



Mary Taylor, CPA
Auditor of State

**GOSHEN TOWNSHIP
HAMILTON COUNTY**

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HAMILTON COUNTY

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Goshen Township
Clermont County
6757 Goshen Road
Goshen, Ohio 45122

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, the major funds, and the aggregate remaining fund information of Goshen Township, Clermont County, Ohio (the Township), as of and for the years ended December 31, 2008 and 2007, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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, the major funds, and the aggregate remaining fund information of Goshen Township, Clermont County, Ohio, as of December 31, 2008 and 2007, and the respective changes in cash financial position and the respective budgetary comparison for the General, Police, Fire, Ambulance, and Safety Service Funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

For the years ended December 31, 2008 and 2007, the Township revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 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 cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

April 28, 2010

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008
UNAUDITED**

The discussion and analysis of Goshen Township's financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2008, within the limitations of the Township's cash basis of 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 are as follows:

- The Township's general receipts are primarily property taxes and Intergovernmental taxes.
- Interest in the General Fund was collected in the amount of \$52,812.

Using the Basic Financial Statements

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

Report Components

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

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

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

Basis of Accounting

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

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

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

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

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2008, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the 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 one way to measure the township's financial health. Over time, increases or decreases in the township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other 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 and income 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 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 and presented in total in a single column. The Township's major governmental funds include General Fund, Police Fund, Ambulance Fund, Safety Services Levy Fund, and Fire District Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

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

The Township as a Whole

Table 1 provides a summary of the Township's net assets for 2008 compared to 2007 on a cash basis:

(Table 1)

Net Assets		
	Governmental Activities	
	2008	2007
Assets		
Cash and Cash Equivalents	\$ 1,531,232	\$1,674,522
Total Assets	1,531,232	1,674,522
Net Assets		
Restricted for:		
Capital Projects	209,287	316,715
Other Purposes	654,402	705,277
Unrestricted	667,543	652,530
Total Net Assets	\$ 1,531,232	\$ 1,674,522

Table 2 reflects the changes in net assets for 2008 compared to 2007 on a cash basis:

(Table 2)

Changes in Net Assets		
	Governmental Activities	
	2008	2007
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$ 546,465	\$ 524,283
Operating Grants and Contributions	504,678	291,966
Total Program Receipts	1,051,143	816,249
General Receipts:		
Property and Other Local Taxes	2,644,507	2,652,071
Grants and Entitlements Not Restricted To Specific Programs	376,090	673,006
Earnings on Investments	52,812	104,927
Miscellaneous	136,130	185,629
Total General Receipts	3,209,539	3,615,633
Total Receipts	\$ 4,260,682	\$ 4,431,882

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

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

(Table 2)

Changes in Net Assets (Continued)		
Disbursements:	<u>2008</u>	<u>2007</u>
General Government	\$ 565,201	\$ 578,281
Public Safety	2,728,463	2,639,511
Public Works	396,419	351,026
Health	119,395	118,449
Conservation-Recreation	3,259	3,663
Capital Outlay	383,611	644,584
Principal Retirement	135,390	75,000
Interest and Fiscal Charges	60,390	123,030
Total Disbursements	4,392,128	4,544,798
 Change in Net Assets	 (143,290)	 (112,916)
 Net Assets, January 1	 1,674,522	 1,787,439
Net Assets, December, 31	\$1,531,232	\$ 1,674,522

Governmental Activities

If you look at the Statement of Activities page, 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. 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) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service, which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts, which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

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

(Table 3)

	Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2008</u>	<u>2008</u>	<u>2007</u>	<u>2007</u>
General Government	\$ 565,201	\$ (543,766)	\$ 578,281	\$ (544,001)
Public Safety	2,728,463	(1,929,589)	2,639,511	(2,132,209)
Public Works	396,419	(222,088)	351,026	(164,124)
Health	119,395	(64,001)	118,449	(35,435)
Conservation-Recreation	3,259	(2,149)	3,663	1,087
Other	11,844	(11,844)	11,254	(11,254)
Capital Outlay	383,611	(383,612)	644,584	(644,584)
Principal	135,390	(135,390)	75,000	(75,000)
Interest	60,390	(60,390)	123,030	(123,030)
Total Expenses	\$4,403,972	\$(3,352,829)	\$ 4,544,798	\$ (3,728,549)

The dependence upon property tax receipts is apparent as many of township activities are supported through these general receipts.

The Township's Funds

Total township funds had receipts of \$4,258,217 and disbursements of \$4,392,128. The greatest change within township funds occurred within the General Fund. The General Fund total cash balance ending December 31, 2008, was \$793,552.29.

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 Safety Services Levy Fund. Final disbursements for the Safety Services Levy Fund were budgeted at \$828,956.42 while actual disbursements were \$812,360.88.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

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

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Goshen Township Fiscal Officer, 6757 Goshen Road, Goshen, OH 45122.

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Net Assets - Cash Basis

December 31, 2008

	Governmental Activities	Total
Assets		
Equity in Pooled Cash and Cash Equivalents	\$1,531,232	\$1,531,232
<i>Total Assets</i>	<u>\$1,531,232</u>	<u>\$1,531,232</u>
Net Assets		
Restricted for:		
Capital Projects	\$209,287	\$209,287
Other Purposes	654,402	654,402
Unrestricted	667,543	667,543
<i>Total Net Assets</i>	<u>\$1,531,232</u>	<u>\$1,531,232</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Activities - Cash Basis

For the Year Ended December 31, 2008

	Program Cash Receipts			
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Total	
Governmental Activities				
General Government	\$565,201	\$21,435	\$0	(\$543,766)
Public Safety	2,728,463	468,526	330,347	(1,929,589)
Public Works	396,419	0	174,331	(222,088)
Health	119,395	55,394	0	(64,001)
Conservation-Recreation	3,259	1,110	0	(2,149)
Other	11,844	0	0	(11,844)
Capital Outlay	383,611	0	0	(383,612)
Debt Service:				
Principal	135,390	0	0	(135,390)
Interest	60,390	0	0	(60,390)
<i>Total Governmental Activities</i>	4,403,972	546,465	504,678	(3,352,829)
<i>Total Primary Government</i>	\$4,403,972	\$546,465	\$504,678	(\$3,352,829)

General Receipts

Property Taxes	\$2,434,224
Other Taxes	210,283
Grants and Entitlements not Restricted to Specific Programs	376,090
Earnings on Investments	52,812
Miscellaneous	136,130
<i>Total General Receipts</i>	3,209,539
Change in Net Assets	(143,290)
<i>Net Assets Beginning of Year</i>	1,674,522
<i>Net Assets End of Year</i>	\$1,531,232

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Cash Basis Assets and Fund Balances

