



Mary Taylor, CPA
Auditor of State

**BETHEL TOWNSHIP
CLARK COUNTY**

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CLARK COUNTY

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Bethel Township
Clark County
P.O. Box 225
New Carlisle, Ohio 45344-0225

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 Bethel Township, Clark County, (the Township), as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinions.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bethel Township, Clark County, as of December 31, 2009 and 2008, and the respective changes in cash financial position and the respective budgetary comparison for the General, Road and Bridge, Fire District, and Ambulance and Emergency Medical Services funds thereof for the years then ended in conformity with the basis of accounting Note 1 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2010, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

July 7, 2010

**BETHEL TOWNSHIP
CLARK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)**

This discussion and analysis of Bethel Township's (the Township) financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2007 and 2006, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2008 and 2009 are as follows:

- Net assets of governmental activities increased \$130,709 or 5.7% in 2008 and \$176,937 or 7.3% in 2009. The funds mostly affected by the increase were the Fire District and Ambulance and Emergency Medical Services fund for savings for the new building.
- In 2008 the Township's receipts primarily consisted of property taxes, entitlements, and EMS Billings. These receipts represent 40, 17, and 20 percent in 2008 respectively. In 2009 the Township's receipts consisted of property taxes, entitlements, EMS Billings, and Sale of Bonds. These receipts represent 26, 19, 13, and 30 percent in 2009 respectively.
- In 2007 the Township purchased a piece of property including 6.5 acres of land and a house for \$237,500. The Township split and sold the house from the acreage in 2008. Construction for a new fire station on the remaining 5 acres began in 2009 and will be complete in 2010. Funds for financing the new building came from the township's issuance of general obligation bonds for a total of \$1,200,000.
- In the fall of 2008 the township was hit by a severe wind storm in which the county was declared a federal disaster area. The Township spent weeks cleaning up the debris from the storm and spent a total of \$103,424 of which FEMA reimbursed \$77,568 in 2009.
- The Township has also been fortunate enough to receive several FEMA fire equipment grants. In 2008 the Township was reimbursed for \$30,400 in fire gear purchased in 2007. In 2009 the Township received \$81,567 to upgrade the radio system.
- Other significant purchased include a new ambulance for \$139,185 in 2008, a new dump truck for \$103,098 in 2009, and a new police cruiser for \$32,429 in 2009. There was a significant decrease (\$50,172 or 45% in 2008 and \$27,633 or 45% in 2009) in the earnings on investments due to changes in the economy and a decrease in interest rates.

Using the Basic Financial Statements

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)
(Continued)**

Report Components

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

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

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

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2008 and 2009 within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as a way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is an indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other non-financial factors as well, such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations, and the need for continued growth in the major local revenue sources such as property taxes.

Reporting the Township's Most Significant Funds

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)
(Continued)**

Governmental Funds – Most of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined to present in total in a single column. The Township's major funds are the General Fund, Road & Bridge Fund, Fire District Fund, New Fire Station Fund, and the Ambulance and Emergency Medical Services Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Township. Fiduciary funds are not reflected on the township-wide financial statements because the resources of these funds are not available to support the Township's programs.

The Township as a Whole

Table 1 (on page 7) provides a summary of the Township's net assets for 2008 and 2009 compared to 2007 on a cash basis.

As mentioned previously, net assets of governmental activities increased \$130,709 or 5.7% in 2008 and \$176,937 or 7.3% in 2009. The funds most affected by this are the Fire District and the Ambulance and Emergency Medical Services funds. These departments were not spending as much on capital improvements to save for the new fire station building.

Table 2 (page 7-8) reflects the changes in net assets in for 2008 and 2009 in comparison to 2007.

Program receipts represent 30 percent of total receipts in 2008 and 20 percent in 2009. Program receipts are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, sales of cemetery lots and charges associated with burials, charges for ambulance and emergency medical services and assessment to real estate taxes for providing lighting in lighting districts.

General receipts represent 70 percent of the Township's total receipts in 2008 and 80 percent in 2009. Approximately 57 percent in 2008 and 33 percent in 2009 of the general receipts are property taxes; State and Federal grants and entitlements made up 24 percent in 2008 and 24 percent in 2009; and Sale of Bonds made up 38 percent of the general receipt in 2009. Other receipts are insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include costs of the Township Trustees, the Township Fiscal Officer and the costs of maintaining the Township administrative building.

Public Safety and Public Works include the costs of police, fire and EMS services, and the road department. In 2006 Health revenues and disbursements started going directly through the county-wide health agency for public health services. Health also includes costs of running and maintaining the townships active/inactive cemeteries. Conservation and recreation include costs to maintain several parks within the community. Capital outlay includes purchases related to equipment, vehicles, or buildings.

**BETHEL TOWNSHIP
CLARK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)
(Continued)**

Governmental Activities

If you look at the Statement of Activities you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for Public Safety and Public Works, which account for 51 and 23 percent in 2008 and 34 and 14 percent in 2009 of all governmental disbursements, respectively. General government also represents a significant cost, about 15 percent in 2008 and 8 percent in 2009. In 2009 Capital Outlay accounted for 39 percent of the disbursements due to the new fire station building project. The next two columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The Net Receipt (Disbursement) columns compare the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3 (page 8).

The dependence upon property tax receipts is apparent as 68 percent in 2008 and 79 percent in 2009 of governmental activities are supported through these general receipts.

The Township's Funds

In 2008 governmental activities had receipts of \$2,352,145 and disbursements of \$2,221,439. In 2009 governmental activities had receipts of \$3,450,986 and disbursements of \$3,274,049. There is a significant difference between the two years because of building a new fire station.

General Fund Budgeting Highlights

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

During 2008 and 2009, the Township amended its General Fund budget when required to reflect changing circumstances.

Final Disbursements in 2008 were budgeted at \$989,971 while actual disbursements were \$419,515. Final Disbursements in 2009 were budgeted at \$824,932 while actual disbursements were \$397,142.

Capital Assets and Debt Administration

Capital Assets

The Township does not currently keep track of its capital assets and infrastructure, other than an annual inventory valuation of assets.

Debt

At December 31, 2009, the Township's outstanding debt is \$1,043,137 in general obligation bonds issued for constructing and equipping a new fire station.

