



**PLAIN TOWNSHIP
FRANKLIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007-2006



Mary Taylor, CPA
Auditor of State

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Cash Basis Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets - Cash Basis - 2007	15
Statement of Activities - Cash Basis - 2007	16
Fund Financial Statements:	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds - 2007	17
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balances - Governmental Funds - 2007	18
Statement of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - General Fund - 2007	19
Statement of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - Fire District Fund - 2007	20
Statement of Fiduciary Net Assets - Cash Basis - Fiduciary Fund - 2007	21
Statement of Changes in Fiduciary Net Assets - Cash Basis - Fiduciary Fund - 2007	22
Cash Basis Financial Statements:	
Statement of Net Assets - Cash Basis - 2006.....	23
Statement of Activities - Cash Basis - 2006	24
Fund Financial Statements:	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds - 2006	25
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balances - Governmental Funds - 2006	26
Statement of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - General Fund - 2006	27
Statement of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - Fire District Fund - 2006	28
Statement of Fiduciary Net Assets - Cash Basis - Fiduciary Fund - 2006.....	29
Statement of Changes in Fiduciary Net Assets - Cash Basis - Fiduciary Fund - 2006	30
Notes to the Basic Financial Statements	31
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	49
Schedule of Findings.....	51

THIS PAGE INTENTIONALLY LEFT BLANK



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Plain Township
Franklin County
45 Second Street
New Albany, Ohio 43054

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 Plain Township, Franklin County, Ohio, (the Township) as of and for the years ended December 31, 2007 and 2006, 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 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 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 opinion.

As described more fully in Note 2, the Township has prepared these financial statements using cash accounting basis. This is a comprehensive accounting basis that differs from accounting principles generally accepted in the United States of America (GAAP).

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 Plain Township, Franklin County, Ohio as of December 31, 2007 and 2006, and the respective changes in cash financial position and the respective budgetary comparisons for the General and Fire District Funds for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

August 20, 2008

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)**

The management's discussion and analysis of Plain Township's (the "Township") financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2006 and December 31, 2007 within the limitations of the Township's cash basis of 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 cash-basis basic financial statements and the notes to the financial statements to enhance their understanding of the Township's financial performance.

Financial Highlights

Key financial highlights for 2006 are as follows:

- For fiscal year 2006, the total net assets of the Township increased \$607,770 or 15.16%.
- For fiscal year 2006, general cash receipts accounted for \$4,450,111 or 86.85% of total governmental activities cash receipts, program specific cash receipts accounted for \$673,946 or 13.15% of total governmental activities.
- For fiscal year 2006, the Township had \$4,516,287 in cash disbursements related to governmental activities; \$673,946 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily taxes) of \$4,450,111 were adequate to provide for these programs.
- The Township's major funds are the General Fund, Fire District Fund and Capital Fire Equipment fund. The General Fund, one of the Township's major funds, had cash receipts of \$1,129,452 in 2006. The cash disbursements and other financing disbursements of the General Fund, totaled \$886,926 in 2006. The General Fund's fund balance increased \$242,506 from 2005 to 2006.
- The Fire District Fund, a Township major fund, had cash receipts of \$2,973,088 in 2006. The Fire District Fund had cash disbursements and other financing uses of \$2,898,872 in 2006. The Fire District Fund balance increased \$74,216 from 2005 to 2006.
- The Capital Fire Equipment fund, a Township major fund, had cash receipts and other financing receipts of \$47,094 in 2006. The Capital Fire Equipment fund had cash disbursements of \$27,722 in 2006. The Capital Fire Equipment fund balance increased \$19,372 from 2005 to 2006.

Key financial highlights for 2007 are as follows:

- For fiscal year 2007, the total net assets of the Township increased \$202,873 or 4.39%.
- For fiscal year 2007, general cash receipts accounted for \$4,939,040 or 87.17% of total governmental activities cash receipts, program specific cash receipts accounted for \$726,638 or 12.83% of total governmental activities.
- For fiscal year 2007, the Township had \$5,462,805 in cash disbursements related to governmental activities; \$726,638 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily taxes) of \$4,939,040 were adequate to provide for these programs.
- The Township's major funds are the General Fund and the Fire District Fund. The General Fund, one of the Township's major funds, had cash receipts of \$1,523,882 in 2007. The cash disbursements and other financing disbursements of the General Fund, totaled \$1,285,268 in 2007. The General Fund's fund balance increased \$238,614 from 2006 to 2007.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

- The Fire District Fund, a Township major fund, had cash receipts of \$3,094,837 in 2007. The Fire District Fund had cash disbursements and other financing uses of \$3,202,710 in 2007. The Fire District Fund balance decreased \$107,873 from 2006 to 2007.

Using this Cash Basis Basic Financial Statements (BFS)

This cash basis annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the Township's cash basis of accounting. The Statement of Net Assets – Cash Basis and Statement of Activities – Cash Basis provide information about the activities of the whole Township, presenting an aggregate view of the Township's cash basis finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Township's most significant funds with all other non-major funds presented in total in one column. In the case of the Township, there are two major governmental funds. The General Fund and Fire District Fund are the Township's major funds.

Reporting the Township as a Whole

Statement of Net Asset – Cash Basis and the Statement of Activities – Cash Basis

The Statement of Net Assets – Cash Basis and the Statement of Activities – Cash Basis answer the question, "How did we do financially during 2006 and 2007?" These statements include *only net assets* using the *cash basis of accounting*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid.

These two statements report the Township's net assets and changes in those assets on a cash basis. This change in net assets is important because it tells the reader that, for the Township as a whole, the cash basis financial position of the Township has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Township's property tax base, current property tax laws in Ohio, availability of federal and State funding, facility conditions, mandated federal and State programs and other factors.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not collected) and liabilities and their related expenses (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. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the Statement of Net Assets – Cash Basis and the Statement of Activities – Cash Basis, the Governmental Activities include the Township's programs and services, including police and fire protection, road and bridge maintenance and repair, and ambulance services.

Reporting the Township's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township are classified as governmental or fiduciary funds.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

Fund financial reports provide detailed information about the Township's major funds. The Township uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Township's most significant funds. The Township's major governmental funds are the General Fund and the Fire District Fund.

Governmental Funds

All of the Township's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Township programs. Since the Township is reporting on the cash basis of accounting, there are no differences in the net assets and fund cash balances or changes in net assets and changes in fund balances. Therefore, no reconciliation is necessary between such financial statements. However, differences will be apparent when comparing gross receipts and disbursements on the fund financial statements to the Statement of Activities – Cash Basis due to transfers between governmental funds being eliminated for reporting in the Statement of Activities – Cash Basis.

The Township's budgetary process accounts for transactions on the budgetary basis of accounting. The difference between the budgetary basis of accounting and the cash basis of accounting is that encumbrances at year-end are recorded as a disbursement on the budgetary basis of accounting whereas on the cash basis, the disbursement is only recorded when cash is paid. The budgetary statements for the General Fund and Fire District Fund are presented to demonstrate the Township's compliance with annually adopted budgets.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Township. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Township's own programs. A private-purpose trust fund is the Township's only fiduciary fund type.

Notes to the Financial Statements

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

Recall that the Statement of Net Assets – Cash Basis provides the perspective of the Township as a whole. The table below provides a summary of the Township's net assets at December 31, 2007, 2006, and 2005.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

	Net Assets Governmental Activities		
	2007	2006	2005
<u>Assets</u>			
Equity in pooled cash and cash equivalents	\$ 4,820,134	\$ 4,617,261	\$ 4,009,491
Total assets	4,820,134	4,617,261	4,009,491
<u>Net Assets</u>			
Restricted	3,806,869	3,842,611	3,477,350
Unrestricted	1,013,265	774,650	532,141
Total net cash assets	\$ 4,820,134	\$ 4,617,261	\$ 4,009,491

For fiscal year 2006, net assets of the Township increased \$607,770 or 15.16%. Respectively, for fiscal year 2007, net assets of the Township increased \$202,873 or 4.39%. The balance of government-wide unrestricted net cash assets of \$774,650 at December 31, 2006 and \$1,013,265 at December 31, 2007 may be used to meet the government's ongoing obligations to citizens and creditors.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

The table below shows the changes in net assets for fiscal year 2007, 2006, and 2005.

