

Nile Township
Scioto County
Regular Audit
For the Years Ended December 31, 2015 and 2014



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Dave Yost • Auditor of State

Board of Trustees
Nile Township
PO Box 100
Friendship, Ohio 45630

We have reviewed the *Independent Auditor's Report* of Nile Township, Scioto County, prepared by Millhuff-Stang, CPA, Inc., for the audit period January 1, 2014 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Nile Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 21, 2016

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Scioto County
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Independent Auditor's Report

Board of Trustees
Nile Township
P.O. Box 100
Friendship, Ohio 45630

Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nile Township, Scioto County, Ohio (the Township), as of, and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatements.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Nile Township, Scioto County, Ohio, as of December 31, 2015 and 2014, and the respective changes in cash financial position and the respective budgetary comparisons for the General, Gasoline Tax, Road and Bridge, Ambulance Levy, Fire Equipment Levy, and Police Levy Funds thereof for the years then ended and the respective budgetary comparison for the Fire Levy for the year ended December 31, 2014, in accordance with the accounting basis described in Note 2.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Emphasis of a Matter

As discussed in Note 14 to the financial statements, the Township adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". Our opinion is not modified with respect to this matter.

Other Matters

Other Information

We applied no procedures to Management's Discussion & Analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2016, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Natalie Millhuff-Stang, CPA, CITP
President/Owner
Millhuff-Stang, CPA, Inc.
Portsmouth, Ohio

June 3, 2016

Nile Township
Scioto County
Management's Discussion and Analysis
For the Years Ended December 31, 2015 and 2014
(Unaudited)

This discussion and analysis of Nile Township's (the Township) financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2015 and 2014, 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 2015 are as follows:

Net position of governmental activities increased \$42,009.

The Township's general receipts are primarily property taxes and related exemptions, local government revenue assistance, franchise fees and interest.

Key highlights for 2014 are as follows:

Net position of governmental activities decreased \$149,183.

The Township's general receipts are primarily property taxes and related exemptions, local government revenue assistance, franchise fees and interest.

Using the Basic Financial Statements

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

Report Components

The statement of net position 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.

Nile Township
Scioto County
Management's Discussion and Analysis
For the Years Ended December 31, 2015 and 2014
(Unaudited)

Reporting the Township as a Whole

The statement of net position and the statement of activities reflect how the Township did financially during 2015 and 2014, within the limitations of cash basis accounting. The statement of net position 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 nonfinancial factors as well such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the statement of net position and the statement of activities, the Township reports only one type of activity:

Governmental activities: Most of the Township's basic services are reported here, including police, fire, streets, parks and emergency management services. Property taxes and related exemptions, gasoline taxes, vehicle registrations, local government revenue assistance, licenses and permits and state and federal grants finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Township's Most Significant Funds

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

Governmental Funds – Most of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General, Gasoline Tax, Road and Bridge, Fire Levy (2014 only), Ambulance Levy, Fire Equipment Levy, and Police Levy. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

Nile Township
Scioto County
Management's Discussion and Analysis
For the Years Ended December 31, 2015 and 2014
(Unaudited)

The Township as a Whole

Table 1 provides a summary of the Township's net position for 2015 compared to 2014 and 2013:

(Table 1)
Net Position

	Governmental Activities		
	2015	2014	2013
Assets			
Cash and Cash Equivalents	\$598,470	\$556,461	\$705,644
Total Assets	\$598,470	\$556,461	\$705,644
Net Position			
Restricted for:			
Other Purposes	\$498,765	\$474,948	\$619,686
Unrestricted (Deficit)	99,705	81,513	85,958
Total Net Position	\$598,470	\$556,461	\$705,644

As mentioned previously, net position of governmental activities decreased \$149,183 during 2014.

Net position increased in 2015 by \$42,009. This increase can be attributed to stumpage payment from the State from timber sales was higher than expected.

Nile Township
Scioto County
Management's Discussion and Analysis
For the Years Ended December 31, 2015 and 2014
(Unaudited)

Table 2 reflects the changes in net position in 2014 and 2014 and the comparisons to fiscal year 2013.

(Table 2)

	Governmental Activities 2015	Governmental Activities 2014	Governmental Activities 2013
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$30,540	\$31,465	\$22,733
Operating Grants and Contributions	104,431	102,517	94,833
Total Program Receipts	<u>134,971</u>	<u>133,982</u>	<u>117,566</u>
General Receipts:			
Property and Other Local Taxes	472,180	469,233	453,802
Grants and Entitlements Not Restricted to Specific Programs	172,313	143,400	175,034
Cable Franchise Fees	13,377	17,807	17,711
Interest	1,409	1,522	1,792
Miscellaneous	17,323	26,002	21,935
Total General Receipts	<u>676,602</u>	<u>657,964</u>	<u>670,274</u>
Total Receipts	<u>811,573</u>	<u>791,946</u>	<u>787,840</u>
Disbursements:			
General Government	254,253	234,554	216,927
Public Safety	134,501	161,184	135,084
Public Works	131,614	189,078	131,484
Health	73,267	64,481	58,937
Capital Outlay	106,512	222,432	96,687
Principal Retirement	40,616	39,100	38,092
Interest and Fiscal Charges	28,801	30,300	30,253
Total Disbursements	<u>769,564</u>	<u>941,129</u>	<u>707,464</u>
Increase (Decrease) in Net Position	42,009	(149,183)	80,376
Net Position, January 1	<u>556,461</u>	<u>705,644</u>	<u>625,268</u>
Net Position, December 31	<u>\$598,470</u>	<u>\$556,461</u>	<u>\$705,644</u>

Program receipts represent only 17 percent and 17 percent of total receipts in 2015 and 2014, respectively, and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, and charges for cemetery services.