Governmental Funds

December 31, 2008

	<u>GENERAL</u>	<u>POLICE DISTRICT</u>	<u>FIRE DISTRICT</u>	<u>AMBULANCE</u>	<u>SAFETY SERVICES LEVY</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Assets							
Equity in Pooled Cash and Cash Equivalents	\$667,543	\$26,469	\$62,550	\$186,974	\$167,926	\$419,770	\$1,531,232
<i>Total Assets</i>	<u>\$667,543</u>	<u>\$26,469</u>	<u>\$62,550</u>	<u>\$186,974</u>	<u>\$167,926</u>	<u>\$419,770</u>	<u>\$1,531,232</u>
Fund Balances							
Unreserved:							
Undesignated (Deficit), Reported in:							
General Fund	\$667,543	\$0	\$0	\$0	\$0	\$0	\$667,543
Special Revenue Funds	0	26,469	62,550	186,974	167,926	210,483	654,402
Capital Projects Funds	0	0	0	0	0	209,287	209,287
<i>Total Fund Balances</i>	<u>\$667,543</u>	<u>\$26,469</u>	<u>\$62,550</u>	<u>\$186,974</u>	<u>\$167,926</u>	<u>\$419,770</u>	<u>\$1,531,232</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	GENERAL	POLICE DISTRICT	FIRE DISTRICT	AMBULANCE	SAFETY SERVICES LEVY	OTHER GOVERNMENTAL FUNDS	TOTAL
Receipts							
Property and Other Local Taxes	\$305,801	\$466,115	\$380,578	\$464,799	\$697,599	\$329,615	\$2,644,507
Charges for Services	0	53,561	0	318,130	0	42,509	414,201
Licenses, Permits and Fees	129,766	25,472	0	0	0	45,989	201,226
Fines and Forfeitures	0	0	0	0	0	28,854	28,854
Intergovernmental	244,096	95,561	133,254	94,278	113,713	197,171	878,072
Special Assessments	0	0	0	0	0	0	0
Earnings on Investments	52,812	0	0	0	0	2,696	55,508
Miscellaneous	10,195	400	714	250	0	24,291	35,850
Total Receipts	742,670	641,108	514,546	877,457	811,312	671,125	4,258,218
Disbursements							
Current:							
General Government	330,409	0	0	74,957	12,580	147,255	565,201
Public Safety	0	602,990	553,415	726,946	793,072	52,039	2,728,463
Public Works	24,291	0	0	0	0	372,128	396,419
Health	50,780	0	0	0	0	68,615	119,395
Conservation-Recreation	3,259	0	0	0	0	0	3,259
Other	0	0	0	0	0	0	0
Capital Outlay	1,981	16,883	54,867	3,461	6,709	299,710	383,611
Debt Service:							
Principal Retirement	37,500	97,890	0	0	0	0	135,390
Interest and Fiscal Charges	60,390	0	0	0	0	0	60,390
Total Disbursements	508,610	717,763	608,282	805,364	812,361	939,747	4,392,128
Excess of Receipts Over (Under) Disbursements	234,060	(76,655)	(93,736)	72,093	(1,049)	(268,623)	(133,910)
Other Financing Sources (Uses)							
Transfers In	0	21,091	89,397	0	0	316,327	426,815
Transfers Out	(241,047)	0	0	0	0	(185,768)	(426,815)
Advances In	583,000	112,000	69,000	149,000	164,000	57,000	1,134,000
Advances Out	(551,000)	(112,000)	(69,000)	(149,000)	(186,100)	(66,900)	(1,134,000)
Other Financing Sources	0	2,334	0	30	100	0	2,464
Other Financing Uses	(10,000)	0	0	0	0	(1,844)	(11,844)
Total Other Financing Sources (Uses)	(219,047)	23,425	89,397	30	(22,000)	118,815	(9,380)
Net Change in Fund Balances	15,013	(53,230)	(4,339)	72,123	(23,049)	(149,807)	(143,290)
Fund Balances Beginning of Year	652,530	79,699	66,889	114,851	190,975	569,577	1,674,522
Fund Balances End of Year	<u>\$667,543</u>	<u>\$26,469</u>	<u>\$62,550</u>	<u>\$186,974</u>	<u>\$167,926</u>	<u>\$419,770</u>	<u>\$1,531,232</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

General Fund

For the Year Ended December 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$320,443	\$298,591	\$305,801	\$7,210
Charges for Services	0	0	0	0
Licenses, Permits and Fees	4,800	229,766	129,766	(100,000)
Intergovernmental	198,329	244,096	244,096	0
Special Assessments	0	0	0	0
Earnings on Investments	105,000	105,000	52,812	(52,188)
Miscellaneous	158,165	446,184	10,195	(435,989)
<i>Total receipts</i>	<u>786,737</u>	<u>1,323,637</u>	<u>742,670</u>	<u>(580,967)</u>
Disbursements				
Current:				
General Government	446,891	446,891	330,409	116,482
Public Safety	0	0	0	0
Public Works	30,000	30,000	24,291	5,709
Health	50,842	50,842	50,780	62
Conservation-Recreation	5,000	5,000	3,259	1,741
Capital Outlay	3,000	3,000	1,981	1,019
Debt Service:				
Principal Retirement	37,500	37,500	37,500	0
Interest and Fiscal Charges	60,390	60,390	60,390	0
<i>Total Disbursements</i>	<u>633,623</u>	<u>633,623</u>	<u>508,610</u>	<u>125,013</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>153,114</u>	<u>690,014</u>	<u>234,060</u>	<u>(455,954)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	(241,047)	(241,047)	(241,047)	0
Advances In	0	0	583,000	583,000
Advances Out	0	0	(551,000)	(551,000)
Other Financing Sources	0	0	0	0
Other Financing Uses	(10,000)	(10,000)	(10,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(251,047)</u>	<u>(251,047)</u>	<u>(219,047)</u>	<u>32,000</u>
<i>Net Change in Fund Balance</i>	<u>(97,933)</u>	<u>438,967</u>	<u>15,013</u>	<u>(423,954)</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>778,539</u>	<u>778,539</u>	<u>652,530</u>	<u>(126,009)</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>\$680,607</u>	<u>\$1,217,506</u>	<u>\$667,543</u>	<u>(\$549,963)</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

Police District Fund

For the Year Ended December 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$491,731	\$456,144	\$466,115	\$9,971
Charges for Services	42,000	53,561	53,561	0
Licenses, Permits and Fees	44,100	44,100	25,472	(18,628)
Intergovernmental	68,591	95,561	95,561	0
Special Assessments	0	0	0	0
Earnings on Investments	0	0	0	0
Miscellaneous	19,000	127,054	400	(126,654)
<i>Total receipts</i>	<u>665,422</u>	<u>776,419</u>	<u>641,108</u>	<u>(135,311)</u>
Disbursements				
Current:				
General Government	0	0	0	0
Public Safety	640,955	625,955	602,990	22,965
Public Works	0	0	0	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Other	0	0	0	0
Capital Outlay	2,000	17,000	16,883	117
Debt Service:				
Principal Retirement	97,890	97,890	97,890	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Disbursements</i>	<u>740,845</u>	<u>740,845</u>	<u>717,763</u>	<u>23,082</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(75,423)</u>	<u>35,574</u>	<u>(76,655)</u>	<u>(112,229)</u>
Other Financing Sources (Uses)				
Transfers In	0	21,091	21,091	0
Transfers Out	0	0	0	0
Advances In	0	0	112,000	112,000
Advances Out	0	0	(112,000)	(112,000)
Other Financing Sources	2,300	2,300	2,334	34
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,300</u>	<u>23,391</u>	<u>23,425</u>	<u>34</u>
<i>Net Change in Fund Balance</i>	<u>(73,123)</u>	<u>58,965</u>	<u>(53,230)</u>	<u>(112,195)</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>53,630</u>	<u>53,630</u>	<u>79,699</u>	<u>26,069</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>(\$19,493)</u>	<u>\$112,595</u>	<u>\$26,469</u>	<u>(\$86,126)</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT 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

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Receipts				
Property and Other Local Taxes	\$402,288	\$372,692	\$380,578	\$7,886
Charges for Services	0	0	0	0
Licenses, Permits and Fees	0	0	0	0
Intergovernmental	57,634	133,254	133,254	0
Special Assessments	0	0	0	0
Earnings on Investments	0	0	0	0
Miscellaneous	2,500	166,997	714	(166,283)
<i>Total receipts</i>	<u>462,422</u>	<u>672,943</u>	<u>514,546</u>	<u>(158,397)</u>
Disbursements				
Current:				
General Government	0	0	0	0
Public Safety	594,141	594,141	553,415	40,726
Public Works	0	0	0	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Other	0	0	0	0
Capital Outlay	66,000	66,000	54,867	11,133
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Disbursements</i>	<u>660,141</u>	<u>660,141</u>	<u>608,282</u>	<u>51,859</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(197,719)</u>	<u>12,802</u>	<u>(93,736)</u>	<u>(106,538)</u>
Other Financing Sources (Uses)				
Transfers In	0	89,397	89,397	0
Transfers Out	0	0	0	0
Advances In	0	0	69,000	69,000
Advances Out	0	0	(69,000)	(69,000)
Other Financing Sources	0	0	0	0
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>89,397</u>	<u>89,397</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(197,719)</u>	<u>102,199</u>	<u>(4,340)</u>	<u>(106,539)</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>46,271</u>	<u>46,270</u>	<u>66,889</u>	<u>20,619</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>(\$151,448)</u>	<u>\$148,470</u>	<u>\$62,550</u>	<u>(\$85,920)</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