	Governmental Activities <u>2007</u>	Governmental Activities <u>2006</u>	Governmental Activities <u>2005</u>
Change in Net Cash Assets			
Cash Receipts:			
Program cash receipts:			
Charges for services and sales	\$ 613,482	\$ 562,925	\$ 583,864
Operating grants and contributions	<u>113,156</u>	<u>111,021</u>	<u>214,258</u>
Total program cash receipts	<u>726,638</u>	<u>673,946</u>	<u>798,122</u>
General cash receipts:			
Property and other taxes	3,614,034	3,582,421	3,288,511
Unrestricted grants	895,947	542,836	743,496
Investment earnings	241,481	218,001	76,926
Other	<u>187,578</u>	<u>106,853</u>	<u>109,179</u>
Total general cash receipts	<u>4,939,040</u>	<u>4,450,111</u>	<u>4,218,112</u>
Special item:			
Sale of land	<u>-</u>	<u>-</u>	<u>608,792</u>
Total cash receipts	<u>5,665,678</u>	<u>5,124,057</u>	<u>5,625,026</u>
Cash Disbursements:			
Current			
General government	715,141	675,626	601,451
Public safety	3,204,547	2,900,379	2,781,809
Public works	164,578	118,177	347,723
Health	54,143	49,580	42,071
Human services	-	-	4,505
Conservation and recreation	350,664	315,839	319,484
Miscellaneous	-	-	9,740
Capital outlay	660,622	61,953	44,643
Debt service:			
Principle retirement	235,000	305,000	290,000
Interest and fiscal charges	<u>78,110</u>	<u>89,733</u>	<u>100,383</u>
Total cash disbursements	<u>5,462,805</u>	<u>4,516,287</u>	<u>4,541,809</u>
Change in net assets	202,873	607,770	1,083,217
Net assets at beginning of year	<u>4,617,261</u>	<u>4,009,491</u>	<u>2,926,274</u>
Net assets at end of year	<u>\$ 4,820,134</u>	<u>\$ 4,617,261</u>	<u>\$ 4,009,491</u>

PLAIN TOWNSHIP
FRANKLIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)

Governmental Activities

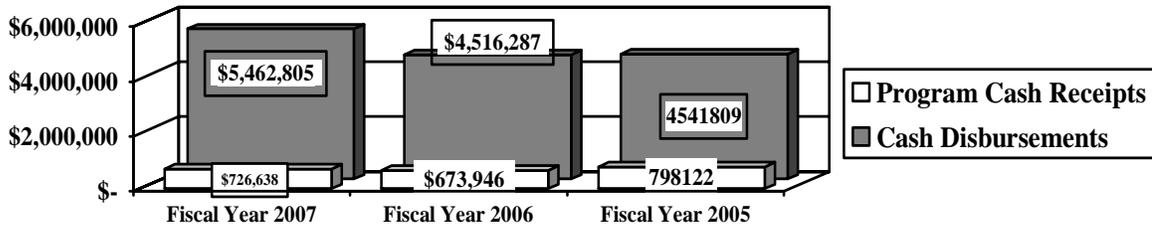
Governmental cash assets increased by \$202,873 in 2007 from 2006 and by \$607,770 in 2006 from 2005.

General government represents activities related to the governing body as well as activities that directly support Township programs. In 2006, general governmental cash disbursements totaled \$675,626 or 14.96% of total governmental cash disbursements. Respectively, in 2007, general government cash disbursements totaled \$715,141, or 13.09% of total governmental cash disbursements. General government programs were supported by \$10,114 and \$9,529 in 2006 and 2007 respectively in direct charges to users for services.

In 2006, the public safety programs accounted for \$2,900,379 or 64.22% of total governmental cash disbursements. In 2007, the public safety programs accounted for \$3,204,547 or 58.66% of total governmental cash disbursements. These operations are primarily supported through taxes.

The Statement of Activities – Cash Basis shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2007, 2006 and 2005. That is, it identifies the cost of these services supported by tax receipts and unrestricted state grants and entitlements.

Governmental Activities – Program Cash Receipts vs. Total Cash Disbursements



**PLAIN TOWNSHIP
FRANKLIN COUNTY**

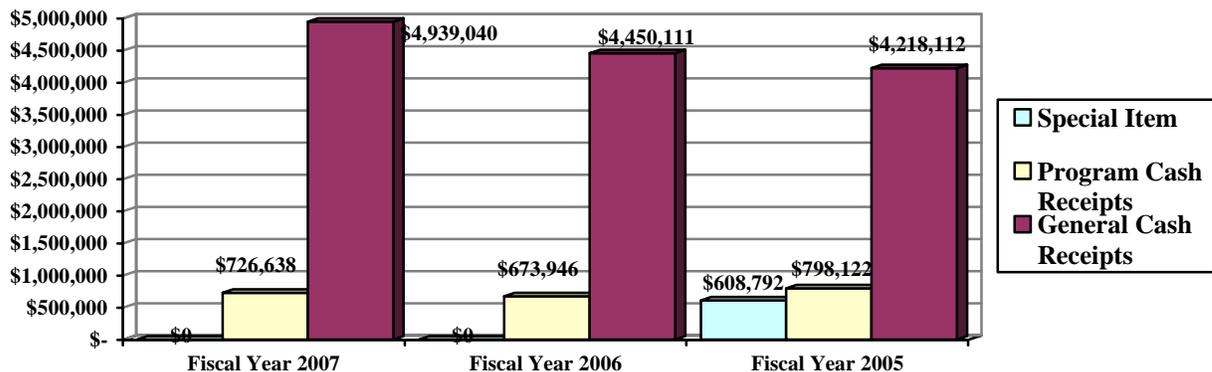
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	Governmental Activities					
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2007	2007	2006	2006	2005	2005
Cash disbursements:						
Current:						
General government	\$ 715,141	\$ 705,612	\$ 675,626	\$ 665,512	\$ 601,451	\$ 596,084
Public safety	3,204,547	2,998,303	2,900,379	2,728,708	2,781,809	2,493,551
Public works	164,578	51,422	118,177	7,156	347,723	216,842
Health	54,143	31,924	49,580	28,230	42,071	20,037
Human services	-	-	-	-	4,505	4,505
Conservation	350,664	(24,826)	315,839	(43,951)	319,484	(3,280)
Miscellaneous	-	-	-	-	9,740	9,740
Capital outlay	660,622	660,622	61,953	61,953	44,643	15,825
Debt service:						
Principle retirement	235,000	235,000	305,000	305,000	290,000	290,000
Interest and fiscal charges	78,110	78,110	89,733	89,733	100,383	100,383
Total	\$ 5,462,805	\$ 4,736,167	\$ 4,516,287	\$ 3,842,341	\$ 4,541,809	\$ 3,743,687

The dependence upon general cash receipts for governmental activities is apparent with 86.70%, 85.08%, and 82.43% of cash disbursements supported through taxes and other general cash receipts during 2007, 2006, and 2005, respectively.

Governmental Activities - General and Program Cash Receipts



Financial Analysis of the Township's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

Governmental Funds

The Township's governmental funds are accounted for using the cash basis of accounting.

At December 31, 2006, the Township's governmental funds reported a combined fund balance of \$4,617,261, which is \$607,770 above 2005 total of \$4,009,491. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2006 and 2005 for all major and nonmajor governmental funds.