General receipts represent 83 percent and 83 percent of the Township's total receipts in 2015 and 2014, respectively, and of this amount, over 70 percent in 2015 and 71 percent in 2014 are local taxes. Property tax exemptions and entitlements make up the majority of the balance of the Township's general receipts. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for general government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the costs of the Trustees and Fiscal Officer, as well as internal services such as payroll and purchasing. Since many of these costs do not represent direct services to residents, we try to limit these costs.

Nile Township
Scioto County
Management's Discussion and Analysis
For the Years Ended December 31, 2015 and 2014
(Unaudited)

Public Safety is the costs of police protection and EMS and fire protection.

Governmental Activities

If you look at the statement of activities, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The 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 general receipts which are presented at the bottom of the statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)
Governmental Activities

	Total Cost of Services 2015	Net Cost of Services 2015	Total Cost of Services 2014	Net Cost of Services 2014	Total Cost of Services 2013	Net Cost of Services 2013
General Government	\$254,253	\$254,253	\$234,554	\$234,554	\$216,927	\$216,927
Public Safety	134,501	134,501	161,184	161,184	135,084	135,084
Public Works	131,614	27,183	189,078	86,561	131,484	36,651
Health	73,267	42,727	64,481	33,016	58,937	36,204
Capital Outlay	106,512	106,512	222,432	222,432	96,687	96,687
Principal Payments	40,616	40,616	39,100	39,100	38,092	38,092
Interest and Fiscal Charges	28,801	28,801	30,300	30,300	30,253	30,253
Total Disbursements	\$769,564	\$634,593	\$941,129	\$807,147	\$707,464	\$589,898

The dependence upon property tax receipts is apparent as 82 percent of governmental activities are supported through these and other general receipts for 2015 and 86 percent for 2014.

The Township's Funds

Total governmental funds in 2015 had receipts of \$811,573 and disbursements of \$769,564.

Total governmental funds in 2014 had receipts of \$791,946 and disbursements of \$941,129.

In 2015, General Fund receipts were higher than disbursements by \$18,192 indicating that the General Fund had surplus spending. In 2014, General Fund receipts were less than disbursements by \$4,445 indicating that the General Fund was in a deficit spending situation. However, because of funds carried forward from 2013, the General Fund was still in a surplus situation.

General Fund Budgeting Highlights

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

During 2015 and 2014, the Township did not amend its General Fund budget.

**Nile Township
Scioto County**
*Management's Discussion and Analysis
For the Years Ended December 31, 2015 and 2014
(Unaudited)*

Capital Assets and Debt Administration

Capital Assets

The Township does not currently keep track of its capital assets and infrastructure other than taking an inventory of what is on hand in January of each year. The current liability and property insurance policy keeps an accurate record of Township property, equipment and vehicles.

Debt

The Township had bonds outstanding at December 31, 2015 in the amount of \$734,672. See Note 9.

Current Issues

The challenge for all townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking funding. We rely heavily on local taxes and have very little industry to support the tax base. Our prepared financial forecast predicts a surplus for 2016; therefore, the finance committee and the administration will continue to provide the services important to our residents.

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 Chris Norman, Fiscal Officer for Nile Township, P.O. Box 100, Friendship, Ohio 45630 or phone (740) 858-4777.

Nile Township
Scioto County
Statement of Net Position - Cash Basis
December 31, 2015

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$598,470</u>
<i>Total Assets</i>	<u>598,470</u>
Net Position	
Restricted for:	
Other Purposes	498,765
Unrestricted	<u>99,705</u>
<i>Total Net Position</i>	<u><u>\$598,470</u></u>

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

Nile Township
Scioto County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2015

	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities				
General Government	\$254,253	\$0	\$0	(\$254,253)
Public Safety	134,501	0	0	(134,501)
Public Works	131,614	0	104,431	(27,183)
Health	73,267	30,540	0	(42,727)
Capital Outlay	106,512	0	0	(106,512)
Principal Payments	40,616	0	0	(40,616)
Interest and Fiscal Charges	28,801	0	0	(28,801)
<i>Total Governmental Activities</i>	<u>\$769,564</u>	<u>\$30,540</u>	<u>\$104,431</u>	(634,593)
General Receipts				
Property Taxes Levied for:				
General Purposes				108,027
Other Purposes				364,153
Grants and Entitlements not Restricted to Specific Programs				172,313
Cable Franchise Fees				13,377
Interest				1,409
Miscellaneous				17,323
<i>Total General Receipts</i>				<u>676,602</u>
<i>Change in Net Position</i>				42,009
<i>Net Position Beginning of Year</i>				<u>556,461</u>
<i>Net Position End of Year</i>				<u><u>\$598,470</u></u>

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

Nile Township
Scioto County
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2015

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Police Levy Fund	Other Governmental Funds	Total Governmental Funds
Assets								
Equity in Pooled Cash and Cash Equivalents	\$99,705	\$86,676	\$71,035	\$96,383	\$64,068	\$121,144	\$59,459	\$598,470
<i>Total Assets</i>	<u>\$99,705</u>	<u>\$86,676</u>	<u>\$71,035</u>	<u>\$96,383</u>	<u>\$64,068</u>	<u>\$121,144</u>	<u>\$59,459</u>	<u>\$598,470</u>
Fund Balances								
Restricted	\$0	\$86,676	\$0	\$96,383	\$64,068	\$121,144	\$59,459	\$427,730
Committed	0	0	71,035	0	0	0	0	71,035
Unassigned	99,705	0	0	0	0	0	0	99,705
<i>Total Fund Balances</i>	<u>\$99,705</u>	<u>\$86,676</u>	<u>\$71,035</u>	<u>\$96,383</u>	<u>\$64,068</u>	<u>\$121,144</u>	<u>\$59,459</u>	<u>\$598,470</u>