**BETHEL TOWNSHIP
CLARK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)
(Continued)**

Current Issues

The challenge for all Townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on real estate taxes and have very little industry to support the tax base. The Township's strategy is to try to save money where possible. In the coming years the Township will have to seek out additional property tax levies to keep up with rising costs.

Contacting the Township's Fiscal Officer

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Melanie M. Cochran, Township Fiscal Officer, Bethel Township, PO Box 225, New Carlisle, Ohio 45344.

**(Table 1)
Net Assets**

| | Governmental Activities | | |
|--------------------------------|--------------------------------|--------------------|--------------------|
| | 2007 | 2008 | 2009 |
| Assets: | | | |
| Cash and Cash Equivalents | \$2,300,150 | \$2,430,859 | \$2,607,796 |
| Total Assets | <u>2,300,150</u> | <u>2,430,859</u> | <u>2,607,796</u> |
| Net Assets: | | | |
| Restricted For: | | | |
| Debt Service | | | 44,091 |
| Permanent Fund: | | | |
| Cemetery Bequest Nonexpendable | 912 | 931 | 944 |
| Other Purposes | 1,531,963 | 1,816,810 | 2,090,801 |
| Unrestricted | 767,275 | 613,118 | 471,960 |
| Total Net Assets | <u>\$2,300,150</u> | <u>\$2,430,859</u> | <u>\$2,607,796</u> |

**(Table 2)
Changes in Net Assets**

| | Governmental Activities | | |
|---|--------------------------------|------------------|------------------|
| | 2007 | 2008 | 2009 |
| Receipts: | | | |
| Program Receipts: | | | |
| Charges for Services and Sales | \$ 410,954 | \$ 462,206 | \$ 461,849 |
| Operating Grants and Contributions | 210,575 | 255,002 | 241,277 |
| Total Program Receipts | <u>621,529</u> | <u>717,208</u> | <u>703,126</u> |
| General Receipts: | | | |
| Property and Other Local Taxes | 961,833 | 935,992 | 901,562 |
| Grants and Entitlements not Restricted to Specific Programs | 339,636 | 394,256 | 651,342 |
| Sale of Bonds | | | 1,043,137 |
| Sale of Capital Assets | 8,053 | 126,405 | |
| Cable of Franchise Fees | 60,130 | 29,684 | 95,567 |
| Interest | 111,594 | 61,422 | 33,789 |
| Miscellaneous | 13,706 | 87,178 | 22,463 |
| Total General Receipts | <u>1,494,955</u> | <u>1,634,937</u> | <u>2,747,860</u> |
| Total Receipts | <u>2,116,484</u> | <u>2,362,145</u> | <u>3,450,986</u> |

**BETHEL TOWNSHIP
CLARK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(UNAUDITED)
(Continued)**

**(Table 2)
Changes in Net Assets
(Continued)**

| | Governmental Activities | | |
|-----------------------------------|--------------------------------|--------------------|--------------------|
| | 2007 | 2008 | 2009 |
| Disbursements: | | | |
| General Government | 260,949 | 337,351 | 268,882 |
| Public Safety | 829,656 | 1,129,734 | 1,125,417 |
| Public Works | 481,245 | 510,154 | 473,877 |
| Health | 10,847 | 11,438 | 11,201 |
| Conservation-Recreation | 41,530 | 44,974 | 35,552 |
| Other | | | 77,568 |
| Capital Outlay | 462,905 | 187,785 | 1,275,481 |
| Interest and Fiscal Charges | | | 6,071 |
| Total Disbursements | <u>2,087,132</u> | <u>2,221,439</u> | <u>3,274,049</u> |
| Increase (Decrease) in Net Assets | 29,352 | 130,706 | 176,937 |
| Net Assets, January 1, | <u>2,270,798</u> | <u>2,300,150</u> | <u>2,430,859</u> |
| Net Assets, December 31, | <u>\$2,300,150</u> | <u>\$2,430,859</u> | <u>\$2,607,796</u> |

**(Table 3)
Governmental Activities**

| | Total Cost Of Services 2007 | Net Cost Of Services 2007 | Total Cost Of Services 2008 | Net Cost Of Services 2008 | Total Cost Of Services 2009 | Net Cost Of Services 2009 |
|-------------------------|--|--|--|--|--|--|
| General Government | \$ 260,949 | (\$ 260,949) | \$ 337,351 | (\$ 337,351) | \$ 268,882 | (\$ 268,882) |
| Public Safety | 829,656 | (531,470) | 1,129,734 | (790,843) | 1,125,417 | (789,127) |
| Public Works | 481,245 | (162,786) | 510,154 | (140,085) | 473,877 | (116,323) |
| Health | 10,847 | (5,963) | 11,438 | (3,190) | 11,201 | (3,429) |
| Conservation-Recreation | 41,530 | (41,530) | 44,974 | (44,974) | 35,552 | (34,042) |
| Other | | | | | 77,568 | (77,568) |
| Capital Outlay | 462,905 | (462,905) | 187,785 | (187,785) | 1,275,481 | (1,275,481) |
| Debt Service: | | | | | | |
| Interest | | | | | 6,071 | (6,071) |
| Total Expenses | <u>\$2,087,132</u> | <u>(\$1,465,603)</u> | <u>\$2,221,436</u> | <u>(\$1,504,228)</u> | <u>\$3,274,049</u> | <u>(\$2,570,923)</u> |