	Fund Balance <u>December 31, 2006</u>	Fund Balance <u>December 31, 2005</u>	Increase <u>(Decrease)</u>
Major Funds:			
General	\$ 772,635	\$ 530,129	\$ 242,506
Fire District	2,277,569	2,203,353	74,216
Capital Fire Equipment	614,625	595,253	19,372
Nonmajor funds	<u>952,432</u>	<u>680,756</u>	<u>271,676</u>
Total	<u>\$ 4,617,261</u>	<u>\$ 4,009,491</u>	<u>\$ 607,770</u>

At December 31, 2007, the Township's governmental funds reported a combined fund balance of \$4,820,134, which is \$202,873 above 2006 total of \$4,617,261. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2007 and 2006 for all major and nonmajor governmental funds.

	Fund Balance <u>December 31, 2007</u>	Fund Balance <u>December 31, 2006</u>	Increase/ <u>(Decrease)</u>
Major Funds:			
General	\$ 1,011,249	\$ 772,635	\$ 238,614
Fire District	2,169,696	2,277,569	(107,873)
Nonmajor funds	<u>1,639,189</u>	<u>1,567,057</u>	<u>72,132</u>
Total	<u>\$ 4,820,134</u>	<u>\$ 4,617,261</u>	<u>\$ 202,873</u>

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

General Fund

The General Fund had cash receipts of \$1,129,452 in 2006. The cash disbursements and other financing uses of the General Fund totaled \$886,946 in 2006. The General Fund's balance increased \$242,506 from 2005 to 2006.

The table that follows assists in illustrating the cash receipts of the General Fund.

	<u>2006</u> <u>Amount</u>		<u>2005</u> <u>Amount</u>		<u>Increase</u> <u>(Decrease)</u>
Cash Receipts:					
Taxes	\$ 687,850	\$	565,766	\$	122,084
Intergovernmental	242,190		436,658		(194,468)
License, permits and fees	10,114		5,367		4,747
Investment income	177,597		67,534		110,063
Other	<u>11,701</u>		<u>17,167</u>		<u>(5,466)</u>
Total	<u>\$ 1,129,452</u>	\$	<u>1,092,492</u>	\$	<u>36,960</u>

Taxes increased due to a larger value of assessed property value. Investment income cash receipts increased due to higher interest earnings on investments. Intergovernmental income decreased due to less grants received from other governments. License, permits and fees increased due to more licenses given out. All other revenue remained comparable to 2005.

The General Fund had cash receipts of \$1,523,882 in 2007. The cash disbursements and other financing uses of the General Fund totaled \$1,285,268 in 2007. The General Fund's balance increased \$238,614 from 2006 to 2007.

The table that follows assists in illustrating the cash receipts of the General Fund.

	<u>2007</u> <u>Amount</u>		<u>2006</u> <u>Amount</u>		<u>Increase/</u> <u>(Decrease)</u>
Cash Receipts:					
Taxes	\$ 722,952	\$	687,850	\$	35,102
Intergovernmental	591,620		242,190		349,430
License, permits and fees	9,529		10,114		(585)
Investment income	197,787		177,597		20,190
Other	<u>1,994</u>		<u>11,701</u>		<u>(9,707)</u>
Total	<u>\$ 1,523,882</u>	\$	<u>1,129,452</u>	\$	<u>394,430</u>

Taxes increased due to a larger value of assessed property value. Investment income cash receipts increased due to higher interest earnings on investments. Intergovernmental income increased due to more grants received from other governments.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

The table that follows assists in illustrating the expenditures of the General Fund for 2005 and 2006.

	<u>2006</u> <u>Amount</u>		<u>2005</u> <u>Amount</u>		<u>Increase</u> <u>(Decrease)</u>
<u>Cash Disbursements</u>					
General government	\$ 675,626	\$	601,451	\$	74,175
Public safety	21,507		14,576		6,931
Health	16,704		13,826		2,878
Human services	-		4,505		(4,505)
Conservation and recreation	2,499		-		2,499
Miscellaneous	-		7,560		(7,560)
Capital outlay	<u>28,360</u>		<u>38,654</u>		<u>(10,294)</u>
Total	<u>\$ 744,696</u>	\$	<u>680,572</u>	\$	<u>64,124</u>

General government increased due to increased spending by the Township. Public safety increased due to increased spending by the fire department. Capital outlay decreased due to a smaller amount spent on capital purchases.

The table that follows assists in illustrating the expenditures of the General Fund for 2006 and 2007.

	<u>2007</u> <u>Amount</u>		<u>2006</u> <u>Amount</u>		<u>Increase/</u> <u>(Decrease)</u>
<u>Cash Disbursements</u>					
General government	\$ 715,141	\$	675,626	\$	39,515
Public safety	21,837		21,507		330
Health	17,669		16,704		965
Conservation and recreation	-		2,499		(2,499)
Capital outlay	<u>389,771</u>		<u>28,360</u>		<u>361,411</u>
Total	<u>\$ 1,144,418</u>	\$	<u>744,696</u>	\$	<u>399,722</u>

General government increased due to increased spending by the Township. The increase in capital outlay is due mainly to the purchase of 2.1 acres of land at a cost of \$631,000 adjacent to the fire house for future expansion and parking.

Fire District Fund

The Fire District Fund, a Township major fund, had cash receipts of \$2,973,088 and \$3,094,837 in 2006 and 2007, respectively. Cash disbursements and other financing disbursements in this fund were \$2,898,872 and \$3,202,710 in 2006 and 2007, respectively. The Fire District Fund cash balance increased \$74,216 from 2005 to 2006 and decreased \$107,873 from 2006 to 2007.

Budgeting Highlights - General Fund

The Township's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

For 2006, original and final budget basis receipts for the General Fund were \$1,034,784. Actual cash receipts of \$1,129,452 were greater than final budget estimates by \$94,668. The final budgetary basis disbursements and other financing disbursements of \$1,511,682 were \$112,500 greater than original budget estimates. The actual budgetary basis disbursements and other financing disbursements of \$1,268,369 were \$243,313 less than the final budget estimates.

For 2007, final budget basis receipts of \$1,429,016 were \$363,428 greater than original budget receipts of \$1,065,588. Actual cash receipts of \$1,523,882 were greater than final budget basis receipts by \$94,866. The final budgetary basis disbursements and other financing disbursements of \$1,543,573 were \$173,200 greater than original budget receipts of \$1,370,373. Actual budgetary basis disbursements and other financing disbursements of \$1,306,873 were greater than final budget estimates by \$236,700.

Capital Assets and Debt Administration

Capital Assets

The Township does not record capital assets in the accompanying cash basis basic financial statements, but records payments for capital assets as disbursements. The Township had capital outlay disbursements of \$660,622, \$61,953, and \$44,643 during fiscal year 2007, 2006, and 2005, respectively.

Debt Administration

The Township had the following debt outstanding at December 31, 2007, 2006, and 2005:

	Governmental Activities <u>2007</u>	Governmental Activities <u>2006</u>	Governmental Activities <u>2005</u>
Fire Station Construction Bonds	\$ -	\$ 165,000	\$ 400,000
Current Interest Bonds - Swimming Pool	1,745,000	1,815,000	1,885,000
Capital Appreciation Bonds - Swimming Pool	<u>69,998</u>	<u>69,998</u>	<u>69,998</u>
Total long-term obligations	<u>\$ 1,814,998</u>	<u>\$ 2,049,998</u>	<u>\$ 2,354,998</u>

Current Financial Related Activities

The following economic factors were taken into consideration in preparing the budget for fiscal year 2007 and 2008:

Plain Township is located in Franklin County in central Ohio. Unemployment in Franklin County typically is slightly below the state and national levels.