Ambulance Fund

For the Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Receipts				
Property and Other Local Taxes	\$489,850	\$454,738	\$464,799	\$10,061
Charges for Services	270,000	474,162	318,130	(156,032)
Licenses, Permits and Fees	0	0	0	0
Intergovernmental	70,188	94,278	94,278	0
Special Assessments	0	0	0	0
Earnings on Investments	0	0	0	0
Miscellaneous	3,300	3,300	250	(3,050)
<i>Total receipts</i>	<u>833,338</u>	<u>1,026,478</u>	<u>877,457</u>	<u>(149,021)</u>
Disbursements				
Current:				
General Government	93,500	93,500	74,957	18,543
Public Safety	736,316	736,316	726,946	9,370
Public Works	0	0	0	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Other	0	0	0	0
Capital Outlay	7,500	7,500	3,461	4,039
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Disbursements</i>	<u>837,316</u>	<u>837,316</u>	<u>805,364</u>	<u>31,952</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(3,978)</u>	<u>189,161</u>	<u>72,093</u>	<u>(117,068)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Advances In	0	0	149,000	149,000
Advances Out	0	0	(149,000)	(149,000)
Other Financing Sources	6,400	6,400	30	(6,370)
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>6,400</u>	<u>6,400</u>	<u>30</u>	<u>(6,370)</u>
<i>Net Change in Fund Balance</i>	<u>2,422</u>	<u>195,561</u>	<u>72,123</u>	<u>(123,438)</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>88,544</u>	<u>88,544</u>	<u>114,851</u>	<u>26,307</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>\$90,966</u>	<u>\$284,105</u>	<u>\$186,974</u>	<u>(\$97,131)</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

Safety Services Fund

For the Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Receipts				
Property and Other Local Taxes	\$732,797	\$681,436	\$697,599	\$16,163
Charges for Services	0	0	0	0
Licenses, Permits and Fees	0	0	0	0
Intergovernmental	75,684	293,976	113,713	(180,263)
Special Assessments	0	0	0	0
Earnings on Investments	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total receipts</i>	<u>808,481</u>	<u>975,412</u>	<u>811,312</u>	<u>(164,100)</u>
Disbursements				
Current:				
General Government	12,580	12,580	12,580	0
Public Safety	816,376	809,667	793,072	16,595
Public Works	0	0	0	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Other	0	0	0	0
Capital Outlay	0	6,709	6,709	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Disbursements</i>	<u>828,956</u>	<u>828,956</u>	<u>812,361</u>	<u>16,595</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(20,475)</u>	<u>146,456</u>	<u>(1,049)</u>	<u>(147,505)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Advances In	0	0	164,000	164,000
Advances Out	0	0	(186,100)	(186,100)
Other Financing Sources	0	0	100	100
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(22,000)</u>	<u>(22,000)</u>
<i>Net Change in Fund Balance</i>	<u>(20,475)</u>	<u>146,456</u>	<u>(23,049)</u>	<u>(169,505)</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>148,715</u>	<u>148,715</u>	<u>190,975</u>	<u>42,260</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>\$128,240</u>	<u>\$295,171</u>	<u>\$167,926</u>	<u>(\$127,245)</u>

See accompanying notes to the basic financial statements

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Note 1 – Reporting Entity

The Goshen Township, Clermont County, Ohio, (the Township) is a body politic and corporate established in 1819 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

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

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, cemetery maintenance, and provides fire, EMS coverage and police services.

B. Component Units

Goshen Township has no Component Units

C. Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools

Goshen Township has no Joint Ventures.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the *modified* 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. The Township does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. The statements distinguish between those activities of the Township that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 2 – Summary of Significant Accounting Policies (continued)

The statement of net assets presents the cash balances 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 activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental and enterprise 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.

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. Some Townships have three categories of funds: governmental, proprietary and fiduciary. Goshen Township has Governmental funds only.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other non-exchange transactions as governmental funds. The Township's major governmental funds are the General Fund, Police Fund, Ambulance Fund, Fire Fund, and Safety Services Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. 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 liabilities and the related expenses) are not recorded in these financial statements.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 2 – Summary of Significant Accounting Policies (continued)

D. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, 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 resolution 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 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 resolution 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 of the cash management pool are presented on the financial statements as cash equivalents. 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 2008, the Township invested in nonnegotiable certificates of deposit. The nonnegotiable certificates of deposit are reported at cost

Interest earnings are allocated to Township funds according to State statutes. Interest receipts credited to the General Fund during 2008 was \$52,812.

F. Capital Assets

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

G. 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 *modified* cash basis of accounting.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 2 – Summary of Significant Accounting Policies (continued)

H. 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 11 and 12, the employer contributions include portions for pension benefits and for postretirement health care benefits.

I. Long-Term Obligations

The Township's modified 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.

J. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for each fund, except for the general fund.

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.

K. Inter-fund Transactions

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general receipts.

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 inter-fund transfers. Inter-fund 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. Returns of the unused portions of the transferred fund from General to Capital Projects are shown as transfer out of the Capital Funds and back into the General Fund. Such transfers are approved by resolution.

Note 3 – Change in Basis of Accounting

Last year the Township reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. This year the Township has implemented the cash basis of accounting described in note 2. The fund financial statements now present each major fund in a separate column with non-major funds aggregated and presented in a single column, rather than a column for each fund type.

Note 4 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and other major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis) (and outstanding year end advances are treated as an other financing source or use (budgetary basis) rather than as an inter-fund receivable or payable (cash basis)). The encumbrances outstanding at year end were 0.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 5 – Deposits and Investments

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

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

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

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

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 2 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.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 5 – Deposits and Investments (continued)

Deposits

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. As of December 31, 2008, the Township has a cash balance of \$1,529,732.37.

Investments

As of December 31, 2008, the Township had CD for \$1,500.00. Interest was posted monthly, on the last day of the month, applying amounts as provided by Lebanon Citizens National Bank on daily investment funds summaries and confirmation via their statement.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

Note 6 – 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 2008 represent the collection of 2007 taxes. Real property taxes received in 2008 were levied after October 1, 2007, on the assessed values as of January 1, 2007, 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 property tax receipts received in 2008 represent the collection of 2007 taxes. Public utility real and tangible personal property taxes received in 2008 became a lien on December 31, 2007, were levied after October 1, 2007, and are collected with real property taxes.

Tangible personal property tax receipts received in 2008 (other than public utility property) represent the collection of 2007 taxes. Tangible personal property taxes received in 2008 were levied after October 1, 2007, on the true value as of December 31, 2007. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all Township operations for the year ended December 31, 2008, was \$21.60 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:

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 6 – Property Taxes (continued)

Real Property	
Residential	\$203,412,750
Agricultural	6,353,770
Commercial/Industrial/Mineral	22,656,090
Tangible Personal Property	2,907,595
Public Utility	8,853,850
Total Assessed Value	<u>\$244,184,055</u>

Note 7 – Risk Management

Risk Pool Membership

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. During 2008, the Library belongs to the Ohio Government Risk Management Plan (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio. These coverage programs, referred to as Ohio Plan Risk management ("OPRM"), are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retain 15% of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had over 650 members as of December 31, 2008. The Township participates in this coverage.

In August, 2007, OGRMP formed the Ohio Plan Healthcare Consortium ("OPHC"), as authorized by Section 9.833 of the Ohio Revised Code. The OPHC was established to provide cost effective employee benefit programs for Ohio political sub-divisions and is a self-funded, group purchasing consortium that offers medical, dental, vision and prescription drug coverage as well as life insurance for its members. The OPHC is sold through seventeen appointed independent agents in the State of Ohio. Coverage programs are developed specific to each member's healthcare needs and the related premiums for coverage are determined through the application of uniform underwriting criteria. Variable plan options are available to members. These plans vary primarily by deductibles, coinsurance levels, office visit co-pays and out-of pocket maximums. OPHC had 40 members as of December 31, 2008. The Township does not participate in this coverage.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

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

The Pool's audited financial statements 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), and include amounts for both OPRM and OPHC:

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 7 – Risk Management (continued)

	2008	2007
Assets	\$10,471,114	\$11,136,455
Liabilities	(5,286,781)	(4,273,553)
Members' Equity	\$5,184,333	\$6,862,902

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

The Township has Health, Life and Dental Insurance and uses Hylant Group for liability coverage.

Note 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 plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

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

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

For the year ended December 31, 2008, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 10 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2008 was 14 percent. Those employees/members in law enforcement or public safety were required to contribute 10.1 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2008 was 17.40 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

B. Ohio Police and Fire Pension Fund

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

Plan members contributed 10% of their annual covered salary to fund pension obligations while the Township contributed 24% for 2008. Contributions are authorized by State statute. The Township's required contributions to the Fund for the year ended December 31, 2008 have been made.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 9 – Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

B. Ohio Police and Fire Pension Fund

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

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis.

The total fire employer contribution rate is 24% of covered payroll, of which 6.75% of covered payroll was applied to the postemployment health care programs. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The Township's actual contributions for 2008 to fund postemployment benefits were \$34,604.45 for fire employees.