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

Nile Township
Scioto County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Police Levy Fund	Other Governmental Funds	Total Governmental Funds
Receipts								
Property and Other Local Taxes	\$108,027	\$0	\$85,935	\$95,977	\$31,507	\$94,950	\$55,784	\$472,180
Intergovernmental	102,976	82,625	17,326	17,896	15,770	18,345	21,806	276,744
Fines, Licenses and Permits	13,377	0	0	0	0	0	30,540	43,917
Earnings on Investments	495	786	0	0	0	0	128	1,409
Miscellaneous	5,470	0	0	0	0	0	11,853	17,323
<i>Total Receipts</i>	230,345	83,411	103,261	113,873	47,277	113,295	120,111	811,573
Disbursements								
Current:								
General Government	161,951	0	0	80,658	981	2,801	7,862	254,253
Public Safety	0	0	0	12,939	12,253	101,959	7,350	134,501
Public Works	0	16,538	107,226	0	0	0	7,850	131,614
Health	24,047	0	0	0	0	0	49,220	73,267
Capital Outlay	1,859	60,888	13,121	6,668	22,982	0	994	106,512
Debt Service:								
Principal Payments	14,216	0	0	0	0	0	26,400	40,616
Interest and Fiscal Charges	10,080	0	0	0	0	0	18,721	28,801
<i>Total Disbursements</i>	212,153	77,426	120,347	100,265	36,216	104,760	118,397	769,564
<i>Excess of Receipts Over (Under) Disbursements</i>	18,192	5,985	(17,086)	13,608	11,061	8,535	1,714	42,009
<i>Fund Balances Beginning of Year</i>	81,513	80,691	88,121	82,775	53,007	112,609	57,745	556,461
<i>Fund Balances End of Year</i>	\$99,705	\$86,676	\$71,035	\$96,383	\$64,068	\$121,144	\$59,459	\$598,470

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$99,000	\$99,000	\$108,027	\$9,027
Intergovernmental	55,713	55,713	102,976	47,263
Fines, Licenses and Permits	18,000	18,000	13,377	(4,623)
Earnings on Investments	400	400	495	95
Miscellaneous	6,500	6,500	5,470	(1,030)
<i>Total Receipts</i>	179,613	179,613	230,345	50,732
Disbursements				
Current:				
General Government	205,000	205,000	161,951	43,049
Public Works	15,000	15,000	0	15,000
Health	0	0	24,047	(24,047)
Capital Outlay	15,000	15,000	1,859	13,141
Debt Service:				
Principal Payment	14,000	14,000	14,216	(216)
Interest and Fiscal Charges	11,000	11,000	10,080	920
<i>Total Disbursements</i>	260,000	260,000	212,153	47,847
<i>Excess of Receipts Over (Under) Disbursements</i>	(80,387)	(80,387)	18,192	98,579
<i>Fund Balances Beginning of Year</i>	81,513	81,513	81,513	0
<i>Fund Balances End of Year</i>	\$1,126	\$1,126	\$99,705	\$98,579

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Gasoline Tax Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Intergovernmental	\$84,750	\$84,750	\$82,625	(\$2,125)
Earnings on Investments	250	250	786	536
<i>Total Receipts</i>	<u>85,000</u>	<u>85,000</u>	<u>83,411</u>	<u>(1,589)</u>
Disbursements				
Current:				
Public Works	140,000	140,000	16,538	123,462
Capital Outlay	24,000	24,000	60,888	(36,888)
<i>Total Disbursements</i>	<u>164,000</u>	<u>164,000</u>	<u>77,426</u>	<u>86,574</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(79,000)	(79,000)	5,985	84,985
<i>Fund Balances Beginning of Year</i>	<u>80,691</u>	<u>80,691</u>	<u>80,691</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$1,691</u>	<u>\$1,691</u>	<u>\$86,676</u>	<u>\$84,985</u>

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$95,000	\$95,000	\$85,935	(\$9,065)
Intergovernmental	1,000	1,000	17,326	16,326
<i>Total Receipts</i>	96,000	96,000	103,261	7,261
Disbursements				
Current:				
General Government	7,000	7,000	0	7,000
Public Works	141,500	141,500	107,226	34,274
Capital Outlay	32,500	32,500	13,121	19,379
<i>Total Disbursements</i>	181,000	181,000	120,347	60,653
<i>Excess of Receipts Over (Under) Disbursements</i>	(85,000)	(85,000)	(17,086)	67,914
<i>Fund Balances Beginning of Year</i>	88,121	88,121	88,121	0
<i>Fund Balances End of Year</i>	\$3,121	\$3,121	\$71,035	\$67,914

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Ambulance Levy Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$106,000	\$106,000	\$95,977	(\$10,023)
Intergovernmental	0	0	17,896	17,896
Miscellaneous	1,000	1,000	0	(1,000)
<i>Total Receipts</i>	<u>107,000</u>	<u>107,000</u>	<u>113,873</u>	<u>6,873</u>
Disbursements				
Current:				
General Government	103,500	103,500	80,658	22,842
Public Safety	25,000	25,000	12,939	12,061
Capital Outlay	58,000	58,000	6,668	51,332
<i>Total Disbursements</i>	<u>186,500</u>	<u>186,500</u>	<u>100,265</u>	<u>86,235</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(79,500)	(79,500)	13,608	93,108
<i>Fund Balances Beginning of Year</i>	<u>82,775</u>	<u>82,775</u>	<u>82,775</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$3,275</u></u>	<u><u>\$3,275</u></u>	<u><u>\$96,383</u></u>	<u><u>\$93,108</u></u>