State funding is uncertain due to budgetary shortfalls at the State level. Local government revenue and local government revenue assistance funds will be cut by 10% in the State budget. These funds represented 40% of the Township's General Fund revenues in 2006 and 2007. Sales and property tax revenues are expected to remain consistent as well as expenditures for fiscal years 2007 and 2008.

These economic factors were considered in preparing the Township's budget for fiscal years 2007 and 2008. The Township has continued to practice conservative budgetary practices in order to preserve a positive financial position in future years.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Unaudited)
(Continued)**

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 show the Township's accountability for the money it receives. If you have questions about this report or need additional financial information, contact John Brandt, Fiscal Officer, Plain Township, 45 2nd Street, New Albany, Ohio, 43054.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

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

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 4,820,134
Total assets.	<u>4,820,134</u>
Net cash assets:	
Restricted for:	
Public safety.	2,169,696
Public works.	422,788
Health and human services	86,271
Street maintenance and construction	384,059
Conservation and recreation.	169,615
Debt service.	63,325
Capital projects	511,115
Unrestricted	<u>1,013,265</u>
Total net cash assets	<u><u>\$ 4,820,134</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

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

	Program Cash Receipts			Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Assets
	Cash Disbursements	Charges for Services	Operating Grants Grants and Contributions	Governmental Activities
Governmental activities:				
Current:				
General government	\$ 715,141	\$ 9,529	\$ -	\$ (705,612)
Public safety	3,204,547	206,244	-	(2,998,303)
Public works	164,578	-	113,156	(51,422)
Health	54,143	22,219	-	(31,924)
Conservation and recreation	350,664	375,490	-	24,826
Capital outlay	660,622	-	-	(660,622)
Debt service:				
Principal retirement	235,000	-	-	(235,000)
Interest and fiscal charges	78,110	-	-	(78,110)
Total governmental activities	\$ 5,462,805	\$ 613,482	\$ 113,156	(4,736,167)

General Receipts:

Property and other taxes levied for:

General purposes	722,952
Public safety - Fire district	2,553,306
Road and bridge improvements	162,971
Debt service	174,805
Grants and entitlements not restricted to specific programs	895,947
Investment receipts.	241,481
Miscellaneous	187,578
Total general receipts.	4,939,040
Change in net assets	202,873
Net assets at beginning of year	4,617,261
Net assets at end of year	\$ 4,820,134

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

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

	General	Fire District	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,011,249	\$ 2,169,696	\$ 1,639,189	\$ 4,820,134
Total assets	<u>\$ 1,011,249</u>	<u>\$ 2,169,696</u>	<u>\$ 1,639,189</u>	<u>\$ 4,820,134</u>
Fund balances:				
Reserved for encumbrances.	\$ 21,605	\$ -	\$ 285,827	\$ 307,432
Unreserved, undesignated, reported in:				
General fund.	989,644	-	-	989,644
Special revenue funds	-	2,169,696	1,033,093	3,202,789
Debt service funds.	-	-	63,325	63,325
Permanent fund	-	-	2,016	2,016
Capital projects funds	-	-	254,928	254,928
Total fund balances	<u>\$ 1,011,249</u>	<u>\$ 2,169,696</u>	<u>\$ 1,639,189</u>	<u>\$ 4,820,134</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

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

	General	Fire District	Other Governmental Funds	Total Governmental Funds
Cash receipts:				
Taxes	\$ 722,952	\$ 2,553,306	\$ 337,777	\$ 3,614,035
Intergovernmental	591,620	268,531	148,951	1,009,102
Charges for services	-	206,244	375,490	581,734
License, permits and fees	9,529	-	22,219	31,748
Interest	197,787	-	43,694	241,481
Contributions and donations	-	2,320	-	2,320
Miscellaneous	1,994	64,436	118,828	185,258
Total cash receipts	<u>1,523,882</u>	<u>3,094,837</u>	<u>1,046,959</u>	<u>5,665,678</u>
Cash disbursements:				
Current:				
General government	715,141	-	-	715,141
Public safety	21,837	3,182,710	-	3,204,547
Public works	-	-	164,578	164,578
Health	17,669	-	36,474	54,143
Conservation and recreation	-	-	350,664	350,664
Capital outlay	389,771	-	270,851	660,622
Debt service:				
Principal retirement	-	-	235,000	235,000
Interest and fiscal charges	-	-	78,110	78,110
Total cash disbursements	<u>1,144,418</u>	<u>3,182,710</u>	<u>1,135,677</u>	<u>5,462,805</u>
Excess (deficiency) of cash receipts over (under) cash disbursements	<u>379,464</u>	<u>(87,873)</u>	<u>(88,718)</u>	<u>202,873</u>
Other financing receipts (disbursements):				
Transfers in	-	-	160,850	160,850
Transfers out	<u>(140,850)</u>	<u>(20,000)</u>	<u>-</u>	<u>(160,850)</u>
Total other financing receipts (disbursements)	<u>(140,850)</u>	<u>(20,000)</u>	<u>160,850</u>	<u>-</u>
Net change in fund balances	238,614	(107,873)	72,132	202,873
Fund balances				
at beginning of year	<u>772,635</u>	<u>2,277,569</u>	<u>1,567,057</u>	<u>4,617,261</u>
Fund balances at end of year	<u>\$ 1,011,249</u>	<u>\$ 2,169,696</u>	<u>\$ 1,639,189</u>	<u>\$ 4,820,134</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Taxes	\$ 505,531	\$ 677,946	\$ 722,952	\$ 45,006
Intergovernmental	413,696	554,790	591,620	36,830
License, permits and fees	6,663	8,936	9,529	593
Interest	138,304	185,474	197,787	12,313
Miscellaneous	1,394	1,870	1,994	124
Total receipts.	<u>1,065,588</u>	<u>1,429,016</u>	<u>1,523,882</u>	<u>94,866</u>
Disbursements:				
Current:				
General government	1,075,023	886,305	736,747	149,558
Public safety	29,000	26,270	21,837	4,433
Health	86,500	21,256	17,669	3,587
Conservation and recreation	38,000	-	-	-
Capital outlay	1,000	468,892	389,770	79,122
Total disbursements.	<u>1,229,523</u>	<u>1,402,723</u>	<u>1,166,023</u>	<u>236,700</u>
Excess (deficiency) of receipts over (under) disbursements.	<u>(163,935)</u>	<u>26,293</u>	<u>357,859</u>	<u>331,566</u>
Other financing disbursements:				
Transfers out	(140,850)	(140,850)	(140,850)	-
Total other financing disbursements	<u>(140,850)</u>	<u>(140,850)</u>	<u>(140,850)</u>	<u>-</u>
Net change in fund balance.	(304,785)	(114,557)	217,009	331,566
Fund balance at beginning of year.	391,212	391,212	391,212	-
Prior year encumbrances appropriated	<u>381,423</u>	<u>381,423</u>	<u>381,423</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 467,850</u>	<u>\$ 658,078</u>	<u>\$ 989,644</u>	<u>\$ 331,566</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
FIRE DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Taxes	\$ 2,561,530	\$ 2,537,508	\$ 2,553,306	\$ 15,798
Intergovernmental	269,396	266,869	268,531	1,662
Charges for services	206,908	204,968	206,244	1,276
Contributions and donations	2,327	2,306	2,320	14
Miscellaneous	64,644	64,037	64,436	399
Total receipts	<u>3,104,805</u>	<u>3,075,688</u>	<u>3,094,837</u>	<u>19,149</u>
Disbursements:				
Current:				
Public safety	3,540,400	3,555,400	3,182,710	372,690
Total disbursements	<u>3,540,400</u>	<u>3,555,400</u>	<u>3,182,710</u>	<u>372,690</u>
Deficiency of receipts under disbursements	<u>(435,595)</u>	<u>(479,712)</u>	<u>(87,873)</u>	<u>391,839</u>
Other financing disbursements:				
Transfers out	(20,000)	(20,000)	(20,000)	-
Total other financing disbursements	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net change in fund balance	(455,595)	(499,712)	(107,873)	391,839
Fund balance at beginning of year	<u>2,277,569</u>	<u>2,277,569</u>	<u>2,277,569</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,821,974</u>	<u>\$ 1,777,857</u>	<u>\$ 2,169,696</u>	<u>\$ 391,839</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUND
DECEMBER 31, 2007