BETHEL TOWNSHIP
CLARK COUNTY

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2009

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets: | |
| Equity in Pooled Cash and Cash Equivalents | \$2,607,796 |
| Total Assets | <u>2,607,796</u> |
| | |
| Net Assets: | |
| Restricted for: | |
| Debt Service | 44,091 |
| Permanent Fund: | |
| Cemetery Bequest Non-expendable | 944 |
| Other Purposes | 2,090,801 |
| Unrestricted | 471,960 |
| Total Net Assets | <u>\$2,607,796</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | <u>Cash Disbursements</u> | <u>Program Cash Receipts</u> | | <u>Net (Disbursements) Receipts and Changes in Net Assets</u> |
|--------------------------------------|-------------------------------|---|---|---|
| | | <u>Charges for Services and Sales</u> | <u>Operating Grants and Contributions</u> | <u>Governmental Activities</u> |
| Governmental Activities: | | | | |
| General Government | \$268,882 | | | (\$268,882) |
| Public Safety | 1,125,417 | \$336,290 | | (789,127) |
| Public Works | 473,877 | 116,277 | \$241,277 | (116,323) |
| Health | 11,201 | 7,772 | | (3,429) |
| Conservation-Recreation | 35,552 | 1,510 | | (34,042) |
| Other | 77,568 | | | (77,568) |
| Capital Outlay | 1,275,481 | | | (1,275,481) |
| Debt Service: | | | | |
| Interest and Fiscal Charges | 6,071 | | | (6,071) |
| Total Governmental Activities | <u>\$3,274,049</u> | <u>\$461,849</u> | <u>\$241,277</u> | <u>(2,570,923)</u> |
| General Receipts: | | | | |
| Property Taxes levied for: | | | | |
| | | | | 901,562 |
| | | | | 651,342 |
| | | | | 1,043,137 |
| | | | | 95,567 |
| | | | | 33,789 |
| | | | | 22,463 |
| | | | | <u>2,747,860</u> |
| | | | | 176,937 |
| | | | | <u>2,430,859</u> |
| | | | | <u>\$2,607,796</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2009**