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Fire Equipment Levy Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$35,000	\$35,000	\$31,507	(\$3,493)
Intergovernmental	0	10,866	15,770	4,904
<i>Total Receipts</i>	35,000	45,866	47,277	1,411
Disbursements				
Current:				
General Government	5,000	5,000	981	4,019
Public Safety	30,000	30,000	12,253	17,747
Capital Outlay	50,000	50,000	22,982	27,018
<i>Total Disbursements</i>	85,000	85,000	36,216	48,784
<i>Excess of Receipts Over (Under) Disbursements</i>	(50,000)	(39,134)	11,061	50,195
<i>Fund Balances Beginning of Year</i>	53,007	53,007	53,007	0
<i>Fund Balances End of Year</i>	\$3,007	\$13,873	\$64,068	\$50,195

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Police Levy Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$105,000	\$105,000	\$94,950	(\$10,050)
Intergovernmental	0	0	18,345	18,345
<i>Total Receipts</i>	105,000	105,000	113,295	8,295
Disbursements				
Current:				
General Government	5,000	5,000	2,801	2,199
Public Safety	210,000	210,000	101,959	108,041
<i>Total Disbursements</i>	215,000	215,000	104,760	110,240
<i>Excess of Receipts Over (Under) Disbursements</i>	(110,000)	(110,000)	8,535	118,535
<i>Fund Balances Beginning of Year</i>	112,609	112,609	112,609	0
<i>Fund Balances End of Year</i>	\$2,609	\$2,609	\$121,144	\$118,535

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

Nile Township
Scioto County
Statement of Net Position - Cash Basis
December 31, 2014

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$556,461</u>
<i>Total Assets</i>	<u>556,461</u>
Net Position	
Restricted for:	
Other Purposes	474,948
Unrestricted	<u>81,513</u>
<i>Total Net Position</i>	<u><u>\$556,461</u></u>

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

Nile Township
Scioto County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2014

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government	\$234,554	\$0	\$0	(\$234,554)
Public Safety	161,184	0	0	(161,184)
Public Works	189,078	0	102,517	(86,561)
Health	64,481	31,465	0	(33,016)
Capital Outlay	222,432	0	0	(222,432)
Principal Payments	39,100	0	0	(39,100)
Interest and Fiscal Charges	30,300	0	0	(30,300)
<i>Total Governmental Activities</i>	<u>\$941,129</u>	<u>\$31,465</u>	<u>\$102,517</u>	(807,147)
General Receipts				
Property Taxes Levied for:				
General Purposes				106,914
Other Purposes				362,319
Grants and Entitlements not Restricted to Specific Programs				143,400
Cable Franchise Fees				17,807
Interest				1,522
Miscellaneous				26,002
<i>Total General Receipts</i>				<u>657,964</u>
<i>Change in Net Position</i>				(149,183)
<i>Net Position Beginning of Year</i>				<u>705,644</u>
<i>Net Position End of Year</i>				<u><u>\$556,461</u></u>

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

Nile Township
Scioto County
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2014

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Fire Levy Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Police Levy Fund	Other Governmental Funds	Total Governmental Funds
Assets									
Equity in Pooled Cash and Cash Equivalents	\$81,513	\$80,691	\$88,121	\$18,173	\$82,775	\$53,007	\$112,609	\$39,572	\$556,461
<i>Total Assets</i>	<u>\$81,513</u>	<u>\$80,691</u>	<u>\$88,121</u>	<u>\$18,173</u>	<u>\$82,775</u>	<u>\$53,007</u>	<u>\$112,609</u>	<u>\$39,572</u>	<u>\$556,461</u>
Fund Balances									
Restricted	\$0	\$80,691	\$0	\$18,173	\$82,775	\$53,007	\$112,609	\$39,572	\$386,827
Committed	0	0	88,121	0	0	0	0	0	88,121
Unassigned	81,513	0	0	0	0	0	0	0	81,513
<i>Total Fund Balances</i>	<u>\$81,513</u>	<u>\$80,691</u>	<u>\$88,121</u>	<u>\$18,173</u>	<u>\$82,775</u>	<u>\$53,007</u>	<u>\$112,609</u>	<u>\$39,572</u>	<u>\$556,461</u>

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

**Nile Township
Scioto County**
*Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2014*

	General Fund	Gasoline Tax Fund	Road and Bridge Fund	Fire Levy Fund	Ambulance Levy Fund	Fire Equipment Levy Fund	Policy Levy Fund	Other Governmental Funds	Totals Governmental Funds
Receipts									
Property and Other Local Taxes	\$106,914	\$0	\$85,680	\$55,457	\$95,367	\$31,297	\$94,518	\$0	\$469,233
Intergovernmental	72,504	91,593	17,862	10,401	18,476	5,781	18,376	10,924	245,917
Fines, Licenses and Permits	17,807	0	0	0	0	0	0	31,465	49,272
Earnings on Investments	452	978	0	0	0	0	0	92	1,522
Miscellaneous	6,415	0	0	5	0	0	0	19,582	26,002
<i>Total Receipts</i>	204,092	92,571	103,542	65,863	113,843	37,078	112,894	62,063	791,946
Disbursements									
Current:									
General Government	147,919	0	0	7,889	74,168	1,023	3,555	0	234,554
Public Safety	0	0	0	6,046	19,837	30,064	105,237	0	161,184
Public Works	0	87,844	93,851	0	0	0	0	7,383	189,078
Health	24,471	0	0	0	0	0	0	40,010	64,481
Capital Outlay	12,047	139,460	8,147	405	6,056	51,182	5,135	0	222,432
Debt Service:									
Principal Payments	13,500	0	0	25,600	0	0	0	0	39,100
Interest and Fiscal Charges	10,600	0	0	19,700	0	0	0	0	30,300
<i>Total Disbursements</i>	208,537	227,304	101,998	59,640	100,061	82,269	113,927	47,393	941,129
<i>Excess of Receipts Over (Under) Disbursements</i>	(4,445)	(134,733)	1,544	6,223	13,782	(45,191)	(1,033)	14,670	(149,183)
<i>Fund Balances Beginning of Year</i>	85,958	215,424	86,577	11,950	68,993	98,198	113,642	24,902	705,644
<i>Fund Balances End of Year</i>	\$81,513	\$80,691	\$88,121	\$18,173	\$82,775	\$53,007	\$112,609	\$39,572	\$556,461

