

DEERCREEK TOWNSHIP
MADISON COUNTY, OHIO

Audited Financial Statements

For the Years Ended December 31, 2007 and 2006



Mary Taylor, CPA
Auditor of State

Board of Trustees
Deer Creek Township
1945 Cumberland Road
London, Ohio 43140

We have reviewed the *Independent Accountant's Report* of Deer Creek Township, Madison County, prepared by Van Kregel and Company, CPA's, for the audit period January 1, 2006 through December 31, 2007. 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. Deer Creek Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

September 23, 2008

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**Deercreek Township
Madison County, Ohio**

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**Deercreek Township
Madison County, Ohio**

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INDEPENDENT ACCOUNTANT'S REPORT

Deercreek Township
Madison County
1945 Cumberland Street
London, Ohio 43140

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Deercreek Township, Madison County, Ohio (the Township), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Township's management. Our responsibility is to express opinions on these financial statements based on our audits.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Deercreek Township, Madison County, Ohio, as of December 31, 2007 and 2006, and the respective changes in cash financial position and the respective budgetary comparison for the General, Gasoline Tax, and Fire Funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with Governmental Auditing Standards, we have also issued our report dated May 9, 2008, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with Government Auditing Standards. You should read it in conjunction with this report in assessing the results of our audits.

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Deercreek Township
Madison County, Ohio
Independent Auditor's Report

The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of the financial statements.

Van Krevel & Company

Van Krevel & Company
Dublin, Ohio

May 9, 2008

**Deercreek Township
Madison County, Ohio**

**Statement of Net Assets – Cash Basis
December 31, 2007**

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 327,105</u>
<i>Total Assets</i>	<u><u>\$ 327,105</u></u>
Net Assets	
Restricted for:	
Other Purposes	112,969
Unrestricted	<u>214,136</u>
<i>Total Net Assets</i>	<u><u>\$ 327,105</u></u>

**Deercreek Township
Madison County, Ohio**

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

	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government	\$ 109,843	\$ 3,850	\$ -	\$ (105,993)
Public Safety	89,134	-	3,565	(85,569)
Public Works	102,414	-	103,875	1,461
Health	10,053	10,196	-	143
Capital Outlay	31,989	-	-	(31,989)
<i>Total Governmental Activities</i>	\$ 343,433	\$ 14,046	\$ 107,440	(221,947)
 General Receipts				
Property Taxes				66,708
Other Taxes				53,591
Grants and Entitlements not Restricted to Specific Programs				25,186
Earnings on Investments				6,069
Miscellaneous				258
<i>Total General Receipts</i>				151,812
 Change in Net Assets				(70,135)
 <i>Net Assets Beginning of Year</i>				397,240
 <i>Net Assets End of Year</i>				\$ 327,105

**Deercreek Township
Madison County, Ohio**

**Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007**

	General	Gasoline Tax Fund	Fire Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 214,136	\$ 89,656	\$ -	\$ 23,313	\$ 327,105
<i>Total Assets</i>	<u>\$ 214,136</u>	<u>\$ 89,656</u>	<u>\$ -</u>	<u>\$ 23,313</u>	<u>\$ 327,105</u>
Fund Balances					
Unreserved:					
Undesignated, Reported in:					
General Fund	\$ 214,136	\$ -	\$ -	\$ -	\$ 214,136
Special Revenue Funds	-	89,656	-	23,313	112,969
<i>Total Fund Balances</i>	<u>\$ 214,136</u>	<u>\$ 89,656</u>	<u>\$ -</u>	<u>\$ 23,313</u>	<u>\$ 327,105</u>

**Deercreek Township
Madison County, Ohio**

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

	General	Gasoline Tax Fund	Fire Fund	Other Governmental Funds	Total Governmental Funds
Receipts					
Property and Other Local Taxes	\$ 89,622	\$ -	\$ 30,677	\$ -	\$ 120,299
Charges for Services	-	-	-	4,579	4,579
Licenses, Permits and Fees	-	-	-	2,617	2,617
Intergovernmental	25,186	97,893	3,565	5,982	132,626
Earnings on Investments	3,533	1,495	653	388	6,069
Miscellaneous	4,108	-	-	3,000	7,108
<i>Total Receipts</i>	<u>122,449</u>	<u>99,388</u>	<u>34,895</u>	<u>16,566</u>	<u>273,298</u>
Disbursements					
Current:					
General Government	100,841	9,002	-	-	109,843
Public Safety	-	-	89,134	-	89,134
Public Works	-	95,728	-	6,686	102,414
Health	-	-	-	10,053	10,053
Capital Outlay	10,747	20,289	-	953	31,989
<i>Total Disbursements</i>	<u>111,588</u>	<u>125,019</u>	<u>89,134</u>	<u>17,692</u>	<u>343,433</u>
<i>Net Change in Fund Balances</i>	<u>10,861</u>	<u>(25,631)</u>	<u>(54,239)</u>	<u>(1,126)</u>	<u>(70,135)</u>
<i>Fund Balances Beginning of Year</i>	<u>203,275</u>	<u>115,287</u>	<u>54,239</u>	<u>24,439</u>	<u>397,240</u>
<i>Fund Balances End of Year</i>	<u>\$ 214,136</u>	<u>\$ 89,656</u>	<u>\$ -</u>	<u>\$ 23,313</u>	<u>\$ 327,105</u>