| | <u>General</u> | <u>Road and Bridge</u> | <u>Fire District</u> | <u>Ambulance and Emergency Medical Services</u> | <u>New Fire Station</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|------------------|--------------------------------|--------------------------|---|---------------------------------|---|---|
| Assets: | | | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$471,960 | \$296,693 | \$606,022 | \$627,402 | | \$605,719 | \$2,607,796 |
| Total Assets | <u>471,960</u> | <u>296,693</u> | <u>606,022</u> | <u>627,402</u> | | <u>605,719</u> | <u>2,607,796</u> |
| Fund Balances: | | | | | | | |
| Reserved: | | | | | | | |
| Reserved for Encumbrances | 4,453 | | 725 | 8,368 | | | 13,546 |
| Unreserved: | | | | | | | |
| Undesignated, Reported in: | | | | | | | |
| General Fund | 467,507 | | | | | | 467,507 |
| Special Revenue Funds | | 296,693 | 605,297 | 619,034 | | 560,684 | 2,081,708 |
| Debt Service Fund | | | | | | 44,091 | 44,091 |
| Permanent Fund | | | | | | 944 | 944 |
| Total Fund Balances | <u>\$471,960</u> | <u>\$296,693</u> | <u>\$606,022</u> | <u>\$627,402</u> | <u>\$0</u> | <u>\$605,719</u> | <u>\$2,607,796</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | General | Road and Bridge | Fire District | Ambulance and Emergency Medical Services | New Fire Station | Other Governmental Funds | Total Governmental Funds |
|---|------------------|--------------------------------|--------------------------|---|---------------------------------|---|---|
| Receipts: | | | | | | | |
| Property and Other Local Taxes | | \$199,842 | \$586,634 | | | \$184,984 | \$971,460 |
| Charges for Services | | | | \$322,801 | | | 322,801 |
| Licenses, Permits and Fees | \$95,567 | | | | | 4,172 | 99,739 |
| Fines and Forfeitures | 13,490 | | | | | | 13,490 |
| Intergovernmental | 84,115 | 120,038 | 285,623 | | | 392,479 | 882,255 |
| Special Assessments | | | | | | 46,379 | 46,379 |
| Earnings on Investments | 29,222 | | | | | 4,567 | 33,789 |
| Miscellaneous | 13,590 | 2,697 | 7,651 | 10,364 | | 3,634 | 37,936 |
| Total Receipts | 235,984 | 322,577 | 879,908 | 333,165 | | 636,215 | 2,407,849 |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| General Government | 268,882 | | | | | | 268,882 |
| Public Safety | 37,014 | | 614,137 | 177,088 | | 297,178 | 1,125,417 |
| Public Works | 1,099 | 192,493 | | | | 280,285 | 473,877 |
| Health | 9,595 | | | | | 1,606 | 11,201 |
| Conservation-Recreation | 35,552 | | | | | | 35,552 |
| Other | | | | | | 77,568 | 77,568 |
| Capital Outlay | | | 129,245 | | \$1,043,137 | 103,099 | 1,275,481 |
| Debt Service: | | | | | | | |
| Interest and Fiscal Charges | | | | | | 6,071 | 6,071 |
| Total Disbursements | 352,142 | 192,493 | 743,382 | 177,088 | 1,043,137 | 765,807 | 3,274,049 |
| Excess of Receipts Over (Under) Disbursements | (116,158) | 130,084 | 136,526 | 156,077 | (1,043,137) | (129,592) | (866,200) |
| Other Financing Sources (Uses): | | | | | | | |
| Bonds Issued | | | | | 1,043,137 | | 1,043,137 |
| Transfers In | | | | | | 75,000 | 75,000 |
| Transfers Out | (25,000) | | (25,000) | (25,000) | | | (75,000) |
| Advances In | 20,000 | | | | | 20,000 | |
| Advances Out | (20,000) | | | | | (20,000) | |
| Total Other Financing Sources (Uses) | (25,000) | | (25,000) | (25,000) | 1,043,137 | 75,000 | 1,043,137 |
| Net Change in Fund Balances | (141,158) | 130,084 | 111,526 | 131,077 | | (54,592) | 176,937 |
| Fund Balances Beginning of Year | 613,118 | 166,609 | 494,496 | 496,325 | | 660,311 | 2,430,859 |
| Fund Balances End of Year | \$471,960 | \$296,693 | \$606,022 | \$627,402 | \$0 | \$605,719 | \$2,607,796 |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> |
| Receipts: | | | | |
| Licenses, Permits and Fees | \$52,000 | \$52,000 | \$95,567 | \$43,567 |
| Fines and Forfeitures | 15,000 | 15,000 | 13,490 | (1,510) |
| Intergovernmental | 88,622 | 83,814 | 84,115 | 301 |
| Earnings on Investments | 60,000 | 60,000 | 29,222 | (30,778) |
| Miscellaneous | 1,000 | 1,000 | 13,590 | 12,590 |
| Total receipts | <u>216,622</u> | <u>211,814</u> | <u>235,984</u> | <u>24,170</u> |
| Disbursements: | | | | |
| Current: | | | | |
| General Government | 305,600 | 321,600 | 273,335 | 48,265 |
| Public Safety | 50,000 | 50,000 | 37,014 | 12,986 |
| Public Works | 3,000 | 3,000 | 1,099 | 1,901 |
| Health | 28,000 | 20,000 | 9,595 | 10,405 |
| Conservation-Recreation | 68,140 | 63,332 | 35,552 | 27,780 |
| Total Disbursements | <u>454,740</u> | <u>457,932</u> | <u>356,595</u> | <u>101,337</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(238,118)</u> | <u>(246,118)</u> | <u>(120,611)</u> | <u>125,507</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers In | | | | |
| Transfers Out | (25,000) | (65,000) | (25,000) | 40,000 |
| Advances In | | | 20,000 | 20,000 |
| Advances Out | (25,000) | (25,000) | (20,000) | 5,000 |
| Other Financing Uses | <u>(325,000)</u> | <u>(277,000)</u> | <u>(25,000)</u> | <u>277,000</u> |
| Total Other Financing Sources (Uses) | <u>(375,000)</u> | <u>(367,000)</u> | <u>(25,000)</u> | <u>342,000</u> |
| Net Change in Fund Balance | (613,118) | (613,118) | (145,611) | 467,507 |
| Fund Balance Beginning of Year | 613,118 | 613,118 | 613,118 | |
| Prior Year Encumbrances Appropriated | | | | |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$467,507</u> | <u>\$467,507</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-----------------------------|-----------------------------|-----------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Receipts: | | | | |
| Property and Other Local Taxes | \$245,031 | \$229,177 | \$199,842 | (\$29,335) |
| Intergovernmental | 4,081 | 3,869 | 120,038 | 116,169 |
| Miscellaneous | 500 | 500 | 2,697 | 2,197 |
| Total receipts | <u>249,612</u> | <u>233,546</u> | <u>322,577</u> | <u>89,031</u> |
| Disbursements: | | | | |
| Current: | | | | |
| Public Works | <u>416,221</u> | <u>400,155</u> | <u>192,493</u> | <u>207,662</u> |
| Total Disbursements | <u>416,221</u> | <u>400,155</u> | <u>192,493</u> | <u>207,662</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(166,609)</u> | <u>(166,609)</u> | <u>130,084</u> | <u>296,693</u> |
| Net Change in Fund Balance | (166,609) | (166,609) | 130,084 | 296,693 |
| Fund Balance Beginning of Year | 166,609 | 166,609 | 166,609 | |
| Prior Year Encumbrances Appropriated | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Fund Balance End of Year | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$296,693</u></u> | <u><u>\$296,693</u></u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
FIRE DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget |
|---|-------------------------|------------------|------------------|--------------------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Positive (Negative)</u> |
| Receipts: | | | | |
| Property and Other Local Taxes | \$687,421 | \$669,294 | \$586,634 | (\$82,660) |
| Intergovernmental | 12,415 | 12,168 | 285,623 | 273,455 |
| Miscellaneous | 1,000 | 1,000 | 7,651 | 6,651 |
| Total receipts | <u>700,836</u> | <u>682,462</u> | <u>879,908</u> | <u>197,446</u> |
| Disbursements: | | | | |
| Current: | | | | |
| Public Safety | 652,000 | 704,700 | 614,137 | 90,563 |
| Capital Outlay | 300,332 | 204,258 | 129,970 | 74,288 |
| Total Disbursements | <u>952,332</u> | <u>908,958</u> | <u>744,107</u> | <u>164,851</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(251,496)</u> | <u>(226,496)</u> | <u>135,801</u> | <u>362,297</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | | (25,000) | (25,000) | |
| Other Financing Uses | (243,000) | (243,000) | | 243,000 |
| Total Other Financing Sources (Uses) | <u>(243,000)</u> | <u>(268,000)</u> | <u>(25,000)</u> | <u>243,000</u> |
| Net Change in Fund Balance | (494,496) | (494,496) | 110,801 | 605,297 |
| Fund Balance Beginning of Year | 494,496 | 494,496 | 494,496 | |
| Prior Year Encumbrances Appropriated | | | | |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$605,297</u> | <u>\$605,297</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
AMBULANCE AND EMERGENCY MEDICAL SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Receipts: | | | | |
| Charges for Services | \$160,000 | \$160,000 | \$322,801 | \$162,801 |
| Intergovernmental | | | | |
| Miscellaneous | 300 | 300 | 10,364 | 10,064 |
| Total receipts | <u>160,300</u> | <u>160,300</u> | <u>333,165</u> | <u>172,865</u> |
| Disbursements: | | | | |
| Current: | | | | |
| Public Safety | <u>456,625</u> | <u>431,625</u> | <u>185,456</u> | <u>246,169</u> |
| Total Disbursements | <u>456,625</u> | <u>431,625</u> | <u>185,456</u> | <u>246,169</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(296,325)</u> | <u>(271,325)</u> | <u>147,709</u> | <u>419,034</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | | (25,000) | (25,000) | |
| Other Financing Uses | <u>(200,000)</u> | <u>(200,000)</u> | | <u>200,000</u> |
| Total Other Financing Sources (Uses) | <u>(200,000)</u> | <u>(225,000)</u> | <u>(25,000)</u> | <u>200,000</u> |
| Net Change in Fund Balance | (496,325) | (496,325) | 122,709 | 619,034 |
| Fund Balance Beginning of Year | 496,325 | 496,325 | 496,325 | |
| Prior Year Encumbrances Appropriated | | | | |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$619,034</u> | <u>\$619,034</u> |

See accompanying notes to the basic financial statements.

BETHEL TOWNSHIP
CLARK COUNTY

STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUNDS
DECEMBER 31, 2009

| | <u>Private Purpose Trust</u> |
|--|----------------------------------|
| Assets: | |
| Equity in Pooled Cash and Cash Equivalents | \$788 |
| Total Assets | <u>788</u> |
| Net Assets: | |
| Restricted for: | |
| Other Purposes | 788 |
| Total Net Assets | <u>\$788</u> |

See accompanying notes to the basic financial statements.