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$95,500	\$95,500	\$106,914	\$11,414
Intergovernmental	30,687	30,687	72,504	41,817
Fines, Licenses and Permits	13,000	13,000	17,807	4,807
Earnings on Investments	1,000	1,000	452	(548)
Miscellaneous	7,500	7,500	6,415	(1,085)
<i>Total Receipts</i>	147,687	147,687	204,092	56,405
Disbursements				
Current:				
General Government	182,500	182,500	147,919	34,581
Public Works	1,500	1,500	0	1,500
Health	0	0	24,471	(24,471)
Capital Outlay	25,000	25,000	12,047	12,953
Debt Service:				
Principal Payment	13,500	13,500	13,500	0
Interest and Fiscal Charges	10,600	10,600	10,600	0
<i>Total Disbursements</i>	233,100	233,100	208,537	24,563
<i>Excess of Receipts Over (Under) Disbursements</i>	(85,413)	(85,413)	(4,445)	80,968
<i>Fund Balances Beginning of Year</i>	85,958	85,958	85,958	0
<i>Fund Balances End of Year</i>	\$545	\$545	\$81,513	\$80,968

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Gasoline Tax Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Intergovernmental	\$90,250	\$90,250	\$91,593	\$1,343
Earnings on Investments	250	250	978	728
<i>Total Receipts</i>	90,500	90,500	92,571	2,071
Disbursements				
Current:				
Public Works	280,000	280,000	87,844	192,156
Capital Outlay	22,000	22,000	139,460	(117,460)
<i>Total Disbursements</i>	302,000	302,000	227,304	74,696
<i>Excess of Receipts Over (Under) Disbursements</i>	(211,500)	(211,500)	(134,733)	76,767
<i>Fund Balances Beginning of Year</i>	215,424	215,424	215,424	0
<i>Fund Balances End of Year</i>	\$3,924	\$3,924	\$80,691	\$76,767

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Road and Bridge Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$91,000	\$91,000	\$85,680	(\$5,320)
Intergovernmental	0	0	17,862	17,862
<i>Total Receipts</i>	91,000	91,000	103,542	12,542
Disbursements				
Current:				
General Government	9,500	9,500	0	9,500
Public Works	120,000	120,000	93,851	26,149
Capital Outlay	40,000	40,000	8,147	31,853
<i>Total Disbursements</i>	169,500	169,500	101,998	67,502
<i>Excess of Receipts Over (Under) Disbursements</i>	(78,500)	(78,500)	1,544	80,044
<i>Fund Balances Beginning of Year</i>	86,577	86,577	86,577	0
<i>Fund Balances End of Year</i>	\$8,077	\$8,077	\$88,121	\$80,044

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Fire Levy Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$60,000	\$60,000	\$55,457	(\$4,543)
Intergovernmental	0	0	10,401	10,401
Miscellaneous	100	100	5	(95)
<i>Total Receipts</i>	60,100	60,100	65,863	5,763
Disbursements				
Current:				
General Government	10,000	10,000	7,889	2,111
Public Safety	13,250	13,250	6,046	7,204
Capital Outlay	1,000	1,000	405	595
Debt Service:				
Principal Payment	25,600	25,600	25,600	0
Interest and Fiscal Charges	19,700	19,700	19,700	0
<i>Total Disbursements</i>	69,550	69,550	59,640	9,910
<i>Excess of Receipts Over (Under) Disbursements</i>	(9,450)	(9,450)	6,223	15,673
<i>Fund Balances Beginning of Year</i>	11,950	11,950	11,950	0
<i>Fund Balances End of Year</i>	\$2,500	\$2,500	\$18,173	\$15,673

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Ambulance Levy Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$104,000	\$104,000	\$95,367	(\$8,633)
Intergovernmental	250	250	18,476	18,226
Miscellaneous	250	250	0	(250)
<i>Total Receipts</i>	104,500	104,500	113,843	9,343
Disbursements				
Current:				
General Government	89,000	89,000	74,168	14,832
Public Safety	30,000	30,000	19,837	10,163
Capital Outlay	52,000	52,000	6,056	45,944
<i>Total Disbursements</i>	171,000	171,000	100,061	70,939
<i>Excess of Receipts Over (Under) Disbursements</i>	(66,500)	(66,500)	13,782	80,282
<i>Fund Balances Beginning of Year</i>	68,993	68,993	68,993	0
<i>Fund Balances End of Year</i>	\$2,493	\$2,493	\$82,775	\$80,282