**Deercreek Township
Madison County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balance
Budget and Actual – Budget Basis
General Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 34,890	\$ 34,890	\$ 89,622	\$ 54,732
Intergovernmental	24,074	24,074	25,186	1,112
Earnings on Investments	4,800	4,800	3,533	(1,267)
Miscellaneous	5,150	5,150	4,108	(1,042)
<i>Total Receipts</i>	<u>68,914</u>	<u>68,914</u>	<u>122,449</u>	<u>53,535</u>
Disbursements				
Current:				
General Government	81,690	123,571	100,841	22,730
Capital Outlay	123,000	81,119	10,747	70,372
<i>Total Disbursements</i>	<u>204,690</u>	<u>204,690</u>	<u>111,588</u>	<u>93,102</u>
<i>Net Change in Fund Balance</i>	<u>(135,776)</u>	<u>(135,776)</u>	<u>10,861</u>	<u>146,637</u>
<i>Fund Balance Beginning of Year</i>	<u>203,275</u>	<u>203,275</u>	<u>203,275</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 67,499</u>	<u>\$ 67,499</u>	<u>\$ 214,136</u>	<u>\$ 146,637</u>

**Deercreek Township
Madison County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balance
Budget and Actual – Budget Basis
Gasoline Tax Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Intergovernmental	\$ 79,250	\$ 79,250	\$ 97,893	\$ 18,643
Earnings on Investments	-	-	1,495	1,495
<i>Total Receipts</i>	<u>79,250</u>	<u>79,250</u>	<u>99,388</u>	<u>20,138</u>
Disbursements				
Current:				
General Government	28,866	23,621	9,002	14,619
Public Works	90,550	101,839	95,728	6,111
Capital Outlay	65,000	58,956	20,289	38,667
<i>Total Disbursements</i>	<u>184,416</u>	<u>184,416</u>	<u>125,019</u>	<u>59,397</u>
<i>Net Change in Fund Balance</i>	<u>(105,166)</u>	<u>(105,166)</u>	<u>(25,631)</u>	<u>79,535</u>
<i>Fund Balance Beginning of Year</i>	<u>115,287</u>	<u>115,287</u>	<u>115,287</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 10,121</u></u>	<u><u>\$ 10,121</u></u>	<u><u>\$ 89,656</u></u>	<u><u>\$ 79,535</u></u>

**Deercreek Township
Madison County, Ohio**

**Statement of Receipts Disbursements and Changes in Fund Balance
Budget and Actual – Budget Basis
Fire Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 30,390	\$ 30,390	\$ 30,677	\$ 287
Intergovernmental	2,724	2,724	3,565	841
Earnings on Investments	-	-	653	653
Miscellaneous	500	500	-	(500)
<i>Total Receipts</i>	<u>33,614</u>	<u>33,614</u>	<u>34,895</u>	<u>1,281</u>
Disbursements				
Current:				
Public Safety	34,900	89,134	89,134	-
Other	25,000	-	-	-
<i>Total Disbursements</i>	<u>59,900</u>	<u>89,134</u>	<u>89,134</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>(26,286)</u>	<u>(55,520)</u>	<u>(54,239)</u>	<u>1,281</u>
<i>Fund Balance Beginning of Year</i>	<u>54,239</u>	<u>54,239</u>	<u>54,239</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 27,953</u></u>	<u><u>\$ (1,281)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,281</u></u>

**Deercreek Township
Madison County, Ohio**

**Statement of Net Assets – Cash Basis
December 31, 2006**

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 397,240</u>
<i>Total Assets</i>	<u><u>\$ 397,240</u></u>
Net Assets	
Restricted for:	
Other Purposes	\$ 193,965
Unrestricted	<u>203,275</u>
<i>Total Net Assets</i>	<u><u>\$ 397,240</u></u>