BETHEL TOWNSHIP
CLARK COUNTY

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31,2009

| | <u>Private Purpose Trust</u> |
|--------------------------------|----------------------------------|
| Additions: | |
| Interest | <u>\$10</u> |
| Change in Net Assets | 10 |
| Net Assets - Beginning of Year | <u>778</u> |
| Net Assets - End of Year | <u><u>\$788</u></u> |

See accompanying notes to the basic financial statements.

BETHEL TOWNSHIP
CLARK COUNTY

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2008

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets: | |
| Equity in Pooled Cash and Cash Equivalents | \$2,430,859 |
| Total Assets | <u>2,430,859</u> |
| | |
| Net Assets: | |
| Restricted for: | |
| Permanent Fund: Cemetery Bequest | |
| Nonexpendable | 931 |
| Other Purposes | 1,816,810 |
| Unrestricted | 613,118 |
| Total Net Assets | <u>\$2,430,859</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>Program Cash Receipts</u> | | <u>Net (Disbursements) Receipts and Changes in Net Assets</u> |
|---|-------------------------------|---|---|
| | <u>Cash Disbursements</u> | <u>Charges for Services and Sales</u> | <u>Operating Grants and Contributions</u> |
| Governmental Activities: | | | <u>Governmental Activities</u> |
| General Government | \$337,351 | | (\$337,351) |
| Public Safety | 1,129,734 | \$338,891 | (790,843) |
| Public Works | 510,154 | 115,067 | \$255,002 (140,085) |
| Health | 11,438 | 8,248 | (3,190) |
| Conservation-Recreation | 44,974 | | (44,974) |
| Capital Outlay | 187,785 | | (187,785) |
| Total Governmental Activities | <u>\$2,221,436</u> | <u>\$462,206</u> | <u>\$255,002</u> <u>(1,504,228)</u> |
| General Receipts: | | | |
| Property Taxes levied for: | | | |
| General Purposes | | | 935,992 |
| Grants and Entitlements not Restricted to Specific Programs | | | 394,256 |
| Sale of Capital Assets | | | 126,405 |
| Cable Franchise Fees | | | 29,684 |
| Earnings on Investments | | | 61,422 |
| Miscellaneous | | | 87,178 |
| Total General Receipts | | | <u>1,634,937</u> |
| Change in Net Assets | | | 130,709 |
| Net Assets Beginning of Year | | | <u>2,300,150</u> |
| Net Assets End of Year | | | <u>\$2,430,859</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2008**