Note 10 – Debt

Debt outstanding at December 31, 2008 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Bonds	\$2,575,000	5%
Total	<u>\$2,575,000</u>	

The Township issued general obligation bonds to finance the purchase of a new administrative building located at 6757 Goshen Road. The Township's taxing authority collateralized the bonds.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2008
(Continued)

Note 10 – Debt (continued)

Amortization of the above debt is scheduled as follows:

Year ending December 31:	Principal	Interest
2009	\$75,000	\$118,343
2010	75,000	115,530
2011	75,000	112,530
2012	75,000	109,155
2013	100,000	105,780
2014-2018	505,000	462,440
2019-2023	615,000	339,590
2024-2028	795,000	169,805
2029	185,000	9,250
Total	<u>\$2,500,000</u>	<u>\$1,542,423</u>

Debt principal outstanding at December 31, 2008 was \$2,500,000.

Note 11 – Inter-fund Transfers

Inter-fund Transfers during the year 2008:

AMOUNT	FROM FUND	TO FUND
\$21,091	1000 General Fund	2081 Police Fund
89,397	1000 General Fund	2111 Fire Fund
130,559	1000 General Fund	2181 Zoning Fund
18,195	2011 Motor Vehicle License Tax Fund	4903 Capital Projects Fund (MVLT)
88,688	2021 Gasoline Tax Fund	4904 Capital Projects Fund (Gasoline)
14,111	2031 Road & Bridge Fund	4905 Capital Projects Fund (Road & Bridge)
64,773	2231 Permissive Motor Vehicle License Tax Fund	4912 Capital Projects Fund (Permissive MVLT)

The transfers from fund 1000 were made to cover shortages in fund numbers 2081, 2111, and 2181. The remaining transfers were to cover expenses thought of as capital projects. The money was not intermingled between funds. For example, money from fund 2021 was transferred to fund 4904.

Note 12 – Contingent Liabilities

There are currently no lawsuits with the Township

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.

Note 13 – Subsequent Events

There were not subsequent events.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

The discussion and analysis of Goshen Township's financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2007, within the limitations of the Township's cash 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 2007 are as follows:

- The Township's general receipts are primarily property taxes and Intergovernmental taxes.
- Interest in the General Fund was collected in the amount of \$104,927.
- The new Fire Engine that was approved in 2006 was purchased.

Using the Basic Financial Statements

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

Report Components

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

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

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

Basis of Accounting

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

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

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2007, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the 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 one way to measure the township's financial health. Over time, increases or decreases in the township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other 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 and income 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 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 and presented in total in a single column. The Township's major governmental funds include General Fund, Police Fund, Ambulance Fund, Safety Services Levy Fund, and Fire District Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

The Township as a Whole

This is the first year of the government-wide financial statements therefore a comparison of prior year's information is not available. A comparative analysis will be provided in future years when prior year's information is available.

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

(Table 1)

Net Assets	
Governmental Activities	
<u>2007</u>	
Assets	
Cash and Cash Equivalents	\$1,674,522
Total Assets	1,674,522
 Net Assets	
Restricted for:	
Capital Projects	316,715
Other Purposes	705,277
Unrestricted	652,530
Total Net Assets	\$1,674,522

Table 2 reflects the changes in net assets for 2007:

(Table 2)

Changes in Net Assets	
Governmental Activities	
<u>2007</u>	
Receipts:	
Program Receipts:	
Charges for Services and Sales	\$ 524,283
Operating Grants and Contributions	291,966
Total Program Receipts	816,249
General Receipts:	
Property and Other Local Taxes	2,652,071
Grants and Entitlements Not Restricted To Specific Programs	673,006
Earnings on Investments	104,927
Miscellaneous	185,629
Total General Receipts	3,615,633
Total Receipts	\$4,431,882

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

(Table 2)

Changes in Net Assets (Continued)	
Disbursements:	
General Government	\$ 578,281
Public Safety	2,639,511
Public Works	351,026
Health	118,449
Conservation-Recreation	3,663
Capital Outlay	644,584
Principal Retirement	75,000
Interest and Fiscal Charges	123,030
Total Disbursements	4,544,798
Change in Net Assets	(112,916)
Net Assets, January 1, 2007	1,787,439
Net Assets, December, 31, 2007	\$1,674,522

Governmental Activities

If you look at the Statement of Activities page, 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. 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) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service, which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts, which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

(Table 3)

	Governmental Activities	
	Total Cost of Services 2007	Net Cost of Services 2007
General Government	\$ 578,281	\$ (544,001)
Public Safety	2,639,511	(2,132,209)
Public Works	351,026	(164,124)
Health	118,449	(35,435)
Conservation-Recreation	3,663	1,087
Other	11,254	(11,254)
Capital Outlay	644,584	(644,584)
Principal	75,000	(75,000)
Interest	123,030	(123,030)
Total Expenses	\$4,544,798	\$ (3,728,549)

The dependence upon property tax receipts is apparent as many of township activities are supported through these general receipts.

The Township's Funds

Total township funds had receipts of \$4,431,892 and disbursements of \$4,544,798. The greatest change within township funds occurred within the General Fund. The General Fund total cash balance ending December 31, 2007, was \$652,530.

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 Safety Services Levy Fund. Final disbursements were budgeted at \$864,914 while actual disbursements were \$1,223,805.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Goshen Township Fiscal Officer, 6757 Goshen Road, Goshen, OH 45122.

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Net Assets - Cash Basis

December 31, 2007

	Governmental Activities	Total
Assets		
Equity in Pooled Cash and Cash Equivalents	\$1,674,522	\$1,674,522
<i>Total Assets</i>	<u>\$1,674,522</u>	<u>\$1,674,522</u>
Net Assets		
Restricted for:		
Capital Projects	\$316,715	\$316,715
Other Purposes	705,277	705,277
Unrestricted	652,530	652,530
<i>Total Net Assets</i>	<u>\$1,674,522</u>	<u>\$1,674,522</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2007*

	<u>Program Cash Receipts</u>			<u>Total</u>
	<u>Cash Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities				
General Government	\$578,281	\$34,280	\$0	(\$544,001)
Public Safety	2,639,511	376,526	130,776	(2,132,209)
Public Works	351,026	25,712	161,190	(164,124)
Health	118,449	83,014	0	(35,435)
Conservation-Recreation	3,663	4,750	0	1,087
Other	11,254	0	0	(11,254)
Capital Outlay	644,584	0	0	(644,584)
Debt Service:				
Principal	75,000	0	0	(75,000)
Interest	123,030	0	0	(123,030)
<i>Total Governmental Activities</i>	4,544,798	524,283	291,966	(3,728,549)
<i>Total Primary Government</i>	<u>\$4,544,798</u>	<u>\$524,283</u>	<u>\$291,966</u>	<u>(\$3,728,549)</u>
General Receipts				
Property Taxes				\$2,469,419
Other Taxes				182,652
Grants and Entitlements not Restricted to Specific Programs				673,006
Earnings on Investments				104,927
Miscellaneous				185,629
<i>Total General Receipts</i>				3,615,633
Change in Net Assets				(112,917)
<i>Net Assets Beginning of Year</i>				<u>1,787,439</u>
<i>Net Assets End of Year</i>				<u><u>\$1,674,522</u></u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Cash Basis Assets and Fund Balances

Governmental Funds

December 31, 2007

	<u>GENERAL</u>	<u>POLICE DISTRICT</u>	<u>FIRE DISTRICT</u>	<u>AMBULANCE</u>	<u>SAFETY SERVICES LEVY</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Assets							
Equity in Pooled Cash and Cash Equivalents	\$652,530	\$79,699	\$66,889	\$114,851	\$190,975	\$569,577	\$1,674,522
<i>Total Assets</i>	<u>\$652,530</u>	<u>\$79,699</u>	<u>\$66,889</u>	<u>\$114,851</u>	<u>\$190,975</u>	<u>\$569,577</u>	<u>\$1,674,522</u>
Fund Balances							
Unreserved:							
Undesignated (Deficit), Reported in:							
General Fund	\$652,530	\$0	\$0	\$0	\$0	\$0	\$652,530
Special Revenue Funds	0	79,699	66,889	114,851	190,975	252,862	705,277
Capital Projects Funds	0	0	0	0	0	316,715	316,715
<i>Total Fund Balances</i>	<u>\$652,530</u>	<u>\$79,699</u>	<u>\$66,889</u>	<u>\$114,851</u>	<u>\$190,975</u>	<u>\$569,577</u>	<u>\$1,674,522</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2007