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Fire Equipment Levy Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$34,000	\$34,000	\$31,297	(\$2,703)
Intergovernmental	0	0	5,781	5,781
<i>Total Receipts</i>	34,000	34,000	37,078	3,078
Disbursements				
Current:				
General Government	5,000	5,000	1,023	3,977
Public Safety	50,000	50,000	30,064	19,936
Capital Outlay	75,000	75,000	51,182	23,818
<i>Total Disbursements</i>	130,000	130,000	82,269	47,731
<i>Excess of Receipts Over (Under) Disbursements</i>	(96,000)	(96,000)	(45,191)	50,809
<i>Fund Balances Beginning of Year</i>	98,198	98,198	98,198	0
<i>Fund Balances End of Year</i>	\$2,198	\$2,198	\$53,007	\$50,809

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

Nile Township
Scioto County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Police Levy Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$105,000	\$105,000	\$94,518	(\$10,482)
Intergovernmental	0	0	18,376	18,376
<i>Total Receipts</i>	105,000	105,000	112,894	7,894
Disbursements				
Current:				
General Government	5,000	5,000	3,555	1,445
Public Safety	204,865	204,865	105,237	99,628
Capital Outlay	5,135	5,135	5,135	0
<i>Total Disbursements</i>	215,000	215,000	113,927	101,073
<i>Excess of Receipts Over (Under) Disbursements</i>	(110,000)	(110,000)	(1,033)	108,967
<i>Fund Balances Beginning of Year</i>	113,642	113,642	113,642	0
<i>Fund Balances End of Year</i>	\$3,642	\$3,642	\$112,609	\$108,967

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

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 1 – Reporting Entity

Nile Township, Scioto County, Ohio, is a body politic and corporate established in 1803 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.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, and cemetery maintenance. The Township utilizes the Nile Volunteer Fire Department for fire protection. Police protection is provided by the Scioto County Sheriff's Office.

B. Component Units

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

The Township has no component units.

C. Joint Ventures

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

The Township has no joint ventures.

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. 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 position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 2 – Summary of Significant Accounting Policies (Continued)

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

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

Fund Financial Statements

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

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. All funds of the Township are governmental funds.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are the General, Gasoline Tax, Road and Bridge, Fire Levy (2014 only), Ambulance Levy, Fire Equipment Levy, and Police Levy Funds. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio. The Gasoline Tax and Road and Bridge Funds are used for the purpose of road and bridge maintenance in the Township. The Fire Levy and Ambulance Levy Funds are used to run Fire and EMS services in the Township. The Fire Equipment Levy Fund was established to supplement the original fire levy with the purchase of fire equipment. The Police Levy Fund provides a Scioto County Sheriff Deputy to the Township forty hours per week.

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

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 2 – Summary of Significant Accounting Policies (Continued)

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

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 ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Trustees may appropriate.

The appropriations resolution is the Board of Trustees' authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Board of Trustees. The legal level of control has been established at the fund, function, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the 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 final amended certificate of estimated resources in effect at the end of the year.

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 resolution 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 Cash Equivalents

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

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

During 2015 and 2014, the Township's only investment was a repurchase agreement.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2015 and 2014 were \$495 and \$452, respectively, and \$914 and \$1,070, respectively, was credited to other Township funds.

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 2 – Summary of Significant Accounting Policies (Continued)

F. Inventory and Prepaid Items

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

G. Capital Assets

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

H. Accumulated Leave

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

I. Employer Contributions to Cost-Sharing Pension Plans

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

J. Long-Term Obligations

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

K. Net Position

Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for operations of the fire department, emergency management services department and maintenance of roads.

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

L. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted – Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Nile Township
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Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 2 – Summary of Significant Accounting Policies (Continued)

Committed – Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the General Fund report all balances as *assigned* unless they are restricted or committed. In the General Fund, *assigned* amounts represent intended uses established by the Township Trustees or a Township official delegated that authority by resolution, or by State statute.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

M. Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements. The Township had no interfund transactions for the years ending December 31, 2015 and 2014.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis presented for the General Fund, Gasoline Tax Fund, Road and Bridge Fund, Fire Levy Fund, Ambulance Levy Fund, Fire Equipment Levy Fund and Police Levy Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

Note 4 – Deposits and Investments

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

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

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

Nile Township
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Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 4 – Deposits and Investments (Continued)

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 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; and
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.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2015, the carrying amount of the Township's deposits was \$246,053 and the bank balance was \$250,000. The entire bank balance was covered by the Federal Depository Insurance Corporation.

At December 31, 2014, the carrying amount of the Township's deposits was \$243,728 and the bank balance was \$250,000. The entire bank balance was covered by the Federal Depository Insurance Corporation. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Township to a successful claim by the Federal Depository Insurance Corporation.

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.

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 4 – Deposits and Investments (Continued)

Investments

As of December 31, 2015 and 2014, the Township had invested \$352,417 and \$312,733, respectively, in repurchase agreements which mature daily.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township has no policy regarding interest rate risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township limits its investments to repurchase agreements.

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 repurchase agreement is exposed to custodial credit risk as it is uninsured, unregistered, and held by the counterparty's trust department or agent but not in the Township's name. 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."

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Township has no policy for this risk. A repurchase agreement makes up 100% of the Township's investments.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property and public utility property located in the Township. Real property tax receipts received in 2015 represent the collection of 2014 taxes. Real property taxes received in 2014 were levied after October 1, 2013, on the assessed values as of January 1, 2013, 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 2015 represent the collection of 2014 taxes. Public utility real and tangible personal property taxes received in 2015 became a lien on December 31, 2014, levied after October 1, 2014, 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.

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 5 – Property Taxes (Continued)

The full tax rate for all Township operations for the years ended December 31, 2015 and 2014, was 18.31 mills. The assessed values of real property and public utility property upon which property tax receipts were based are as follows:

	2015	2014
Real Property		
Residential /Agriculture	\$39,452,020	\$ 38,839,430
Public Utility Property	1,441,440	1,443,680
Total Assessed Values	\$40,893,460	\$40,283,110

Note 6 – Risk Management

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

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

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members’ deductibles.