| | <u>General</u> | <u>Road and Bridge</u> | <u>Fire District</u> | <u>Ambulance and Emergency Medical Services</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|------------------|--------------------------------|--------------------------|---|---|---|
| Assets: | | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$613,118 | \$166,609 | \$494,496 | \$496,325 | \$660,311 | \$2,430,859 |
| Total Assets | <u>613,118</u> | <u>166,609</u> | <u>494,496</u> | <u>496,325</u> | <u>660,311</u> | <u>2,430,859</u> |
| Fund Balances: | | | | | | |
| Unreserved: | | | | | | |
| Undesignated, Reported in: | | | | | | |
| General Fund | 613,118 | | | | | 613,118 |
| Special Revenue Funds | | 166,609 | 494,496 | 496,325 | 659,380 | 1,816,810 |
| Permanent Fund | | | | | 931 | 931 |
| Total Fund Balances | <u>\$613,118</u> | <u>\$166,609</u> | <u>\$494,496</u> | <u>\$496,325</u> | <u>\$660,311</u> | <u>\$2,430,859</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>General</u> | <u>Road and Bridge</u> | <u>Fire District</u> | <u>Ambulance and Emergency Medical Services</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|------------------|--------------------------------|--------------------------|---|---|---|
| Receipts: | | | | | | |
| Property and Other Local Taxes | | \$214,780 | \$602,751 | | \$187,320 | \$1,004,851 |
| Charges for Services | | | | \$317,367 | | 317,367 |
| Licenses, Permits and Fees | \$29,684 | | | | 3,448 | 33,132 |
| Fines and Forfeitures | 21,524 | | | | | 21,524 |
| Intergovernmental | 132,283 | 47,013 | 144,702 | | 325,261 | 649,259 |
| Special Assessments | | | | | 46,207 | 46,207 |
| Earnings on Investments | 53,283 | | | | 8,139 | 61,422 |
| Miscellaneous | 8,359 | 632 | 78,186 | | 4,800 | 91,977 |
| Total Receipts | <u>245,133</u> | <u>262,425</u> | <u>825,639</u> | <u>317,367</u> | <u>575,175</u> | <u>2,225,739</u> |
| Disbursements: | | | | | | |
| Current: | | | | | | |
| General Government | 337,351 | | | | | 337,351 |
| Public Safety | | | 596,168 | 288,425 | 245,141 | 1,129,734 |
| Public Works | 752 | 239,158 | | | 270,244 | 510,154 |
| Health | 11,438 | | | | | 11,438 |
| Conservation-Recreation | 44,974 | | | | | 44,974 |
| Capital Outlay | | | 187,785 | | | 187,785 |
| Total Disbursements | <u>394,515</u> | <u>239,158</u> | <u>783,953</u> | <u>288,425</u> | <u>515,385</u> | <u>2,221,436</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(149,382)</u> | <u>23,267</u> | <u>41,686</u> | <u>28,942</u> | <u>59,790</u> | <u>4,303</u> |
| Other Financing Sources (Uses): | | | | | | |
| Sale of Capital Assets | 20,225 | | 53,090 | 53,090 | | 126,405 |
| Transfers In | | | | | 25,000 | 25,000 |
| Transfers Out | (25,000) | | | | | (25,000) |
| Total Other Financing Sources (Uses) | <u>(4,775)</u> | | <u>53,090</u> | <u>53,090</u> | <u>25,000</u> | <u>126,405</u> |
| Net Change in Fund Balances | (154,157) | 23,267 | 94,776 | 82,032 | 84,790 | 130,708 |
| Fund Balances Beginning of Year | <u>767,275</u> | <u>143,342</u> | <u>399,720</u> | <u>414,293</u> | <u>575,521</u> | <u>2,300,151</u> |
| Fund Balances End of Year | <u>\$613,118</u> | <u>\$166,609</u> | <u>\$494,496</u> | <u>\$496,325</u> | <u>\$660,311</u> | <u>\$2,430,859</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Negative)</u> |
| Receipts: | | | | |
| Licenses, Permits and Fees | \$52,000 | \$52,000 | \$29,684 | (\$22,316) |
| Fines and Forfeitures | 15,000 | 15,000 | 21,524 | 6,524 |
| Intergovernmental | 94,696 | 94,696 | 132,283 | 37,587 |
| Earnings on Investments | 60,000 | 60,000 | 53,283 | (6,717) |
| Miscellaneous | 1,000 | 1,000 | 8,359 | 7,359 |
| Total Receipts | <u>222,696</u> | <u>222,696</u> | <u>245,133</u> | <u>22,437</u> |
| Disbursements: | | | | |
| Current: | | | | |
| General Government | 340,500 | 436,500 | 337,351 | 99,149 |
| Public Safety | 55,000 | 48,000 | | 48,000 |
| Public Works | 4,000 | 4,000 | 752 | 3,248 |
| Health | 28,000 | 28,000 | 11,438 | 16,562 |
| Conservation-Recreation | 60,000 | 71,000 | 44,974 | 26,026 |
| Capital Outlay | 120,000 | 20,000 | | 20,000 |
| Total Disbursements | <u>607,500</u> | <u>607,500</u> | <u>394,515</u> | <u>212,985</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(384,804)</u> | <u>(384,804)</u> | <u>(149,382)</u> | <u>235,422</u> |
| Other Financing Sources (Uses): | | | | |
| Sale of Capital Assets | | | 20,225 | 20,225 |
| Transfers Out | (37,471) | (37,471) | (25,000) | 12,471 |
| Advances Out | (20,000) | (20,000) | | 20,000 |
| Other Financing Uses | (325,000) | (325,000) | | 325,000 |
| Total Other Financing Sources (Uses) | <u>(382,471)</u> | <u>(382,471)</u> | <u>(4,775)</u> | <u>377,696</u> |
| Net Change in Fund Balance | (767,275) | (767,275) | (154,157) | 613,118 |
| Fund Balance Beginning of Year | 767,275 | 767,275 | 767,275 | |
| Prior Year Encumbrances Appropriated | | | | |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$613,118</u> | <u>\$613,118</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Receipts: | | | | |
| Property and Other Local Taxes | \$231,045 | \$244,993 | \$214,780 | (\$30,213) |
| Licenses, Permits and Fees | 250 | 250 | | (250) |
| Intergovernmental | 3,837 | 4,081 | 47,013 | 42,932 |
| Miscellaneous | 500 | 500 | 632 | 132 |
| Total receipts | <u>235,632</u> | <u>249,824</u> | <u>262,425</u> | <u>12,601</u> |
| Disbursements: | | | | |
| Current: | | | | |
| Public Works | 378,974 | 393,166 | 239,158 | 154,008 |
| Total Disbursements | <u>378,974</u> | <u>393,166</u> | <u>239,158</u> | <u>154,008</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(143,342)</u> | <u>(143,342)</u> | <u>23,267</u> | <u>166,609</u> |
| Fund Balance Beginning of Year | 143,342 | 143,342 | 143,342 | |
| Prior Year Encumbrances Appropriated | | | | |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$166,609</u> | <u>\$166,609</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
FIRE DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget |
|---|-------------------------|------------------|------------------|--------------------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Positive (Negative)</u> |
| Receipts: | | | | |
| Property and Other Local Taxes | \$712,821 | \$687,421 | \$602,751 | (\$84,670) |
| Intergovernmental | 12,515 | 12,415 | 144,702 | 132,287 |
| Miscellaneous | 1,000 | 1,000 | 78,186 | 77,186 |
| Total Receipts | <u>726,336</u> | <u>700,836</u> | <u>825,639</u> | <u>124,803</u> |
| Disbursements: | | | | |
| Current: | | | | |
| Public Safety | 613,056 | 645,056 | 596,168 | 48,888 |
| Capital Outlay | 263,000 | 264,000 | 187,785 | 76,215 |
| Total Disbursements | <u>876,056</u> | <u>909,056</u> | <u>783,953</u> | <u>125,103</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(149,720)</u> | <u>(208,220)</u> | <u>41,686</u> | <u>249,906</u> |
| Other Financing Sources (Uses): | | | | |
| Sale of Capital Assets | | | 53,090 | 53,090 |
| Other Financing Uses | (250,000) | (191,500) | | 191,500 |
| Total Other Financing Sources (Uses) | <u>(250,000)</u> | <u>(191,500)</u> | <u>53,090</u> | <u>244,590</u> |
| Net Change in Fund Balance | (399,720) | (399,720) | 94,776 | 494,496 |
| Fund Balance Beginning of Year | 399,720 | 399,720 | 399,720 | |
| Prior Year Encumbrances Appropriated | | | | |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$494,496</u> | <u>\$494,496</u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
AMBULANCE AND EMERGENCY MEDICAL SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|--------------------|-------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Receipts: | | | | |
| Charges for Services | \$140,000 | \$140,000 | \$317,367 | \$177,367 |
| Intergovernmental | | | | |
| Miscellaneous | 300 | 300 | | (300) |
| Total Receipts | <u>140,300</u> | <u>140,300</u> | <u>317,367</u> | <u>177,067</u> |
| Disbursements: | | | | |
| Current: | | | | |
| Public Safety | <u>404,555</u> | <u>404,555</u> | <u>288,425</u> | <u>116,130</u> |
| Total Disbursements | <u>404,555</u> | <u>404,555</u> | <u>288,425</u> | <u>116,130</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(264,255)</u> | <u>(264,255)</u> | <u>28,942</u> | <u>293,197</u> |
| Other Financing Sources (Uses): | | | | |
| Sale of Capital Assets | | | 53,090 | 53,090 |
| Other Financing Uses | <u>(150,000)</u> | <u>(150,000)</u> | | <u>150,000</u> |
| Total Other Financing Sources (Uses) | <u>(150,000)</u> | <u>(150,000)</u> | <u>53,090</u> | <u>203,090</u> |
| Net Change in Fund Balance | (414,255) | (414,255) | 82,032 | 496,287 |
| Fund Balance Beginning of Year | 413,122 | 413,122 | 413,122 | |
| Prior Year Encumbrances Appropriated | <u>1,171</u> | <u>1,171</u> | <u>1,171</u> | |
| Fund Balance End of Year | <u><u>\$38</u></u> | <u><u>\$38</u></u> | <u><u>\$496,325</u></u> | <u><u>\$496,287</u></u> |

See accompanying notes to the basic financial statements.