	GENERAL	POLICE DISTRICT	FIRE DISTRICT	AMBULANCE	SAFETY SERVICES LEVY	OTHER GOVERNMENTAL FUNDS	TOTAL
Receipts							
Property and Other Local Taxes	\$307,105	\$475,439	\$389,826	\$473,481	\$703,215	\$303,004	\$2,652,071
Charges for Services	0	41,491	0	269,221	0	0	310,712
Licenses, Permits and Fees	4,750	43,185	0	0	0	70,740	118,675
Fines and Forfeitures	0	0	0	0	0	21,372	21,372
Intergovernmental	470,450	79,298	66,859	81,415	90,376	165,386	953,785
Special Assessments	0	0	0	0	0	26,968	26,968
Earnings on Investments	104,927	0	0	0	0	11,188	116,115
Miscellaneous	88,569	17,639	2,290	3,290	0	42,165	153,952
Total Receipts	975,801	657,052	458,975	827,407	793,591	640,824	4,353,650
Disbursements							
Current:							
General Government	347,044	0	0	86,120	0	145,117	578,281
Public Safety	0	601,155	445,281	819,080	756,746	17,249	2,639,511
Public Works	24,133	0	0	0	745	326,148	351,026
Health	44,646	0	0	0	0	73,803	118,449
Human Services	0	0	0	0	0	0	0
Conservation-Recreation	3,663	0	0	0	0	0	3,663
Other	0	0	0	0	0	0	0
Capital Outlay	93,813	19,426	0	24,614	367,299	139,432	644,584
Debt Service:							
Principal Retirement	37,500	0	0	0	37,500	0	75,000
Interest and Fiscal Charges	61,515	0	0	0	61,515	0	123,030
Total Disbursements	612,314	620,581	445,281	929,814	1,223,805	701,749	4,533,544
Excess of Receipts Over (Under) Disbursements	363,487	36,471	13,694	(102,407)	(430,214)	(60,926)	(179,895)
Other Financing Sources (Uses)							
Transfers In	0	5,800	41,000	26,000	127,000	294,713	494,513
Transfers Out	(346,055)	(1,574)	(55,000)	0	0	(91,885)	(494,513)
Advances In	322,333	310,000	11,212	0	0	18,121	661,666
Advances Out	(339,333)	(310,000)	(11,212)	0	0	(1,121)	(661,666)
Other Financing Sources	69,536	2,297	0	6,399	0	0	78,232
Other Financing Uses	(10,000)	0	0	0	0	(1,254)	(11,254)
Total Other Financing Sources (Uses)	(303,519)	6,523	(14,000)	32,399	127,000	218,575	66,978
Net Change in Fund Balances	59,968	42,994	(306)	(70,008)	(303,214)	157,649	(112,917)
Fund Balances Beginning of Year	592,562	36,705	67,196	184,859	494,189	411,928	1,787,439
Fund Balances End of Year	<u>\$652,530</u>	<u>\$79,699</u>	<u>\$66,890</u>	<u>\$114,851</u>	<u>\$190,975</u>	<u>\$569,577</u>	<u>\$1,674,522</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

General Fund

For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$344,856	\$313,243	\$307,105	(\$6,138)
Charges for Services	0	0	0	0
Licenses, Permits and Fees	0	0	4,750	4,750
Intergovernmental	217,704	249,317	470,450	221,133
Earnings on Investments	36,354	36,354	104,927	68,573
Miscellaneous	156,977	156,976	88,569	(68,407)
<i>Total receipts</i>	<u>755,890</u>	<u>755,890</u>	<u>975,801</u>	<u>219,911</u>
Disbursements				
Current:				
General Government	401,839	479,740	347,044	132,696
Public Safety	0	0	0	0
Public Works	31,200	31,200	24,133	7,067
Health	45,000	45,000	44,646	354
Conservation-Recreation	6,000	6,000	3,663	2,337
Capital Outlay	193,950	96,060	93,812	2,248
Debt Service:				
Principal Retirement	0	37,500	37,500	0
Interest and Fiscal Charges	0	60,390	61,515	(1,125)
<i>Total Disbursements</i>	<u>677,989</u>	<u>755,890</u>	<u>612,314</u>	<u>143,576</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>77,901</u>	<u>0</u>	<u>363,487</u>	<u>363,487</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	(346,055)	(346,055)	(346,055)	0
Advances In	0	0	322,333	322,333
Advances Out	0	0	(339,333)	(339,333)
Other Financing Sources	0	0	69,536	69,536
Other Financing Uses	(10,000)	(10,000)	(10,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(356,055)</u>	<u>(356,055)</u>	<u>(303,519)</u>	<u>52,536</u>
<i>Net Change in Fund Balance</i>	<u>(278,154)</u>	<u>(356,055)</u>	<u>59,968</u>	<u>416,023</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>707,982</u>	<u>707,982</u>	<u>592,562</u>	<u>(115,420)</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>\$429,827</u>	<u>\$351,927</u>	<u>\$652,530</u>	<u>\$300,604</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

Police District Fund

For the Year Ended December 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$525,522	\$482,031	\$475,439	(\$6,592)
Charges for Services	48,759	48,759	41,491	(7,268)
Licenses, Permits and Fees	28,413	28,413	43,185	14,772
Intergovernmental	49,748	99,065	79,298	(19,767)
Earnings on Investments	0	0	0	0
Miscellaneous	19,819	19,819	17,639	(2,180)
<i>Total receipts</i>	<u>672,261</u>	<u>678,087</u>	<u>657,052</u>	<u>(21,035)</u>
Disbursements				
Current:				
General Government	0	0	0	0
Public Safety	656,879	652,861	601,155	51,706
Public Works	0	0	0	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Capital Outlay	19,426	19,426	19,426	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Disbursements</i>	<u>676,305</u>	<u>672,287</u>	<u>620,581</u>	<u>51,706</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(4,044)</u>	<u>5,800</u>	<u>36,471</u>	<u>30,671</u>
Other Financing Sources (Uses)				
Transfers In	0	0	5,800	5,800
Transfers Out	(1,574)	(1,574)	(1,574)	0
Advances In	0	0	310,000	310,000
Advances Out	0	0	(310,000)	(310,000)
Other Financing Sources	27	27	2,297	2,270
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,547)</u>	<u>(1,547)</u>	<u>6,523</u>	<u>8,070</u>
<i>Net Change in Fund Balance</i>	<u>(5,592)</u>	<u>4,253</u>	<u>42,994</u>	<u>38,741</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	<u>35,990</u>	<u>35,990</u>	<u>36,705</u>	<u>715</u>
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unencumbered Cash Balance End of Year</i>	<u>\$30,398</u>	<u>\$40,243</u>	<u>\$79,699</u>	<u>\$39,456</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

Fire District Fund

For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$428,922	\$394,288	\$389,826	(\$4,462)
Charges for Services	0	0	0	0
Licenses, Permits and Fees	0	0	0	0
Intergovernmental	22,117	97,751	66,859	(30,892)
Earnings on Investments	0	0	0	0
Miscellaneous	18,893	18,893	2,290	(16,603)
<i>Total receipts</i>	<u>469,931</u>	<u>510,932</u>	<u>458,975</u>	<u>(51,957)</u>
Disbursements				
Current:				
General Government	0	0	0	0
Public Safety	455,137	469,931	445,281	24,650
Public Works	0	0	0	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Disbursements</i>	<u>455,137</u>	<u>469,931</u>	<u>445,281</u>	<u>24,650</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>14,795</u>	<u>41,001</u>	<u>13,694</u>	<u>(27,307)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	41,000	41,000
Transfers Out	(55,000)	(55,000)	(55,000)	0
Advances In	0	0	11,212	11,212
Advances Out	0	0	(11,212)	(11,212)
Other Financing Sources	0	0	0	0
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(55,000)</u>	<u>(55,000)</u>	<u>(14,000)</u>	<u>41,000</u>
<i>Net Change in Fund Balance</i>	<u>(40,205)</u>	<u>(14,000)</u>	<u>(306)</u>	<u>13,693</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	66,548	66,548	67,196	648
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Cash Balance End of Year</i>	<u>\$26,342</u>	<u>\$52,548</u>	<u>\$66,890</u>	<u>\$14,342</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