	<u>Private-Purpose Trust</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 3,192
Total assets.	<u>3,192</u>
Net assets:	
Held in trust for other purposes	<u>3,192</u>
Total net assets	<u><u>\$ 3,192</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2007**

	<u>Private-Purpose Trust</u>
Additions:	
Interest	<u>\$ 2</u>
Total additions.	<u>2</u>
Net assets at beginning of year	<u>3,190</u>
Net assets at end of year	<u><u>\$ 3,192</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

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

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 4,617,261
Total assets.	4,617,261
Net cash assets:	
Restricted for:	
Public works.	326,463
Health and human services	77,559
Street maintenance and construction	323,494
Public safety	2,277,569
Conservation and recreation.	136,574
Debt service.	40,715
Capital projects	660,237
Unrestricted	774,650
Total net cash assets	\$ 4,617,261

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

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

	Cash Disbursements	Program Cash Receipts		Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Assets
		Charges for Services	Operating Grants Grants and Contributions	Governmental Activities
Governmental activities:				
Current:				
General government	\$ 675,626	\$ 10,114	\$ -	\$ (665,512)
Public safety	2,900,379	171,671	-	(2,728,708)
Public works	118,177	-	111,021	(7,156)
Health	49,580	21,350	-	(28,230)
Conservation and recreation	315,839	359,790	-	43,951
Capital outlay.	61,953	-	-	(61,953)
Debt service:				
Principal retirement.	305,000	-	-	(305,000)
Interest and fiscal charges	89,733	-	-	(89,733)
Total governmental activities	<u>\$ 4,516,287</u>	<u>\$ 562,925</u>	<u>\$ 111,021</u>	<u>(3,842,341)</u>

General Receipts:

Property and other taxes levied for:

General purposes	687,850
Public safety - Fire district	2,486,330
Road and bridge improvements	173,571
Debt service	234,670
Grants and entitlements not restricted to specific programs. . .	542,836
Investment receipts	218,001
Miscellaneous	106,853
Total general receipts.	<u>4,450,111</u>
Change in net assets	607,770
Net assets at beginning of year	<u>4,009,491</u>
Net assets at end of year.	<u>\$ 4,617,261</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

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

	General	Fire District	Capital Fire Equipment	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	\$ 772,635	\$ 2,277,569	\$ 614,625	\$ 952,432	\$ 4,617,261
Total assets	<u>\$ 772,635</u>	<u>\$ 2,277,569</u>	<u>\$ 614,625</u>	<u>\$ 952,432</u>	<u>\$ 4,617,261</u>
Fund balances:					
Reserved for encumbrances.	\$ 381,423	\$ -	\$ 237,500	\$ 29,607	\$ 648,530
Unreserved, undesignated, reported in:					
General fund.	391,212	-	-	-	391,212
Special revenue funds	-	2,277,569	-	834,483	3,112,052
Debt service funds.	-	-	-	40,715	40,715
Permanent fund	-	-	-	2,015	2,015
Capital projects funds	-	-	377,125	45,612	422,737
Total fund balances	<u>\$ 772,635</u>	<u>\$ 2,277,569</u>	<u>\$ 614,625</u>	<u>\$ 952,432</u>	<u>\$ 4,617,261</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

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

	General	Fire District	Capital Fire Equipment	Other Governmental Funds	Total Governmental Funds
Cash receipts:					
Taxes	\$ 687,850	\$ 2,486,330	\$ -	\$ 408,241	\$ 3,582,421
Intergovernmental	242,190	258,069	-	153,598	653,857
Charges for services	-	171,671	-	359,790	531,461
License, permits and fees	10,114	-	-	21,350	31,464
Interest	177,597	-	26,594	13,810	218,001
Contributions and donations	-	3,402	-	-	3,402
Miscellaneous	11,701	53,616	500	37,634	103,451
Total cash receipts	<u>1,129,452</u>	<u>2,973,088</u>	<u>27,094</u>	<u>994,423</u>	<u>5,124,057</u>
Cash disbursements:					
Current:					
General government	675,626	-	-	-	675,626
Public safety	21,507	2,878,872	-	-	2,900,379
Public works	-	-	-	118,177	118,177
Health	16,704	-	-	32,876	49,580
Conservation and recreation	2,499	-	-	313,340	315,839
Capital outlay	28,360	-	27,722	5,871	61,953
Debt service:					
Principal retirement	-	-	-	305,000	305,000
Interest and fiscal charges	-	-	-	89,733	89,733
Total cash disbursements	<u>744,696</u>	<u>2,878,872</u>	<u>27,722</u>	<u>864,997</u>	<u>4,516,287</u>
Excess of cash receipts over (under) cash disbursements	<u>384,756</u>	<u>94,216</u>	<u>(628)</u>	<u>129,426</u>	<u>607,770</u>
Other financing receipts (disbursements):					
Transfers in	-	-	20,000	142,250	162,250
Transfers out	(142,250)	(20,000)	-	-	(162,250)
Total other financing receipts (disbursements)	<u>(142,250)</u>	<u>(20,000)</u>	<u>20,000</u>	<u>142,250</u>	<u>-</u>
Net change in fund balances	242,506	74,216	19,372	271,676	607,770
Fund balances					
at beginning of year	530,129	2,203,353	595,253	680,756	4,009,491
Fund balances at end of year	<u>\$ 772,635</u>	<u>\$ 2,277,569</u>	<u>\$ 614,625</u>	<u>\$ 952,432</u>	<u>\$ 4,617,261</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Taxes	\$ 630,197	\$ 630,197	\$ 687,850	\$ 57,653
Intergovernmental	221,890	221,890	242,190	20,300
License, permits and fees	9,266	9,266	10,114	848
Interest	162,711	162,711	177,597	14,886
Miscellaneous	10,720	10,720	11,701	981
Total receipts	<u>1,034,784</u>	<u>1,034,784</u>	<u>1,129,452</u>	<u>94,668</u>
Disbursements:				
Current:				
General government	859,682	1,284,734	1,057,049	227,685
Public safety	31,000	26,140	21,507	4,633
Health	75,500	20,302	16,704	3,598
Conservation-recreation	40,000	3,037	2,499	538
Capital outlay	250,000	34,469	28,360	6,109
Total disbursements	<u>1,256,182</u>	<u>1,368,682</u>	<u>1,126,119</u>	<u>242,563</u>
Excess of receipts over (under) disbursements	<u>(221,398)</u>	<u>(333,898)</u>	<u>3,333</u>	<u>337,231</u>
Other financing disbursements:				
Transfers out	(143,000)	(143,000)	(142,250)	750
Total other financing disbursements	<u>(143,000)</u>	<u>(143,000)</u>	<u>(142,250)</u>	<u>750</u>
Net change in fund balance	(364,398)	(476,898)	(138,917)	337,981
Fund balance at beginning of year	509,997	509,997	509,997	-
Prior year encumbrances appropriated	<u>20,132</u>	<u>20,132</u>	<u>20,132</u>	<u>-</u>
Fund balance at end of year	<u>\$ 165,731</u>	<u>\$ 53,231</u>	<u>\$ 391,212</u>	<u>\$ 337,981</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
FIRE DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Taxes	\$ 2,543,978	\$ 2,468,712	\$ 2,486,330	\$ 17,618
Intergovernmental	264,052	256,240	258,069	1,829
Charges for services	175,651	170,455	171,671	1,216
Contributions and donations	3,481	3,378	3,402	24
Miscellaneous	54,859	53,236	53,616	380
Total receipts	3,042,021	2,952,021	2,973,088	21,067
Disbursements:				
Current:				
Public safety	3,150,912	3,150,912	2,878,872	272,040
Total disbursements	3,150,912	3,150,912	2,878,872	272,040
Excess of receipts over (under) disbursements.	(108,891)	(198,891)	94,216	293,107
Other financing disbursements:				
Transfers out	(20,000)	(20,000)	(20,000)	-
Total other financing disbursements	(20,000)	(20,000)	(20,000)	-
Net change in fund balance.	(128,891)	(218,891)	74,216	293,107
Fund balance at beginning of year	2,193,494	2,193,494	2,193,494	-
Prior year encumbrances appropriated	9,859	9,859	9,859	-
Fund balance at end of year	\$ 2,074,462	\$ 1,984,462	\$ 2,277,569	\$ 293,107