BETHEL TOWNSHIP
CLARK COUNTY

STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUNDS
DECEMBER 31, 2008

| | <u>Private Purpose Trust</u> |
|--|----------------------------------|
| Assets: | |
| Equity in Pooled Cash and Cash Equivalents | \$778 |
| Total Assets | <u>778</u> |
| Net Assets: | |
| Restricted for: | |
| Other Purposes | 778 |
| Total Net Assets | <u>\$778</u> |

See accompanying notes to the basic financial statements.

BETHEL TOWNSHIP
CLARK COUNTY

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - CASH BASIS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31,2008

| | <u>Private Purpose Trust</u> |
|--------------------------------|----------------------------------|
| Additions: | |
| Interest | <u>\$17</u> |
| Change in Net Assets | 17 |
| Net Assets - Beginning of Year | <u>761</u> |
| Net Assets - End of Year | <u><u>\$778</u></u> |

See accompanying notes to the basic financial statements.

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

1. REPORTING ENTITY

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

The Township provides general government services, maintenance of Township roads and bridges, fire protection and emergency medical services, and cemetery maintenance. The Township contracts with the Clark County Sheriff to provide police protection.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, fire and emergency medical services, and cemetery maintenance. The Township contracts with the Clark County Sheriff's office for police services.

B. Component Units

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township. The Township does not have any component units.

C. Public Entity Risk Pool

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. Note 7 to the financial statements provides additional information for this entity.

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

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

1. 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 non-exchange 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.

2. 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. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. 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 resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

Fire District Fund- This fund receives property tax monies for the operation of the fire department.

Ambulance and Emergency Medical Services Fund - This fund receives monies from billings for services and is utilized for the operation of EMS services.

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

2. 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 a private purpose trust fund to account for a trust fund established for the perpetual care of a lot and stone in the Township's Donnelville Cemetery.

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note.

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.

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process

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

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

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.

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

E. Cash and Investments

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 with an original maturity of three months or less at the time of purchase and investments of the cash management pool 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, respectively.

During 2009 and 2008, the Township invested in a money market fund, and STAR Ohio. The Township's money market fund investment is recorded at the amount reported by Wesbanco on December 31, 2009 and 2008.

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, 2009 and 2008.

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2009 and 2008 were \$29,222 and \$53,283 respectively.

F. Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation.

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

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

I. Interfund Receivables/Payables

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

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 8 and 9, 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 expenditure are reported at inception. Lease payments are reported when paid.

M. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Balance Reserves

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

O. Interfund Transactions

Transfers and advances between governmental activities on the government-wide financial statements are eliminated.

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 sources/uses 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.

3. BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and any major special revenue fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis) (and outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an interfund receivable or payable (cash basis)). The encumbrances outstanding at December 31, 2009 (budgetary basis) amounted to \$4,453 for the General Fund, \$725 for the Fire District Fund, and \$8,368 for the Ambulance and Emergency Medical Services Fund.

4. DEPOSITS AND INVESTMENTS

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

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

4. DEPOSITS AND INVESTMENTS (Continued)

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.

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

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

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

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2009, \$2,325,279 of the Township's bank balance of \$2,782,698 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution, but not in the Township's name. At December 31, 2008, \$486,702 of the Township's bank balance of \$855,643 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution, but not in the Township's name.

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

4. DEPOSITS AND INVESTMENTS (Continued)

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

B. Investments

The Township's only investment at December 31, 2009 was in STAR Ohio, an investment pool operated by the Ohio State Treasurer. STAR Ohio is an uninsured and uncollateralized investment since it is not evidenced by securities that exist in physical or book entry form. STAR Ohio had a fair value of \$21,032 at December 31, 2009 and \$1,669,301 at December 31, 2008 and was rated AAAM by Standard and Poors. The Township has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

5. PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2009 and 2008 represent the collection of 2008 and 2007 taxes. Real property taxes received in 2009 and 2008 were levied after October 1, 2008 and 2007 respectively, on the assessed values as of January 1, 2008 and 2007 respectively, 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.

Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 and 2008 public utility property taxes which became a lien on December 31, 2008 and 2007, are levied after October 1, 2009 and 2008, and are collected in 2010 and 2009 with real property taxes.

2009 and 2008 tangible property taxes are levied after October 1, 2008 and 2007 respectively, on the value as of December 31, 2008 and 2007. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008, and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 3, with the remainder due September 20.

The full tax rate for all Township operations for the year ended December 31, 2009, was \$70.522 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 property tax receipts were based are as follows:

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

5. PROPERTY TAXES (Continued)

| | |
|-------------------------------------|---------------|
| Real Property: | |
| Residential/Agriculture | \$164,999,570 |
| Commercial/Industrial | 19,405,570 |
| Public Utility Personal Property | 4,729,990 |
| Tangible Personal Property | 3,152,445 |
| Total Assessed Value | \$192,287,575 |

The full tax rate for all Township operations for the year ended December 31, 2008, was \$70.322 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2008 property tax receipts were based are as follows:

| | |
|-------------------------------------|---------------|
| Real Property: | |
| Residential/Agriculture | \$166,466,190 |
| Commercial/Industrial | 19,712,340 |
| Public Utility Personal Property | 4,801,810 |
| Tangible Personal Property | 3,224,467 |
| Total Assessed Value | \$194,204,807 |

6. DEBT

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

| | Interest Rate | Balance 12/31/2007 | Additions | Reductions | Balance 12/31/2009 | Due Within One Year |
|---------------------------------|------------------|-----------------------|-------------|------------|-----------------------|---------------------------|
| Governmental Activities: | | | | | | |
| Fire Station Bonds | | | | | | |
| 2009 Issue (\$1,200,000) | 3.50% | | \$1,043,137 | | \$1,043,137 | |

The Township issued Fire Station Bonds on July 6, 2009 for constructing and equipping a new fire station.