Ambulance Fund

For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$523,038	\$478,850	\$473,481	(\$5,369)
Charges for Services	298,815	369,003	269,221	(99,782)
Licenses, Permits and Fees	0	0	0	0
Intergovernmental	89,785	89,785	81,415	(8,370)
Earnings on Investments	0	0	0	0
Miscellaneous	23,573	23,573	3,290	(20,283)
<i>Total receipts</i>	<u>935,211</u>	<u>961,211</u>	<u>827,407</u>	<u>(133,804)</u>
Disbursements				
Current:				
General Government	86,120	86,120	86,120	0
Public Safety	854,048	824,476	819,080	5,396
Public Works	0	0	0	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Capital Outlay	85,500	24,614	24,614	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Disbursements</i>	<u>1,025,668</u>	<u>935,210</u>	<u>929,814</u>	<u>5,396</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(90,457)</u>	<u>26,001</u>	<u>(102,407)</u>	<u>(128,408)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	26,000	26,000
Transfers Out	0	0	0	0
Advances In	0	0	0	0
Advances Out	0	0	0	0
Other Financing Sources	0	0	6,399	6,399
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>32,399</u>	<u>32,399</u>
<i>Net Change in Fund Balance</i>	<u>(90,457)</u>	<u>26,000</u>	<u>(70,008)</u>	<u>(96,008)</u>
<i>Unencumbered Cash Balance Beginning of Year</i>	184,169	184,169	184,859	690
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Unencumbered Cash Balance End of Year</i>	<u>\$93,712</u>	<u>\$210,169</u>	<u>\$114,851</u>	<u>(\$95,318)</u>

See accompanying notes to the basic financial statements

GOSHEN TOWNSHIP, CLERMONT COUNTY

Statement of Receipts, Disbursements and Changes

In Fund Balance - Budget and Actual -Budget Basis

Safety Services Fund

For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$777,681	\$716,697	\$703,215	(\$13,482)
Charges for Services	0	0	0	0
Licenses, Permits and Fees	0	0	0	0
Intergovernmental	44,284	275,217	90,376	(184,841)
Earnings on Investments	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total receipts</i>	<u>821,965</u>	<u>991,914</u>	<u>793,591</u>	<u>(198,323)</u>
Disbursements				
Current:				
General Government	0	0	0	0
Public Safety	795,933	756,746	756,746	0
Public Works	900	745	745	0
Health	0	0	0	0
Conservation-Recreation	0	0	0	0
Capital Outlay	523,345	505,479	367,299	138,180
Debt Service:				
Principal Retirement	0	0	37,500	(37,500)
Interest and Fiscal Charges	0	0	61,515	(61,515)
<i>Total Disbursements</i>	<u>1,320,179</u>	<u>1,262,970</u>	<u>1,223,805</u>	<u>39,165</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(498,213)</u>	<u>(271,056)</u>	<u>(430,214)</u>	<u>(159,158)</u>
Other Financing Sources (Uses)				
Transfers In	127,000	127,000	127,000	0
Transfers Out	0	0	0	0
Advances In	0	0	0	0
Advances Out	0	0	0	0
Other Financing Sources	42,949	42,949	0	(42,949)
Other Financing Uses	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>169,949</u>	<u>169,949</u>	<u>127,000</u>	<u>(42,949)</u>
<i>Net Change in Fund Balance</i>	(328,265)	(101,107)	(303,214)	(202,107)
<i>Unencumbered Cash Balance Beginning of Year</i>	(17,065)	(17,065)	96,133	113,198
Prior Year Encumbrances Appropriated	398,056	398,056	398,056	0
<i>Unencumbered Cash Balance End of Year</i>	<u>\$52,727</u>	<u>\$279,884</u>	<u>\$190,975</u>	<u>(\$88,909)</u>

See accompanying notes to the basic financial statements

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Note 1 – Reporting Entity

The Goshen Township, Clermont County, Ohio, (the Township) is a body politic and corporate established in 1819 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

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

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, cemetery maintenance, and provides fire, EMS coverage and police services.

B. Component Units

Goshen Township has no Component Units

C. Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools

Goshen Township has no Joint Ventures.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the *modified* 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. The Township does not apply FASB statements issued after November 30, 1989, to its business-type activities and to its enterprise funds. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. The statements distinguish between those activities of the Township that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 2 – Summary of Significant Accounting Policies (continued)

The statement of net assets presents the cash balances 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 activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental and enterprise 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.

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. Some Townships have three categories of funds: governmental, proprietary and fiduciary. Goshen Township has Governmental and fiduciary funds.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are the General Fund, Police Fund, Ambulance Fund, Fire Fund, and Safety Services Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

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.

C. Basis of Accounting

The Township's financial statements are prepared using the *modified* 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

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 2 – Summary of Significant Accounting Policies (continued)

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

D. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, 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 resolution 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 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 resolution 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 of the cash management pool are presented on the financial statements as cash equivalents. 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 2007, the Township invested in nonnegotiable certificates of deposit. The nonnegotiable certificates of deposit are reported at cost.

Interest earnings are allocated to Township funds according to State statutes. Interest receipts credited to the General Fund during 2007 was \$104,927.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 2 – Summary of Significant Accounting Policies (continued)

F. Capital Assets

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

G. 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 *modified* cash basis of accounting.

H. 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 11 and 12, the employer contributions include portions for pension benefits and for postretirement health care benefits.

I. Long-Term Obligations

The Township's modified 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.

J. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for each fund, except for the general fund.

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.

K. Inter-fund Transactions

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general receipts.

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 inter-fund transfers. Inter-fund 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. Returns of the unused portions of the transferred fund from General to Capital Projects are shown as transfer out of the Capital Funds and back into the General Fund. Such transfers are approved by resolution.

Note 3 – Change in Basis of Accounting

Last year the Township reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. This year the Township has implemented the cash basis of accounting described in note 2. The fund financial statements now present each major fund in a separate column with non-major funds aggregated and presented in a single column, rather than a column for each fund type.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 4 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and other major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis) (and outstanding year end advances are treated as a other financing source or use (budgetary basis) rather than as an inter-fund receivable or payable (cash basis)). The encumbrances outstanding at year end were 0.

Note 5 – Deposits and Investments

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

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

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

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

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 2 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;

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 5 – Deposits and Investments (continued)

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.

Deposits

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. As of December 31, 2007, the Township has a cash balance of \$1,673,002.

Investments

As of December 31, 2007, the Township had a CD for \$1500.00. Interest was posted monthly, on the last day of the month, applying amounts as provided by Lebanon Citizens National Bank on daily investment funds summaries and confirmation via their statement.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

Note 6 – Property Taxes

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

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

Tangible personal property tax receipts received in 2007 (other than public utility property) represent the collection of 2006 taxes. Tangible personal property taxes received in 2007 were levied after October 1,

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 6 – Property Taxes (continued)

2006, on the true value as of December 31, 2006. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all Township operations for the year ended December 31, 2007, was \$21.60 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property	
Residential/Agricultural	\$ 205,276,250
Commercial/Industrial/Mineral	27,923,290
Tangible Personal Property	3,198,901
Public Utility	9,927,410
Total Assessed Value	<u><u>\$246,325,851</u></u>

Note 7 – Risk Management

Risk Pool Membership

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. During 2008, the Library belongs to the Ohio Government Risk Management Plan (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio. These coverage programs, referred to as Ohio Plan Risk management ("OPRM"), are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retain 15% of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had over 650 members as of December 31, 2008. The Township participates in this coverage.

In August, 2007, OGRMP formed the Ohio Plan Healthcare Consortium ("OPHC"), as authorized by Section 9.833 of the Ohio Revised Code. The OPHC was established to provide cost effective employee benefit programs for Ohio political sub-divisions and is a self-funded, group purchasing consortium that offers medical, dental, vision and prescription drug coverage as well as life insurance for its members. The OPHC is sold through seventeen appointed independent agents in the State of Ohio. Coverage programs are developed specific to each member's healthcare needs and the related premiums for coverage are determined through the application of uniform underwriting criteria. Variable plan options are available to members. These plans vary primarily by deductibles, coinsurance levels, office visit co-pays and out-of-pocket maximums. OPHC had 40 members as of December 31, 2008. The Township does not participate in this coverage.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 7 – Risk Management (Continued)

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

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

The Pool's audited financial statements 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), and include amounts for both OPRRM and OPHC:

	2008	2007
Assets	\$10,471,114	\$11,136,455
Liabilities	(5,286,781)	(4,273,553)
Members' Equity	\$5,184,333	\$6,862,902

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

The Township has Health, Life and Dental Insurance and uses Hylant Group for liability coverage.

Note 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 plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

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

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

For the year ended December 31, 2007, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 9.5 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2007 was 13.85 percent. Those employees/members in law enforcement or public safety were required to contribute 10.1 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2007 was 17.17 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 8 – Defined Benefit Pension Plan (continued)

B. Ohio Police and Fire Pension Fund

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

Plan members contributed 10% of their annual covered salary to fund pension obligations while the Township contributed 24% for 2007. Contributions are authorized by State statute. The Township's required contributions to the Fund for the year ended December 31, 2007 have been made.