**Deercreek Township
Madison County, Ohio**

**Statement of Activities - Cash Basis
For the Year Ended December 31, 2006**

		Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Assets
	Cash	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
	Disbursements			
Governmental Activities				
General Government	\$ 98,670	\$ -	\$ -	\$ (98,670)
Public Safety	29,376	-	2,878	(26,498)
Public Works	58,091	-	85,682	27,591
Health	7,617	15,469	-	7,852
Capital Outlay	57,380	-	-	(57,380)
<i>Total Governmental Activities</i>	\$ 251,134	\$ 15,469	\$ 88,560	(147,105)
General Receipts				
Property Taxes				67,100
Grants and Entitlements not Restricted to Specific Programs				81,747
Earnings on Investments				5,641
Miscellaneous				611
<i>Total General Receipts</i>				155,099
Change in Net Assets				7,994
<i>Net Assets Beginning of Year</i>				389,246
<i>Net Assets End of Year</i>				\$ 397,240

**Deercreek Township
Madison County, Ohio**

**Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2006**

	<u>General</u>	<u>Gasoline Tax Fund</u>	<u>Fire Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 203,275	\$ 115,287	\$ 54,239	\$ 24,439	\$ 397,240
<i>Total Assets</i>	<u>\$ 203,275</u>	<u>\$ 115,287</u>	<u>\$ 54,239</u>	<u>\$ 24,439</u>	<u>\$ 397,240</u>
Fund Balances					
Unreserved:					
Undesignated, Reported in:					
General Fund	\$ 203,275	\$ -	\$ -	\$ -	\$ 203,275
Special Revenue Funds		115,287	54,239	24,439	193,965
<i>Total Fund Balances</i>	<u>\$ 203,275</u>	<u>\$ 115,287</u>	<u>\$ 54,239</u>	<u>\$ 24,439</u>	<u>\$ 397,240</u>

**Deercreek Township
Madison County, Ohio**

**Statement of Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2006**

	General	Gasoline Tax Fund	Fire Fund	Other Governmental Funds	Total Governmental Funds
Receipts					
Property and Other Local Taxes	\$ 36,165	\$ -	\$ 30,935	\$ -	\$ 67,100
Charges for Services	-	-	-	4,855	4,855
Licenses, Permits, and Fees	-	-	-	2,214	2,214
Intergovernmental	81,747	80,348	2,878	5,334	170,307
Earnings on Investments	5,636	-	-	5	5,641
Miscellaneous	111	-	500	8,400	9,011
<i>Total Receipts</i>	<u>123,659</u>	<u>80,348</u>	<u>34,313</u>	<u>20,808</u>	<u>259,128</u>
Disbursements					
Current:					
General Government	56,925	41,745	-	-	98,670
Public Safety	-	-	29,376	-	29,376
Public Works	-	57,999	-	92	58,091
Health	-	-	-	7,617	7,617
Capital Outlay	-	54,131	-	3,249	57,380
<i>Total Disbursements</i>	<u>56,925</u>	<u>153,875</u>	<u>29,376</u>	<u>10,958</u>	<u>251,134</u>
<i>Net Change in Fund Balances</i>	<u>66,734</u>	<u>(73,527)</u>	<u>4,937</u>	<u>9,850</u>	<u>7,994</u>
<i>Fund Balances Beginning of Year</i>	<u>136,541</u>	<u>188,814</u>	<u>49,302</u>	<u>14,589</u>	<u>389,246</u>
<i>Fund Balances End of Year</i>	<u>\$ 203,275</u>	<u>\$ 115,287</u>	<u>\$ 54,239</u>	<u>\$ 24,439</u>	<u>\$ 397,240</u>

**Deercreek Township
Madison County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balance
Budget and Actual – Budget Basis
General Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 34,000	\$ 34,000	\$ 36,165	\$ 2,165
Intergovernmental	36,124	36,124	81,747	45,623
Earnings on Investments	4,000	4,000	5,636	1,636
Miscellaneous	200	200	111	(89)
<i>Total Receipts</i>	<u>74,324</u>	<u>74,324</u>	<u>123,659</u>	<u>49,335</u>
Disbursements				
Current:				
General Government	42,926	55,969	56,925	(956)
Capital Outlay	113,169	148,000	-	148,000
<i>Total Disbursements</i>	<u>156,095</u>	<u>203,969</u>	<u>56,925</u>	<u>147,044</u>
<i>Net Change in Fund Balance</i>	<u>(81,771)</u>	<u>(129,645)</u>	<u>66,734</u>	<u>196,379</u>
<i>Fund Balance Beginning of Year</i>	<u>136,541</u>	<u>136,541</u>	<u>136,541</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 54,770</u>	<u>\$ 6,896</u>	<u>\$ 203,275</u>	<u>\$ 196,379</u>