The Fire Station Bonds are supported by the full faith and credit of the Township and are payable from un-voted property tax receipts to the extent that other resources are not available to meet annual principal and interest payments.

As of December 31, 2009 the Township has received \$1,043,137 of the total debt of \$1,200,000 to be issued for the project. Upon completion of the project in 2010 the bonds will convert to payments of principal and interest and are projected as follows:

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

6. DEBT (Continued)

| <u>Year ending December 31:</u> | <u>Principal</u> | <u>Interest</u> |
|---------------------------------|--------------------|------------------|
| 2010 | | |
| 2011 | \$ 62,207 | \$ 42,000 |
| 2012 | 64,384 | 39,823 |
| 2013 | 66,534 | 37,672 |
| 2014 | 68,966 | 35,241 |
| 2015-2019 | 382,690 | 138,343 |
| 2020-2024 | 454,547 | 66,486 |
| 2025 | 100,672 | 3,533 |
| Total | <u>\$1,200,000</u> | <u>\$363,098</u> |

The Ohio Revised Code provides that net general obligation debt of the Township, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 5.5 percent of the tax valuation of the Township. The Revised Code further provides that total voted and unvoted net debt of the Township less the same exempt debt shall never exceed amount equal to 10.5 percent of its tax valuation.

7. RISK MANAGEMENT

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

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

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of OTARMA and provides underwriting, claims, loss control, risk management, and reinsurance services for OTARMA. OTARMA is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

A. Casualty and Property Coverage

APEEP provides OTARMA with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2008, OTARMA retained \$350,000 for casualty claims and \$100,000 for property claims.

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

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

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

7. RISK MANAGEMENT (Continued)

B. Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007 (the latest information available):

| | 2008 | 2007 |
|-------------|--------------|--------------|
| Assets | \$40,737,740 | \$43,210,703 |
| Liabilities | (12,981,818) | (13,357,837) |
| Net Assets | \$27,755,922 | \$29,852,866 |

At December 31, 2008 and 2007, respectively, liabilities above include approximately \$12.1 and \$12.5 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$10.9 and \$11.6 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2008 and 2007, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$23,000.

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

| Contributions to OTARMA | |
|--------------------------------|----------|
| 2007 | \$21,581 |
| 2008 | \$24,384 |
| 2009 | \$26,653 |

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

8. DEFINED BENEFIT PENSION PLAN

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 Pension Plan - A cost-sharing, multiple-employer defined benefit pension plan.

The Member-Directed Plan - A defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

8. DEFINED BENEFIT PENSION PLAN (Continued)

The Combined Plan - A cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the Member Directed Plan.

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

Funding Policy: The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2009, members in state and local classifications contributed 10 percent of covered payroll.

The Township's contribution rate for 2009 was 14.0 percent. For the period January 1, through March 31, a portion of the Township's contribution equal to 7.0 percent of covered payroll was allocated to fund the postemployment healthcare plan; for the period April 1 through December 31, 2009, this amount was decreased to 5.5 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the Township of 14 percent.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009 and 2008 were \$32,885 and \$36,964 respectively. The full amount has been contributed for 2009 and 2008.

B. Social Security System

Effective July 1, 1991, all employees not otherwise covered by a State Retirement System have an option to choose social security or the appropriate state system. All of the Township's part-time/volunteer firefighters are covered by Social Security and pay FICA taxes.

FICA contribution rates are approved by the United States Congress. Members of FICA contributed 6.2% of their wages to FICA. The Township also contributed an amount equal to 6.2% of their wages. The Township has paid all contributions required through December 31, 2009.

9. POST – EMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

**BETHEL TOWNSHIP
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Continued)**

9. POST – EMPLOYMENT BENEFITS (Continued)

To qualify for post-employment health care coverage, age-and-service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy: The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State Statute requires that public employers fund post-employment health care through their contributions to OPERS. A portion of each employer's contribution to the traditional and combined plans is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009, state and local employers contributed at a rate of 14 percent of covered payroll. Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of the employer contributions which was allocated to fund post-employment health care was 7.0 percent from January 1 through March 31, 2009, and 5.5 percent from April 1 through December 31, 2009.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

10. CONTINGENT LIABILITIES

The Township is defendant in a lawsuit. Although management cannot presently determine the outcome of this suit, they believe the resolution of this matter will not materially adversely affect the Township's financial condition.

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

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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*

Bethel Township
Clark County
P.O. Box 225
New Carlisle, Ohio 45344-0225

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bethel Township, Clark County, (the Township) as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Township's basic financial statements and have issued our report thereon dated July 7, 2010, wherein we noted the Township uses a comprehensive accounting basis other than generally accepted accounting principles. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and timely corrected.

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

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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-001.

We did note a certain matter not requiring inclusion in this report that we reported to the Township's management in a separate letter dated July 7, 2010.

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

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

Mary Taylor, CPA
Auditor of State

July 7, 2010

BETHEL TOWNSHIP
CLARK COUNTY

SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

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

FINDING NUMBER 2009-001

Ohio Rev. Code Section 5705.41(D) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

- a. **"Then and Now" certificate** – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Township can authorize the drawing of a warrant for the payment of the amount due. The Township has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000, may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Township.

- b. **Blanket certificate** – Fiscal officers may prepare "blanket" certificates not exceeding an amount established by resolution or ordinance adopted by the legislative authority, against any specific line item account over a period not running beyond the current year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
- c. **Super Blanket certificate** – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any one line item appropriation.

The Township did not properly certify the availability of funds prior to purchase commitment for 9% of the year 2008 expenditures tested and 29% of the year 2009 expenditures tested and there was no evidence that the Township followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending fund and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, we recommend that the Township's Fiscal Officer certify that the funds are or will be available prior to the obligation by the Township. When prior certification is not possible, "then and now" certification should be used.

**FINDING NUMBER 2009-001
(Continued)**

We recommend the Township certify purchases to which section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The fiscal officer should sign the certification at the time the Township incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The fiscal officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

Officials' Response

We did not receive a response from Officials to this finding.



Mary Taylor, CPA
Auditor of State

BETHEL TOWNSHIP

CLARK 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
AUGUST 17, 2010**