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PLAIN TOWNSHIP
FRANKLIN COUNTY

STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUNDS
DECEMBER 31, 2006

	<u>Private-Purpose Trust</u>
Assets:	
Equity in pooled cash and cash equivalents	<u>\$ 3,190</u>
Total assets.	<u>3,190</u>
Net assets:	
Held in trust for other purposes	<u>3,190</u>
Total net assets	<u><u>\$ 3,190</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006**

	<u>Private-Purpose Trust</u>
Additions:	
Interest	<u>\$ 5</u>
Total additions.	<u>5</u>
Net assets at beginning of year	<u>3,185</u>
Net assets at end of year	<u><u>\$ 3,190</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

NOTE 1 - DESCRIPTION OF THE ENTITY

The Plain Township, Franklin County, Ohio (the "Township") is a body politic and corporate established for the purpose of exercising 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 provides the following services: fire protection, road and bridge maintenance, cemetery maintenance, and emergency medical services as well as general governmental services. The Township's management believes these financial statements present all activities for which the Township is financially accountable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2.D, 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). GAAP includes 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 cases where these cash basis statements contain items that are the same as, or similar to, those items in the financial statements prepared in conformity with GAAP, similar informative disclosures are provided. Following are the more significant of the Township's accounting policies:

A. Reporting Entity

For financial reporting purposes, the Township's BFS include all funds, agencies, boards, commissions, and departments for which the Township is financially accountable. Financial accountability, as defined by the GASB, exists if the Township appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the Township. The Township may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the Township. The Township also took into consideration other organizations for which the nature and significance of their relationship with the Township are such that exclusion would cause the Township's basic financial statements to be misleading or incomplete. The Township has no component units.

The following organizations are described due to their significant relationship to the Township:

JOINT VENTURE

The Township participates in the joint venture of the Metropolitan Emergency Communication Consortium (the "Consortium"). The Consortium provides emergency dispatching services to member entities. The Township paid \$88,587 to the Consortium during 2006 and \$88,013 to the Consortium during 2007. The Consortium is comprised of Plain Township, Mifflin Township, Violet Township, and Jefferson Township. The Township appoints one member to serve on the Board of the Consortium. Financial information may be obtained by contacting Mifflin Township at 155 Olde Ridenour Road, Gahanna, OH 43230.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

JOINTLY GOVERNED ORGANIZATIONS:

New Albany Performing Arts Center

In 2004, the Township entered into a joint operating agreement with New Albany-Plain Local School District (the "District"), the Village of New Albany (the "Village") and the New Albany Community Foundation (the "Foundation") for the operations of the New Albany Performing Arts Center (the "Center"). The Center is being constructed through a joint collaboration between the Village, District and Township. Each of these entities shall own a portion of the Center, as tenants in common, equal to their financial contribution of the construction. The Village, District and Township have committed amounts not to exceed \$5 million, \$5 million and \$3 million, respectively, to supplement the construction of the Center. The Village made the \$3 million dollar contribution to the Center on behalf of the Township from an area tax increment financing agreement. The Foundation has committed to use its best efforts to raise approximately \$2.3 million to be applied to an endowment for the purpose of subsidizing the operation of the Center. The Center will serve both school and community needs, including music, theater, dance and ballet.

The Center is operated by a six member Board of Trustees (the "Board") consisting of two members appointed by the District, two members appointed by the Village, one member appointed by the Township and one member appointed by the Foundation. The Township does not appoint a voting majority of the Board.

The Township has no ongoing financial interest or responsibility in the operation of the Center other than it must pay a portion of the Director's salary. The Board approves the operating budget of the Center. Complete financial statements for the Center may be obtained from the Treasurer of the New Albany-Plain Local School District at 99 West Main Street, 2nd Floor, New Albany, OH 43054.

New Albany - Plain Local Joint Park District

The New Albany Plain-Local Joint Park District (the "Park District") is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating entities as follows: (1) The Village of New Albany; (2) Plain Township; (3) The New Albany-Plain Local School District. The Park District possesses its own budgeting and taxing authority.

B. Basis of Presentation

For Fiscal years ended 2007 and 2006, the Township has implemented the GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for the State and Local Governments" presentation format.

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

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents 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 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.

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 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.

C. 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 two categories, governmental and fiduciary. The Township has no proprietary funds.

Governmental Funds - The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants) and other non-exchange transactions as governmental funds. The following are the Township's major governmental funds:

General Fund - This fund is used to account for all financial activities of the Township 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.

Fire District Fund - This fund is used to account for all financial activities of the fire operations.

Capital Fire Equipment Fund - This fund is used to account for financial activities related to the purchase of fire equipment. This fund was determined to be a major governmental fund during 2006 and not 2007.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Other governmental funds of the Township are used to account for grants and other receipts whose use is restricted to a particular purpose and for receipts and disbursements used for the acquisition, construction and improvement of capital facilities.

Fiduciary Funds - Fiduciary funds include pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Township's own programs. The Township has one private-purpose trust fund used for grave site maintenance in the township cemetery. Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Township does not maintain any agency funds.

These statements include adequate disclosure of material matters, in accordance with the basis of accounting described in the preceding paragraphs.

D. 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 expenses and liabilities) are not recorded in these financial statements.

E. Budgetary Process

All 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 object level for all funds. Budgetary presentations report budgetary expenditures when a commitment is made (i.e. when an encumbrance is approved).

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 certificated of estimated resources in effect at the time final appropriations were passed by the Township.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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.

F. Cash and Cash Equivalents

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2006 and 2007, the Township invested in State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2006 and December 31, 2007.

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 2006 were \$177,597 which includes \$144,700 assigned from other Township funds. Respectively, interest receipts credited to the General Fund during 2007 were \$197,787 which includes \$152,172 assigned from other Township funds.

G. 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.

H. Capital Assets

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

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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.

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.

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. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay disbursement is reported at inception. Lease payments are reported when paid.

M. Net Cash Assets

Net cash 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 first applies 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 balance 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.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

O. Interfund Activity

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing receipt (disbursement) in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements. Interfund transfers between government funds are eliminated for reporting in the statement of activities.

P. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal years 2006 or 2007.

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2006, the Township has implemented GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation". GASB Statement No. 46 defines enabling legislation and specifies how net assets should be reported in the financial statements when there are changes in such legislation. The Statement also requires governments to disclose in the notes to the financial statements the amount of net cash assets restricted by enabling legislation.

The implementation of GASB Statement No. 46 did not have an effect on the fund balances/net assets of the Township as previously stated at December 31, 2005.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the Township into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such 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 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.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Township by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, 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 obligations or securities 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 issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time: and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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. Payment for investments may be made only upon delivery of the securities representing the investments to the Fiscal Officer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

A. Deposits with Financial Institutions

At December 31, 2006, the carrying amount of all Township deposits was \$2,948,281. Respectively, at December 31, 2007, the carrying amount of all Township deposits was \$2,673,092. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2006, \$2,755,090 of the Township's bank balance of \$2,960,326 was exposed to custodial risk as discussed below, while \$205,236 was covered by the Federal Deposit Insurance Corporation. As of December 31, 2007, \$2,371,161 of the Township's bank balance of \$2,676,398 was exposed to custodial risk as discussed below, while \$305,237 was covered by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the Township's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Township.