Note 9 - Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

B. Ohio Police and Fire Pension Fund

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

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis.

The total fire employer contribution rate is 24% of covered payroll, of which 6.75% of covered payroll was applied to the postemployment health care programs. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The Township's actual contributions for 2007 to fund postemployment benefits were \$34,290.80 for fire employees.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 10 – Debt

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$2,575,000	5%
Total	\$2,575,000	

The Township issued general obligation bonds to finance the purchase of a new administrative building located at 6757 Goshen Road. The Township's taxing authority collateralized the bonds.

Amortization of the above debt is scheduled as follows:

Year ending December 31:	Principal	Interest
2008	\$75,000	\$120,780
2009	75,000	118,343
2010	75,000	115,530
2011	75,000	112,530
2012	75,000	109,155
2013-2017	500,000	484,640
2018-2022	585,000	366,882
2023-2027	755,000	208,093
2028-2029	360,000	27,250
Total	\$2,575,000	\$1,663,203

Debt principal outstanding at December 31, 2007 was \$2,575,000.

Goshen Township
Notes to the Financial Statements
For the Year Ended December 31, 2007
(Continued)

Note 11 – Inter-fund Transfers

Inter-fund Transfers during the year 2007:

AMOUNT	FROM FUND	TO FUND
\$26,000	1000 General Fund	2191 Ambulance Fund
127,000	1000 General Fund	2192 Safety Services Fund
82,420	1000 General Fund	4902 Capital Projects Fund (General)
6,000	2011 Motor Vehicle License Tax Fund	4903 Capital Projects Fund (MVLT)
46,759	2021 Gasoline Tax Fund	4904 Capital Projects Fund (Gasoline)
7,247	2031 Road & Bridge Fund	4905 Capital Projects Fund (Road & Bridge)
20,130	2041 Cemetery Fund	4906 Capital Projects Fund (Cemetery)
1,574	2081 Police Fund	4907 Capital Projects Fund (Police)
55,000	2111 Fire District Fund	4908 Capital Projects Fund (Fire District)
2,860	2221 Drug Law Enforcement Fund	4911 Capital Projects Fund (Drug Law Enforcement)
3,562	2231 Permissive Motor Vehicle License Tax Fund	4912 Capital Projects Fund (Permissive MVLT)
3,562	2231 Permissive Motor Vehicle License Tax Fund	4912 Capital Projects Fund (Permissive MVLT)
1,764	2231 Permissive Motor Vehicle License Tax Fund	4912 Capital Projects Fund (Permissive MVLT)

The first three transfers from fund 1000, general fund, are to cover shortages in fund numbers 2191, 2192, and 4902. The other transfers were to cover expenses that were thought of as capital and not regular budget items. The money was not intermingled between funds. For example, fund 2011 is the only fund that transferred money into the corresponding capital fund number 4903.

Note 12 – Contingent Liabilities

There are currently no lawsuits with the Township

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.

Note 13 – Subsequent Events

The Township purchased the Fire Engine approved and ordered in 2006.

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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

Goshen Township
Clermont County
6757 Goshen Road
Goshen, Ohio 45122

To the Board of Trustees:

We have audited the financial statements of the governmental activities, major funds, and the aggregate remaining fund information of Goshen Township, Clermont County, Ohio (the Township), as of and for the years ended December 31, 2008 and 2007, which collectively comprise the Township's basic financial statements and have issued our report thereon dated. 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 expressing our opinions on the financial statements, but not to opine on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

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

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

We consider findings 2008-003 and 2008-005 described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. Of the significant deficiencies described above, we believe finding number 2008-005 is also a material weakness.

We also noted a certain internal control matter that we reported to the Township's management in a separate letter dated April 28, 2010.

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 instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2008-003, 2008-004, and 2008-005.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated April 28, 2010.

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

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



Mary Taylor, CPA
Auditor of State

April 28, 2010

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007**

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

FINDING NUMBER 2008-001

Finding for Recovery Repaid Under Audit

During testing of payroll expenditures an error was found in the calculation of payroll for Danny Jones, a Goshen Township Firefighter. An incorrect mathematical calculation resulted in Mr. Jones being overpaid \$127, for 10 hours of overtime that he did not work. He was paid \$2,069 when he was only entitled to \$1,942.

In accordance with the forgoing facts and pursuant to **Ohio Revised Code Section 117.28**, a finding for recovery for public money illegally expended is hereby issued against Danny Jones in the amount of \$127, and in favor of the Goshen Township Fire Fund.

Upon discovery of the facts of the payroll errors, on April 21, 2010 Lisa Allen repaid \$127 to the Goshen Township Fire Fund.

Official's Response:

Prior to the audit release, Goshen Township made changes to the Policy Manual to address employee time compensation. In 2007, the township went from being paid 2 times a month to every two weeks which cleared up some of the issues. The township created a new time sheet template for the departments to use which will calculate the totals. We are investigating time clocks and currently testing our existing card key system to see if it can be fed into our payroll system. The fire department is comparing run logs with time sheets prior to submission to the Fiscal Officer. We are looking to incorporate the sick, comp, and vacation time into the payroll service we use for better tracking.

FINDING NUMBER 2008-002

Finding for Recovery Repaid Under Audit

During testing of payroll expenditures errors were found in the calculation of payroll resulting in the following overpayments:

Employee – Fund Paid From	Amount Paid	Amount Should Have Been Paid	Difference	Reason For Difference
Schmidt, Ron Fire Fund	\$2,703	\$2,414	\$289	Paid for 24 hours not worked and paid for 20 hours at overtime rate instead of regular pay rate.
Hardesty, Angie Fire Fund	2,241	2,124	117	Paid for 6.5 hours of overtime not worked.
Total				
			\$406	

In accordance with the forgoing facts and pursuant to **Ohio Revised Code Section 117.28**, a finding for recovery for public money illegally expended is hereby issued against Ron Schmidt in the amount of \$289 in favor of the Goshen Township Fire Fund and Angie Hardesty in the amount of \$117 in favor of the Goshen Township Fire Fund.

**FINDING NUMBER 2008-002
(Continued)**

Upon discovery of the facts of the payroll errors, on March 25, 2010 Ron Schmidt repaid \$289 to the Goshen Township Fire Fund. On March 26, 2010 Angie Hardesty repaid \$117 to the Goshen Township Fire Fund.

Official's Response:

Prior to the audit release, Goshen Township made changes to the Policy Manual to address employee time compensation. In 2007, the township went from being paid 2 times a month to every two weeks which cleared up some of the issues. The township created a new time sheet template for the departments to use which will calculate the totals. We are investigating time clocks and currently testing our existing card key system to see if it can be fed into our payroll system. The fire department is comparing run logs with time sheets prior to submission to the Fiscal Officer. We are looking to incorporate the sick, comp, and vacation time into the payroll service we use for better tracking.

FINDING NUMBER 2008-003

Noncompliance/Significant Deficiency

Ohio Rev. Code, Section 507.07, requires the Township Clerk to maintain the books of the Township and exhibit accurate statements of all monies received and expended.

In addition, **Ohio Admin. Code Section 117-2-02(A)** requires public offices to maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

The Township had the following posting errors in 2007 and 2008 which resulted in audit adjustments and reclassifications to the financial statements:

- In 2007, the Township posted homestead and rollback revenue on four different occasions to the General Fund in the total amount of \$143,665 rather than posting the monies to the proper funds. The Township should have posted these monies as follows: General Fund \$18,821, Road and Bridge Fund \$10,755, Police Fund \$26,070, Fire Fund \$20,618, Ambulance Fund \$26,307 and Special Levy Fund \$42,260.
- In 2007, the Township posted a total amount of \$99,015 for debt payments on the administrative building to the General Fund under the Capital Outlay line item. These debt payments should have been posted to the line items in the General Fund as follows: Principal Payment \$37,500 and Interest Expense \$ 61,515.
- In 2007, the Township posted a total amount of \$99,015 for debt payments on the administration building to the Safety Services Levy Fund under the Capital Outlay line item. These debt payments should have been posted to the line items in the Safety Services Levy Fund as follows: Principal Payment \$37,500 and Interest Expense \$ 61,515.
- In 2008, the Township received receipts for cable franchise fees in the total amount of \$128,656 and posted these fees to the General Fund under the miscellaneous line item. The cable franchise fees should have been posted to the General Fund under licenses, permits and fees line item.

**FINDING NUMBER 2008-003
(Continued)**

As a result of these errors, receipts for certain line items and funds were incorrectly reported on the Annual Report. Significant reclassifications and adjustments were made to individual line items and funds on the financial statements and accounting records. We recommend due care be exercised when posting entries to the cash journal to prevent errors and assist in properly reflecting the Township's financial activity in the annual report.