Casualty and Property Coverage

The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2015, OTARMA retained \$350,000 for casualty claims and \$250,000 for property claims.

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

Financial Position

OTARMA’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2015 and 2014:

	2015	2014
Assets	\$37,313,311	\$35,970,263
Liabilities	(8,418,518)	(8,912,432)
Net Assets	\$28,894,793	\$27,057,831

At December 31, 2015 and 2014, respectively, the liabilities above include approximately \$7.8 million and \$8.2 million of estimated incurred claims payable. The assets above also include approximately \$7.7 million and \$7.2 million of unpaid claims to be billed to approximately 989 members and 957 member governments in the future, as of December 31, 2015 and 2014, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2015, the Township’s share of these unpaid claims collectible in future years is approximately \$16,000.

Nile Township
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Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 6 – Risk Management (Continued)

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

Contributions to OTARMA

<u>2015</u>	<u>2014</u>
\$31,072	\$29,781

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

Note 7 – Defined Benefit Pension Plans – GASB Statement No. 27

Ohio Public Employees Retirement System

- A. The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:
 - 1. The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan.
 - 2. The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
 - 3. The Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.
- B. OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.
- C. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.
- D. OPERS issues a stand-alone financial report. Interest parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.
- E. The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014 and 2013, member and employer contribution rates were consistent across all three plans.

The member contribution rates were 10.0% for 2014 and 2013 for the Township.

The employer contribution rates were 14.0% of covered payroll for 2014 and 2013 for the Township.

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 7 – Defined Benefit Pension Plans – GASB Statement No. 27 (continued)

F. The Township’s contributions to OPERS for the years ended December 31, 2014 and 2013 were \$23,808 and \$23,166, respectively, which were equal to the required contributions for those years.

Note 8 – Defined Benefit Pension Plan – GASB Statement No. 68

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - Township employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Township employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’ fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member’s career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member’s career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

Nile Township
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Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 8 – Defined Benefit Pension Plan – GABS Statement No. 68 (Continued)

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township’s contractually required contribution was \$25,326 for year 2015.

Note 9 - Postemployment Benefits

Ohio Public Employees Retirement System

A. Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains two cost-sharing multiple employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualify benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 9 - Postemployment Benefits (Continued)

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

B. Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, State and Local employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee’s Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

C. The employer contributions that were used to fund post-employment benefits were \$1,737 for 2015, \$1,633 for 2014, and \$1,655 for 2013.

Note 10 – Debt

The Township’s long-term debt activity for the year ended December 31, 2015, was as follows:

Governmental Activities	Interest	Balance			Balance	Due
General Obligation Bond:	Rate	December 31,	Additions	Reductions	December 31,	Within
		2014			2015	One Year
2010 Fire Station Construction Bonds	3.8%	\$692,788	\$0	\$35,116	\$657,672	\$36,450
2012 Fire Station construction Bonds	3.0%	82,500	0	5,500	77,000	5,500
Total		\$775,288	\$0	\$40,616	\$734,672	\$41,950

Nile Township
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Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 10 – Debt (Continued)

The Township’s long-term debt activity for the year ended December 31, 2014, was as follows:

	Interest Rate	Balance December 31, 2013	Additions	Reductions	Balance December 31, 2014	Due Within One Year
Governmental Activities						
General Obligation Bond:						
2010 Fire Station Construction Bonds	3.8%	\$726,618	\$0	\$33,830	\$692,788	\$35,116
2012 Fire Station Construction Bonds	3.0%	88,000	0	5,500	82,500	5,500
Total		\$814,618	\$0	\$39,330	\$775,288	\$40,616

The 2010 fire station construction bonds were issued for the purpose of constructing a new fire station. The bonds carry an interest rate of 3.8% and a term of 20 years. These bonds are general obligations bonds that are secured by the full faith and credit of the Township.

The 2012 fire station construction bonds were issued for the purpose of supplementing construction of the new fire station. The bonds carry an interest rate of 3.0% and a term of 17 years. These bonds are general obligation bonds that are secured by the full faith and credit of the Township.

These bonds are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption on December 1 in the year and in the respective principal amount as follows:

2016	\$41,950
2017	43,335
2018	44,773
2019	46,266
2020	47,815
2021	49,423
2022	51,092
2023	52,824
2024	54,622
2025	56,489
2026	58,427
2027	60,438
2028	62,526
2029	64,692

Principal and interest requirements on the Township’s outstanding debt are as follows:

For the Year Ended December 31:	Principal	Interest	Total
2016	\$41,950	\$27,302	\$69,252
2017	43,335	25,751	69,087
2018	44,773	24,149	68,922
2019	46,266	22,491	68,757
2020	47,815	20,777	68,592
2021-2025	264,450	76,034	340,484
2026-2029	246,083	23,335	269,417
Total	\$734,672	\$219,839	\$954,511

Nile Township
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Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 10 – Debt (Continued)

The Ohio Revised Code provides that net general obligation debt of the Township, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 5.5 percent of the tax valuation of the Township. The Revised Code further provides that total voted and unvoted debt of the Township less the same exempt debt shall never exceed an amount equal to 10.5 percent of its tax valuation. The effects of debt limitations at December 31, 2015 and 2014 respectively were an overall debt margin of \$3,639,795 and \$3,586,150 and an unvoted debt margin of \$40,893 and \$40,283.