B. Investments

As of December 31, 2006, the Township had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturity</u> 6 months or less
STAR Ohio	<u>\$ 1,672,170</u>	<u>\$ 1,672,170</u>

As of December 31, 2007, the Township had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturity</u> 6 months or less
STAR Ohio	<u>\$ 2,150,234</u>	<u>\$ 2,150,234</u>

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the Township's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Township's investment policy limits investments to those authorized by State statute.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The Township places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Township at December 31, 2006:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
STAR Ohio	<u>\$ 1,672,170</u>	<u>100%</u>

The following table includes the percentage of each investment type held by the Township at December 31, 2007:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
STAR Ohio	<u>\$ 2,150,234</u>	<u>100%</u>

C. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the Statement of Net Assets – Cash Basis as of December 31, 2006 and 2007:

<u>Cash and Investments per footnote</u>	<u>December 31, 2006</u>	<u>December 31, 2007</u>
Carrying amount of deposits	\$ 2,948,281	\$ 2,673,092
Investments	<u>1,672,170</u>	<u>2,150,234</u>
Total	<u>\$ 4,620,451</u>	<u>\$ 4,823,326</u>

<u>Cash and Investments per Statement of Net Assets</u>	<u>December 31, 2006</u>	<u>December 31, 2007</u>
Governmental activities	\$ 4,617,261	\$ 4,820,134
Private purpose trust	<u>3,190</u>	<u>3,192</u>
Total	<u>\$ 4,620,451</u>	<u>\$ 4,823,326</u>

NOTE 5 - PROPERTY TAX

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 2006 represent the collection of 2005 taxes. Respectively, real property tax receipts received in 2007 represent the collection of 2006 taxes. Real property taxes received in 2006 were levied after October 1, 2005, on the assessed values as of January 1, 2005, the lien date. 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 circumstances, State statute permits alternate payment dates to be established.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 5 - PROPERTY TAX (Continued)

Public utility property tax receipts received in 2006 represent collection of 2005 taxes, and those received in 2007 represent the collection of 2006 taxes. Public utility real and tangible personal property taxes received in 2005 became a lien on December 31, 2004, were levied after October 1, 2005, and are collected with real property taxes. Public utility real and tangible personal property taxes received in 2006 became a lien on December 31, 2005, were levied after October 1, 2006, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2006 (other than public utility property) represent the collection of 2006 taxes. Tangible personal property taxes received in 2006 were levied after October 1, 2005, on the true value as of December 31, 2004. Respectively, tangible personal property tax receipts received in 2007 (other than public utility property) represent the collection of 2007 taxes. Tangible personal property taxes received in 2007 were levied after October 1, 2006, on the true value as of December 31, 2005. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The assessed values of real and tangible personal property upon which 2006 and 2007 property tax receipts were based are as follows:

	<u>2006</u>	<u>2007</u>
Real property tax	\$ 632,763,640	\$ 630,602,850
Public utility tangible personal property	16,161,370	14,998,740
Tangible personal property	10,782,844	7,479,846
 Total assessed valuation	 \$ 659,707,854	 \$ 653,081,436

NOTE 6 - DEBT OBLIGATIONS

Transactions for the year ended December 31, 2006 is summarized as follows:

	<u>Balance at December 31, 2005</u>	<u>Proceeds</u>	<u>Payments</u>	<u>Balance at December 31, 2006</u>
<u>Description</u>				
Fire Station Construction Bonds (4.25-4.40%)	\$ 400,000	\$ -	\$ (235,000)	\$ 165,000
Current Interest Bonds - Pool (1.50-3.00%)	1,885,000	-	(70,000)	1,815,000
Capital Appreciation Bonds - Pool (13.054%)	176,392	6,906	-	183,298
Total	\$ 2,461,392	\$ 6,906	\$ (305,000)	\$ 2,163,298

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 6 - DEBT OBLIGATIONS – (Continued)

Transactions for the year ended December 31, 2007 is summarized as follows:

<u>Description</u>	<u>Balance at December 31, 2006</u>	<u>Proceeds</u>	<u>Payments</u>	<u>Balance at December 31, 2007</u>
Fire Station Construction Bonds (4.25-4.40%)	\$ 165,000	\$ -	\$ (165,000)	\$ -
Current Interest Bonds - Pool (1.50-3.00%)	1,815,000	-	(70,000)	1,745,000
Capital Appreciation Bonds - Pool (13.054%)	<u>183,298</u>	<u>7,177</u>	<u>-</u>	<u>190,475</u>
Total	<u>\$ 2,163,298</u>	<u>\$ 7,177</u>	<u>\$ (235,000)</u>	<u>\$ 1,935,475</u>

Fire Station Construction Bonds and Fire Facility Notes were issued in 1998 for the purpose of constructing, equipping, and furnishing a firehouse and are general obligations of the Township. The Swimming Pool Notes were originally issued April 15, 2002 to construct, furnish, and equip the pool and to landscape and improve the site thereof. The Swimming Pool Notes were rolled over in 2003 and in January 2004 the Current Interest and Capital Appreciation Pool Bonds were issued which retired the 2003 notes. The original value of the Capital Appreciation Pool Bonds was \$69,998; however, they have been presented above to include their accreted value. Increases in accreted value for each year are presented in the Proceeds columns.

General obligation bonds and notes are direct obligations of the Township for which its full faith, credit and resources, are pledged and are payable from tax levies on all taxable property in the Township.

The principal and interest requirements to retire the debt obligations outstanding at December 31, 2007, are as follows:

<u>Year Ending December 31</u>	<u>Current Interest Bonds</u>		<u>Capital Appreciation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 70,000	\$ 69,450	\$ -	\$ -
2009	70,000	67,875	-	-
2010	75,000	66,125	-	-
2011	75,000	64,062	-	-
2012	-	61,813	26,338	53,662
2013 - 2017	245,000	299,682	43,660	116,360
2018 - 2022	480,000	223,318	-	-
2023 - 2027	595,000	110,355	-	-
2028	<u>135,000</u>	<u>5,940</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,745,000</u>	<u>\$ 968,620</u>	<u>\$ 69,998</u>	<u>\$ 170,022</u>

Under the cash basis of accounting, debt obligations at year-end are not reported on the financial statements.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 7 - PENSION PLANS

A. 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% 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, including post-employment health care coverage. 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, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642, by calling (614) 222-5601 or (800) 222-7377, or by visiting the OPERS website at www.opers.org.

For the year ended December 31, 2007 and 2006, the members of traditional and combined plans, were required to contribute 9.0% for 2006 and 9.5% for 2007 of their annual covered salaries. The Township does not participate in the member direct plan. Employee contributions are picked up by the Township. The Township's contribution rate for pension benefits for 2006 was 9.20% and 8.85% for the period January 1, 2007 through June 30, 2007, and 7.85% for the period July 1, 2007 through December 31, 2007. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's contributions to the traditional and combined plans for the years ended December 31, 2007, 2006, 2005 and 2004 were \$63,690, \$62,247, \$55,070, and \$55,979, respectively; 92.68% has been contributed for 2007 and 100% for 2006, 2005 and 2004.

