts were based are as follows:

Real Property	
Residential	\$ 35,341,690
Agricultural	3,516,970
Commercial/Industrial/Mineral	8,040,940
Tangible Personal Property	
Business	1,938,600
Public Utility	2,080,900
Total Assessed Value	<u><u>\$50,919,100</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

Note 6 – Risk Management

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

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

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

Casualty Insurance

For occurrences prior to January 1, 2006, OTARMA retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, and provides up to \$1,750,000 per claim and \$10,000,000 in aggregate per year.

For occurrences on or after January 1, 2006, OTARMA retains casualty risk up to \$350,000 per claim, including loss adjustment expenses. OTARMA pays a percentage of its contribution to APEEP. APEEP reinsures claim exceeding \$350,000, and provides up to \$2,650,000 per claim and \$10,000,000 in aggregate per year.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to an aggregate of \$10,000,000. Governments can elect additional coverage, from \$3,000,000 to \$13,000,000, General Reinsurance Corporation.

Property Insurance

Travelers reinsures specific losses exceeding \$250,000, and provides up to \$600,000,000 per occurrence. APEEP reinsures members for a specific loss 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 OTARMA members' total insurable values. 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 \$600,000,000 per occurrence limit.

Note 6 – Risk Management (Continued)

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 OTARMA member.

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, 2008 and 2007 (the latest information available)

<u>Combined Coverage</u>	<u>2008</u>	<u>2007</u>
Assets	\$40,737,740	\$43,210,703
Liabilities	(12,981,818)	(13,357,837)
Retained earnings	<u>\$27,755,922</u>	<u>\$29,852,866</u>

At December 31, 2008 and 2007, respectively, casualty coverage liabilities noted above include approximately \$10.9 million and \$11.6 million of estimated incurred claims payable. The Casualty Coverage assets and retained earnings above also include approximately \$10.9 million and \$11.6 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2008 and 2007, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Government’s share of these unpaid claims collectible in future years is approximately \$11,000. This payable includes the subsequent year’s contribution due if the Government terminates participation, as described in the last paragraph below.

Based on discussions 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.

<u>Contributions to OTARMA</u>	
2007	\$5,884
2008	\$6,241
2009	\$5,590

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they provide 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.

Note 6 – Risk Management (Continued)

Coverage provided by OTARMA is as follows:

Legal Liability	\$2,000,000	Per Occurrence
Automobile Liability	\$2,000,000	Per Occurrence
Law Enforcement Operations	N/A	N/A
Wrongful Acts	\$2,000,000	Per Occurrence
Property	\$1,318,680	Total Coverage
Boiler and Machinery	N/A	N/A

There were no significant reductions in coverage from prior years and claims have not exceeded insurance coverage in any of the past three years. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is based on accident history and administrative costs.

The Township Trustees are bonded for \$10,000 and the Fiscal Officer is bonded for \$160,000. These bonds are also provided by OTARMA.

Note 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.

For the year ended December 31, 2009, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 10 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2009 was 14 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 were \$13,491, \$13,781, \$17,539 respectively. The full amount has been contributed for 2009, 2008 and 2007. Contributions to the member-directed plan for 2009 were \$13,491 made by the Township and \$9,636.07 made by the plan members.

Green Township, Hocking County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

Note 8 - Postemployment Benefits

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.

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.

For the year ended December 31, 2009, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 10 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2009 was 14 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2008, 2007, and 2006 were \$13,781, \$17,539, and \$14,727 respectively. The full amount has been contributed for 2008, 2007 and 2006. Contributions to the member-directed plan for 2008 were \$13,781 made by the Township and \$9,843 made by the plan members.

Note 9 - Debt

The Township's long-term debt activity for the year ended December 31, 2009, was as follows:

	Interest Rate	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009	Due Within One Year
<u>Governmental Activities</u>						
2005 Issue (\$40,000)	5.75%	\$ 21,000	-	\$ 10,500	\$10,500	\$10,500
2006 Issue (\$26,250)	5.5%	15,750	-	5,250	10,500	5,250
2008 Issue (\$15,000)	4.75%	15,000	-	5,000	10,000	5,000
Total		\$51,750	-	\$20,750	\$31,000	\$20,750

The following is a summary of the Township's future annual debt service requirements:

Year	Promissory Note - Tractor		Year	Promissory Note - Grader	
	Principal	Interest		Principal	Interest
2010	\$10,500	\$604	2010	\$5,250	\$578
Totals	\$10,500	\$604	2011	5,250	289
			Totals	\$10,500	\$867

Year	Promissory Note - Truck	
	Principal	Interest
2010	\$5,000	\$1,425
2011	5,000	713
Totals	\$10,000	\$2,138

Note 9 – Debt (Continued)

A promissory note was issued in 2005 in the amount of \$40,000 for the purchase of a tractor. The principal outstanding at December 31, 2007 was \$31,500. The purchase was made through the Citizens Bank of Logan with principal payments of \$10,500 plus interest made yearly.

A promissory note was issued in 2006 in the amount of \$26,250 for the purchase of a grader. The note was issued through the Citizens Bank of Logan with principal payments of \$5,250 plus interest yearly.

A promissory note was issued in 2008 for the amount of \$15,000 for the purchase of an International Truck. The purchase was made through the citizens Bank of Logan with principal payments of \$5,000 plus interest paid yearly.

Perry & Associates
Certified Public Accountants, A.C.

PARKERSBURG
1035 Murdoch Avenue
Parkersburg, WV 26101
(304) 422-2203

MARIETTA
428 Second Street
Marietta, OH 45750
(740) 373-0056

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

June 23, 2010

Green Township
Hocking County
P.O. Box 788
Logan, Ohio 43138

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Green Township, Hocking County, Ohio** (the Township) as of and for the year ended December 31, 2009, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 23, 2010, wherein we noted the Township uses a comprehensive accounting basis other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting 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 identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings that we consider a significant deficiency in internal control over financial reporting. We consider finding 2009-001 to be a significant deficiency. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

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

We also noted a certain other matter not requiring inclusion in this report that we reported to the Township's management in a separate letter dated June 23, 2010.

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

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.

**GREEN TOWNSHIP
HOCKING COUNTY**

**SCHEDULE OF AUDIT FINDINGS
DECEMBER 31, 2009**

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

Finding 2009-001

Significant Deficiency

Posting Receipts and Expenditures

Receipts and expenditures should be posted to the fund and line item accounts as established by Ohio Administrative Code.

Receipts and expenditures were not always posted correctly. For example;

- Intergovernmental receipts were posted as other taxes in the General, Road and Bridge, Fire, Road District, and Road Improvement Funds in 2009.

This issue resulted in several reclassifications being made to the Township's financial statements. The financial statements reflect all reclassifications.

To help ensure accuracy and reliability in the financial reporting process, we recommend that management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues and expenditures are properly identified and classified on the financial statements. We also recommend the Fiscal Officer refer to Ohio Administrative Code Section 117-7-01 and/or the Ohio Township Handbook for guidance to determine the proper establishment of receipt and expenditure accounts and posting of receipts and expenditures.

Management's Response – We did not receive a response from officials to this finding.

**GREEN TOWNSHIP
HOCKING COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2008-001	Posting Receipts and Expenditures	No	Repeated as Finding 2009-001

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Mary Taylor, CPA
Auditor of State

GREEN TOWNSHIP

HOCKING COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 4, 2010**