In addition, the Township should adopt procedures for the review of the financial activity posted to the accounting records and financial statements.

Official's Response:

2007 was the first year for the new Fiscal Officer. Many of the past audit posting errors were corrected and in 2008 there was only one posting error detected.

FINDING NUMBER 2008-004

Noncompliance

The **Fire Department Labor Agreement Article 19 E** states "an employee shall take vacation leave during the year in which it was accrued. Employees may carry over up to forty-eight hours of their annual accrual, but only one (1) succeeding year."

Page 8 of the **Goshen Township Personnel Policies and Employment Practices: Vacation** states all full time employees of the township, after completion of one full year of service, accrue vacation leave hours according to their number of years of public service in the township. Vacation accrues on January 1st of each year. Vacation shall be taken by an employee during the year in which it is accrued.

During testing of the 2008 Township's police, maintenance, and administrative employees leave balances, 3 out of 20 employees were identified as using vacation leave in the year it was not accrued.

During testing of the 2007 Township police, maintenance, and administrative employees leave balances, 4 out of 22 employees were identified as using vacation leave in the year it was not accrued. During testing of the 2007 Township Fire Department employees leave balances, 2 out of 13 employees were identified as using vacation leave in excess of the amount they accrued for the year plus the allowed carryover of 48 hours from the previous year. These negative variances were a result of the following:

The Township was aware of their policy but did not adhere to the policy because the Township had to maintain adequate staffing levels which did not allow for vacation leave to be used when the employee requested vacation leave.

Furthermore, the Township adopted a resolution on March 16th, 2010 which authorizes employees that carried over vacation leave hours in excess of the hours that are allowed to be carried over as stated in their applicable labor agreement or policy manual to continue to carry over these vacation leave hours until they are consumed or the employee is paid out for them. In addition the Township employees' may not continue to accumulate hours that are in excess of the amount of vacation hours allowed to be carried over per their applicable labor agreement or policy manual from the date of the resolution forward.

**FINDING NUMBER 2008-004
(Continued)**

We recommend the Township follow the Goshen Township Personnel Policies and Procedures Manual as well as the Fire Department Labor Agreement and have all employees use their vacation leave as stated in their applicable labor agreement or policy manual. Failure of the Township to monitor vacation leave balances according to the applicable labor agreement or policy manual could lead to the Township overcompensating employees for hours accumulated that is not in agreement with the applicable labor agreement or policy manual.

Official's Response:

The board of trustees has adopted resolutions to address the past issue in regards to vacation. The Policy and Procedures Manual was updated in 2009, but the township plans to continue to improve and modify the manual. We will review it with legal council to ensure we do not have any future problems. Department heads have been instructed to adhere to policies and the Fire Department Agreement.

FINDING NUMBER 2008-005

Noncompliance/Material Weakness

Ohio Rev. Code, Section 5705.12, states in part that the Auditor of State must approve all new funds established by a local government which are in addition to funds established under O.R.C. 5705.09 and 5705.13.

Ohio Rev. Code, Section 5705.14 (A),(B), (C), (D), & (E), states that no transfer can be made from one fund of a subdivision to any other fund, except as follows:

- 1) The unexpended balance in a bond fund.
- 2) The unexpended balance in any specific permanent improvement fund, other than a bond fund.
- 3) The unexpended balance in the sinking fund or bond retirement fund of a subdivision, after all indebtedness, interest, and other obligations for the payment of which such fund exists have been paid and retired, shall be transferred, in the case of the sinking fund, to the bond retirement fund, and in the case of the bond retirement fund, to the sinking fund.
- 4) The unexpended balance in any special fund, other than an improvement fund, may be transferred to the general fund or to the sinking fund or bond retirement fund after the termination of the activity, service, or other undertaking for which such special fund existed, but only after the payment of all obligations incurred and payable from such special fund.
- 5) Money may be transferred from the general fund to any other fund of the subdivision

In addition to the transfers authorized in section 5705.14 of the Revised Code noted above, **Ohio Rev. Code Section 5705.15** states that the taxing authority of any political subdivision may, in the manner provided in this section and section 5705.16 of the Revised Code, transfer from one fund to another any public funds under its supervision, except the proceeds or balances of loans, bond issues, special levies for the payment of loans or bond issues, the proceeds or balances of funds derived from any excise tax levied by law for a specified purpose, and the proceeds or balances of any license fees imposed by law for a specified purpose.

**FINDING NUMBER 2008-005
 (Continued)**

Contrary to the above exceptions, the Township established the following capital project funds without obtaining approval from the Auditor of State and made the following unallowable transfers made from the Special Revenue Funds to the corresponding Capital Project Funds totaling \$185,767 and \$148,458 in 2008 and 2007, respectively.

Year	Fund Name	Transfer Out	Transfer In
2008	Special Revenue – Motor Vehicle License Tax	\$ 18,195	
	Capital Projects – Motor Vehicle License Tax		\$ 18,195
	Special Revenue – Gasoline Tax	88,688	
	Capital Projects – Gasoline Tax		88,688
	Special Revenue – Road & Bridge	14,111	
	Capital Projects - Road & Bridge		14,111
	Special Revenue – Permissive Motor Vehicle License Tax	64,773	
	Capital Projects – Permissive Motor Vehicle License Tax		64,773

Year	Fund Name	Transfer Out	Transfer In
2007	Special Revenue – Motor Vehicle License Tax	\$ 6,000	
	Capital Projects – Motor Vehicle License Tax		\$ 6,000
	Special Revenue – Gasoline Tax	46,759	
	Capital Projects – Gasoline Tax		46,759
	Special Revenue – Road & Bridge	7,247	
	Capital Projects - Road & Bridge		7,247
	Special Revenue – Cemetery	20,130	
	Capital Projects - Cemetery		20,130
	Special Revenue – Police District	1,574	
	Capital Projects - Police District		1,574
	Special Revenue – Fire District	55,000	
	Capital Projects - Fire District		55,000
	Special Revenue – Drug Law Enforcement	2,860	
	Capital Projects - Drug Law Enforcement		2,860
	Special Revenue – Permissive Motor Vehicle License Tax	8,888	
	Capital Projects – Permissive Motor Vehicle License Tax		8,888

If management wishes to monitor how money from a specific source is being spent in these special revenue funds they should utilize separate appropriation/object codes to account for different capital outlay activity within the existing special revenue funds. We recommend that management review the expenditures recorded in the capital project funds to determine if the expenditure is allowed based on the restrictions related to the corresponding special revenue fund and close the above capital project funds and return the remaining fund balance to the corresponding special revenue funds. If any expenditures are unallowed in the respective special revenue funds the general fund will need to transfer money to the special revenue fund to reimburse the fund(s) for these unallowed expenditures.

The fiscal officer closed the above mentioned capital projects funds and returned the remaining fund balance to the respective special revenue funds during the close-out of fiscal year 2009.

**FINDING NUMBER 2008-005
(Continued)**

Official's Response:

The previous board requested that Capital Improvement Funds be established and funds be transferred from Special Revenue Funds to meet expenses they felt should be tracked in Capital Improvement Funds. The Fiscal Officer wished to use a Capital Improvement line item within each fund, but the board pushed for the funds to be established. The Fiscal Officer worked with the County Auditor and determined the best way to meet that request was to set a Capital Improvement Fund for each Special Revenue Fund so as not to mingle funds. Prior to the release of this audit, the Fiscal Officer closed the Capital Improvement Funds during the 2009 Year End Processing and transferred the remaining balances back to the respective Special Revenue Fund. The township plans to use a capital line item within each fund to manage these expenses.

**GOSHEN TOWNSHIP
CLERMONT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2006**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2006-001	Finding for recovery	Yes	
2006-002	ORC Section 507.07, maintaining books of Township and OAC Section 117-2-02(A), maintaining accounting system and records.	No	Reissued as Finding 2008-003
2006-003	ORC Section 5705.41(D)(1), certify availability of funds for certain commitments	No	Reissued in the management letter
2006-004	ORC Section 5705.41(B), expenditures exceeding appropriations.	Yes	
2006-005	ORC Section 507.04(A), accurate records not maintained for Board meetings.	Yes	
2006-006	ORC Section 5705.36(A)(1), failed to certify advances on certificate of all amounts available for expenditure.	Yes	



Mary Taylor, CPA
Auditor of State

GOSHEN TOWNSHIP

CLERMONT 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
JUNE 1, 2010**