B. Ohio Police and Fire Pension Fund

The Township contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164 or by visiting the OP&F website at www.op-f.org.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 7 - PENSION PLANS (Continued)

Plan members are required to contribute 10.0% of their annual covered salary, while the Township is required to contribute 24.0% for firefighters. Employee portions are picked up by the Township. The portion of the Township's contributions to fund pension obligations was 16.25% for firefighters in 2006. During 2007 the portion of the Township's contributions to fund pension obligations was 17.25% for firefighters. The Township's contributions to OP&F for the years ended December 31, 2007, 2006, 2005, and 2004 were \$408,301, \$362,526, \$339,178, and \$290,918 respectively; 70.71% has been contributed for 2007 and 100% for 2006, 2005, and 2004.

NOTE 8 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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 (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers".

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The 2006 local government employer contribution rate was 13.70% of covered payroll; 4.50% of covered payroll was the portion that was used to fund health care. The 2007 local government employer contribution rate was 13.85% of covered payroll of which 5.00% was used to fund postretirement health care for the period January 1, 2007 through June 30, 2007, and 6.00% was used to fund postretirement health care for the period July 1, 2007 through December 31, 2007. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Benefits are advance-funded using the entry age actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.50%, an annual increase in active employee total payroll of 4.00% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50% and 6.30% based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rate (4.00%) plus and an additional factor ranging from .50% to 5.00% for the next 8 years. In subsequent years, (9 and beyond) health care costs were assumed to increase at 4.00% (the projected wage inflation rate).

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 8 - POSTRETIREMENT BENEFIT PLANS – (Continued)

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor.

The number of active contributing participants in the traditional and combined plans was 362,130 as of December 31, 2006 and 374,979 for December 31, 2007. The Township's actual employer contributions for 2006 which were used to fund postemployment benefits were \$30,447 and \$41,951 for 2007. The amount of \$12.0 billion represents the actuarial value of OPERS's net assets available for payment of benefits at December 31, 2006 (the latest information available). Based on the cost method used, the actuarial valuation as of December 31, 2006 (the latest information available) reported the actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, is effective on January 1, 2007. OPERS took additional actions to improve the solvency of the Health care Fund in 2005 by creating a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which will allow additional funds to be allocated to the health care plan.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase healthcare coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total firefighter employer contribution rate is 24% of covered payroll, of which 7.75% of covered payroll was applied to the postemployment health care program during 2006 and 6.75% during 2007. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 8 - POSTRETIREMENT BENEFIT PLANS – (Continued)

The Township’s actual contributions for 2006 that were used to fund postemployment benefits were \$117,066 and \$131,847 in 2007 for firefighters. The OP&F’s total health care expense for the year ended December 31, 2006 (the latest information available) was \$120.374 million, which was net of member contributions of \$58.533 million. The number of OP&F participants eligible to receive health care benefits as of December 31, 2006 (the latest information available), was 14,120 for police and 10,563 for firefighters.

NOTE 9 - RISK MANAGEMENT

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

The Township is exposed to various risks of property and casualty losses, and injuries to employees. During 2007 and 2006, the Township contracted with Employers Mutual Casualty Company for various types of insurance coverage as follows:

<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Commercial Property	\$1,000,000
General Liability	1,000,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

The Township offers commercial health insurance coverage through Anthem.

NOTE 10 - CONTINGENCIES

LITIGATION

There was no pending litigation against the Township at year end.

NOTE 11 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2006 and 2007, consisted of the following, as reported on the fund financial statements:

<u>Transfers from General Fund to:</u>	<u>2006</u>	<u>2007</u>
Nonmajor Governmental Funds	\$ 142,250	\$ 140,850
<u>Transfers from Fire District to:</u>		
Capital Fire Equipment	<u>20,000</u>	<u>20,000</u>
Total	<u>\$ 162,250</u>	<u>\$ 160,850</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

NOTE 11 - INTERFUND TRANSACTIONS (Continued)

Interfund transfers between governmental funds are eliminated for reporting in the statement of activities.

NOTE 12 - BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of 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 Fire District fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference 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). At December 31, 2006, the encumbrances outstanding at year end (budgetary basis) amounted to \$381,423 for the general fund.. At December 31, 2007, the encumbrances outstanding at year end (budgetary basis) amounted to \$21,605 for the general fund (there were no encumbrances outstanding for the Fire District fund).

THIS PAGE INTENTIONALLY LEFT BLANK



Mary Taylor, CPA

Auditor of State

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

Plain Township
Franklin County
45 Second Street
New Albany, Ohio 43054

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the remaining fund information of Plain Township, Franklin County, Ohio, (the Township) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 20, 2008, 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 expressing our opinions 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.

Our consideration of internal control over financial reporting was for the limited purpose of described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

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

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2007-001.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe finding number 2007-001 is also a material weakness.

We also noted a certain internal control matter that we reported to the Township's management in a separate letter dated August 20, 2008.

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 did note certain noncompliance or other matters that we reported to the Township's management in a separate letter dated August 20, 2008.

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

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



Mary Taylor, CPA
Auditor of State

August 20, 2008

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

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

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

FINDING NUMBER 2007-001

Financial Reporting- Material Weakness / Significant Deficiency

Sound financial reporting is the responsibility of the Township's Fiscal Officer and Board of Trustees and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The Township utilizes the Ohio Township Accounting System (OTAS) and currently has monitoring controls over daily cash-basis transactions entered into the system. At year-end the cash basis information from the accounting system is converted into the Township's financial statements.

The following audit reclassifications were made to the General Fund Statement of Receipts, Disbursements, and Changes in Fund Balance –Budget and Actual at December 31, 2007:

- Original Budget appropriations were increased for Public Safety and Capital Outlay for \$1,879 and \$438,650, respectively. Original Budget appropriations were decreased for General Government, Conservation and Recreation, and Health for \$373,529, \$3,000, and \$64,000, respectively.
- Final Budget appropriations were increased for Public Safety, Health, and Conservation and Recreation for \$16,609, \$1,244, and \$35,000, respectively. Final Budget appropriations were decreased for Capital Outlay and General Government for \$3,042 and \$49,811, respectively.
- Actual expenditures were increased for Public Safety, Conservation and Recreation, and Capital Outlay for \$8,256, \$30,000, and \$6,404, respectively. Actual expenditures were decreased for Health and General Government for \$1,554 and \$43,106, respectively.

The following audit reclassifications were made to the General Fund Statement of Receipts, Disbursements, and Changes in Fund Balance –Budget and Actual at December 31, 2006:

- Original Budget appropriations were increased for General Government and Capital Outlay for \$20,593 and \$64,407, respectively. Original Budget appropriations were decreased for Health and Conservation and Recreation for \$54,000 and \$31,000, respectively.
- Final Budget appropriations were increased for Public Safety, Health, Conservation and Recreation, and Capital Outlay for \$4,860, \$1,198, \$5,963 and \$392,438, respectively. Final Budget appropriations were decreased for General Government for \$404,459.
- Actual expenditures were increased for Public Safety and Capital Outlay for \$1,879 and \$366,150, respectively. Actual expenditures were decreased for General Government for \$368,029.

The following aggregated reclassification was immaterial to the overall financial statements of the Township and was not posted to the December 31, 2007 Statement of Cash Basis Assets and Fund Balances and Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balances:

- Reclassification of \$22,967 of cemetery funds for sales of lots and openings and closing of graves that were recorded as miscellaneous receipts instead of the appropriate classification of charges for services receipts.

**PLAIN TOWNSHIP
FRANKLIN COUNTY**

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

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

FINDING NUMBER 2007-001 (Continued)

Financial Reporting- Material Weakness / Significant Deficiency (Continued)

We recommend the Township develop procedures to enhance its controls over financial reporting to help ensure the information accurately reflects the activity of the Township. Such procedures may include review of the financial statements and related components by a member of management with analytical comparisons of the current year annual report to the prior year reports for obvious errors or omissions.

Official's Response: We will advise our converter to take the necessary steps to assure proper allocation of funds.



Mary Taylor, CPA
Auditor of State

PLAIN TOWNSHIP

FRANKLIN 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
OCTOBER 9, 2008**