Note 11 – Contingent Liabilities

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 12 – Compliance

The Township had actual expenditures in excess of appropriations, which was contrary to Ohio Revised Code Section 5705.41(B).

Note 13 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the government funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below as of December 31, 2015:

Fund Balances	General	Gasoline Tax	Road and Bridge	Ambulance Levy	Fire Equipment Levy	Police Levy	Other Governmental Funds	Total
<i>Restricted:</i>								
Road and Bridge	\$0	\$86,676	\$0	\$0	\$0	\$0	\$16,654	\$103,330
Emergency Protection	0	0	0	96,383	64,068	121,144	23,991	305,586
Cemetery	0	0	0	0	0	0	18,814	18,814
Total	0	86,676	0	96,383	64,068	121,144	59,459	427,730
<i>Committed:</i>								
Road and Bridge	0	0	71,035	0	0	0	0	71,035
<i>Unassigned:</i>								
	99,705	0	0	0	0	0	0	99,705
Total	\$99,705	\$86,676	\$71,035	\$96,383	\$64,068	\$121,144	\$59,459	\$598,470

Nile Township
Scioto County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2015 and 2014

Note 13 – Fund Balances (Continued)

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below as of December 31, 2014:

Fund Balances	General	Gasoline Tax	Road and Bridge	Fire Levy	Ambulance Levy	Fire Equipment Levy	Police Levy	Other Governmental Funds	Total
<i>Restricted:</i>									
Road and Bridge	\$0	\$80,691	\$0	\$0	\$0	\$0	\$0	\$13,931	\$94,622
Emergency Protection	0	0	0	18,173	82,775	53,007	112,609	0	266,564
Cemetery	0	0	0	0	0	0	0	25,641	25,641
Total	0	80,691	0	18,173	82,775	53,007	112,609	39,572	386,827
<i>Committed:</i>									
Road and Bridge	0	0	88,121	0	0	0	0	0	88,121
<i>Unassigned:</i>	81,513	0	0	0	0	0	0	0	81,513
Total	\$81,513	\$80,691	\$88,121	\$18,173	\$82,775	\$53,007	\$112,609	\$39,572	\$556,461

Note 14 – New GASB Pronouncements

For fiscal year 2015, the Township implemented Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27” and GASB Statement No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68.”

GASB Statement No. 68 replaces the requirements of GASB Statements No. 27 and 50 related to pension plans administered through trusts or similar arrangements. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also adds revised and new note disclosures. Since the Township presents its financial statements on the cash accounting basis, no liability or related deferred inflows/outflows of resources are recognized. However, the Township did modify disclosures with the implementation of this Statement.

GASB Statement No. 71 amends Statement No. 68 related to transition provisions for certain pension contributions made to defined benefit pension plans prior to implementation of Statement No. 68 by employers and nonemployer contributing entities. The provisions of this Statement should be applied simultaneously with the provisions of Statement No. 68.

These pronouncements had no effect on beginning net position/fund balance as previously reported.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Trustees
Nile Township
P.O. Box 100
Friendship, Ohio 45630

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nile Township, Scioto County, Ohio (the Township) as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Township’s basic financial statements, wherein we noted the Township follows the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Furthermore, we noted the Township adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27”.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Township’s internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Township’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and responses as items 2015-001 and 2015-002 that we consider to be material weaknesses.

Nile Township
Scioto County

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

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Compliance and Other Matters

As part of obtaining reasonable assurance whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2015-003.

Township's Responses to Findings

The Township's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Township's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Natalie Millhuff-Stang, CPA
President/Owner
Millhuff-Stang, CPA, Inc.
Portsmouth, Ohio

June 3, 2016

Nile Township
Scioto County
Schedule of Findings and Responses
For the Years Ended December 31, 2015 and 2014

Findings Related to the Financial Statements Required to be Reported in Accordance With GAGAS

FINDING NUMBER 2015-001

Material Weakness – Financial Reporting

A monitoring system by the Township should be in place to prevent or detect material misstatements for the accurate presentation of the Township's financial statements. The Township misclassified various receipts and disbursements during the audit and, in certain instances, recorded such items in incorrect funds. These financial statements have been adjusted to correct these errors. The Township should implement monitoring procedures, including exploring consulting services, to ensure financial activity is properly recorded and presented in the annual financial statements.

Client Response:

The Township will monitor procedures to ensure receipts and disbursements are properly recorded.

FINDING NUMBER 2015-002

Material Weakness – Budgetary Information Within UAN

Accurate budgetary information within the Township's accounting system is pertinent to ensure that the Township has accurate and complete information for decision-making processes. Instances were identified in both years of the audit period where budgetary allocations recorded within UAN were not in agreement with the Board-approved documents. The Township should review budgeting and accounting processes and implement the appropriate steps to ensure that budgeted information within the accounting system is in agreement with formal approved documents.

Client Response:

The Township will ensure budgetary allocations are consistent in the UAN computer system and the Board approved documents.

FINDING NUMBER 2015-003

Material Citation – Expenditures in Excess of Appropriations

Ohio Revised Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated. The Township had expenditures in excess of appropriations in 2015 and 2014. The Township should ensure that appropriations are in place prior to expenditure of funds and expenditures do not exceed appropriations.

Client Response:

Client chose not to respond.

Nile Township
Scioto County
Schedule of Prior Audit Findings
For the Years Ended December 31, 2015 and 2014

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2013-001	Material weakness – Financial Reporting	No	Reissued as Finding Number 2015-001
2013-002	Material weakness - Budgetary Information with UAN	No	Reissued as Finding Number 2015-002
2013-003	Noncompliance – Debt Covenants	Yes	
2013-004	Noncompliance - Appropriations in Excess of Estimated Resources	Yes	