**Deercreek Township
Madison County, Ohio**

**Statement of Receipts, Disbursements and Changes in Fund Balance
Budget and Actual – Budget Basis
Gasoline Tax Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Intergovernmental	\$ 76,250	\$ 76,250	\$ 80,348	\$ 4,098
<i>Total receipts</i>	<u>76,250</u>	<u>76,250</u>	<u>80,348</u>	<u>4,098</u>
Disbursements				
Current:				
General Government	27,299	43,384	41,745	1,639
Public Works	70,152	83,160	57,999	25,161
Capital Outlay	70,000	82,507	54,131	28,376
<i>Total Disbursements</i>	<u>167,451</u>	<u>209,051</u>	<u>153,875</u>	<u>55,176</u>
<i>Net Change in Fund Balance</i>	<u>(91,201)</u>	<u>(132,801)</u>	<u>(73,527)</u>	<u>59,274</u>
<i>Fund Balance Beginning of Year</i>	<u>188,814</u>	<u>188,814</u>	<u>188,814</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 97,613</u></u>	<u><u>\$ 56,013</u></u>	<u><u>\$ 115,287</u></u>	<u><u>\$ 59,274</u></u>

**Deercreek Township
Madison County, Ohio**

**Statement of Receipts Disbursements and Changes in Fund Balance
Budget and Actual – Budget Basis
Fire Fund
For the Year Ended December 31, 2006**

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 30,500	\$ 30,500	\$ 30,935	\$ 435
Intergovernmental	3,224	3,224	2,878	(346)
Miscellaneous	500	500	500	-
<i>Total Receipts</i>	<u>34,224</u>	<u>34,224</u>	<u>34,313</u>	<u>89</u>
Disbursements				
Current:				
Public Safety	58,800	58,800	29,376	29,424
Capital Outlay	-	-	-	-
<i>Total Disbursements</i>	<u>58,800</u>	<u>58,800</u>	<u>29,376</u>	<u>29,424</u>
<i>Net Change in Fund Balance</i>	<u>(24,576)</u>	<u>(24,576)</u>	<u>4,937</u>	<u>29,513</u>
<i>Fund Balance Beginning of Year</i>	<u>49,302</u>	<u>49,302</u>	<u>49,302</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 24,726</u>	<u>\$ 24,726</u>	<u>\$ 54,239</u>	<u>\$ 29,513</u>

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 1 REPORTING ENTITY

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

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

A Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general governmental services, maintenance of Township roads and bridges, and cemetery maintenance. Police protection is provided by the Madison County Sheriff's Department.

B Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools

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 in joint ventures. The Township participates in the Central Townships Joint Fire District and the Madison Emergency Medical District. Note 11 provides further information of the Township's participation.

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

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A Basis of Presentation

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

Government-Wide Financial Statements

The statements of net assets and the statements 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 statements of net assets present the cash balance of the governmental activities of the Township at year end. The statements of activities compare 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 are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

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

B Fund Accounting

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

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

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

The Gasoline Tax Fund is available for constructing, maintaining, and repairing Township roads. The Fire Fund is available for maintaining, repairing, and improving the fire house and its contents, fire equipment and all related services.

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

C Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Townships's financial records and reported in the financial statements when cash is received rather than when earned, and disbursements are recorded when cash is paid rather than when a liability is incurred.

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

D Budgetary Process

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

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D Budgetary Process (continued)

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

E Cash and Investments

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

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts, respectively.

Interest earnings are allocated to Township funds according to State statutes. Interest receipts credited to the General Fund during 2007 and 2006 were \$3,533 and \$5,636, respectively.

F Restricted Assets

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

G Inventory and Prepaid Items

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

H Capital Assets

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

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 8 and 9, the employer contributions include portions for pension benefits and post retirement health care benefits.

J Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for maintaining and repairing Township roads, cemetery maintenance and providing fire protection and emergency medical services. The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

K Fund Balance Reserves

The Township reserves any portion of fund balances which is not available or which is legally segregated for a specific future use. The Statement of Cash Basis Assets and Fund Balances reports no reserve for encumbrances for the Township for 2007 or 2006. Unreserved fund balance indicates that portion of the fund balance which is available for appropriation in future periods.

NOTE 3 ACCOUNTABILITY AND COMPLIANCE

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General Fund by \$956 for the year ended December 31, 2006.

Contrary to Ohio law, appropriations exceeded final estimated resources in the Fire Fund by \$1,281 for the year ended December 31, 2007.

NOTE 4 BUDGETARY BASIS OF ACCOUNTING

The budgetary basis of accounting as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The Statements of Receipts, Disbursements and Changes in Fund Balances - Budget and Actual - Budgetary Basis presented for the General, Gasoline Tax, and Fire Funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 5 DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) or by eligible securities pledged by the financial institution as security for repayment.

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

Deposits

Custodial credit risk is the risk that, in the event of bank failure, the Township will not be able recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2007, \$231,683 of Township's bank balance of \$331,683 was exposed to custodial credit risk while at December 31, 2006, \$300,467 of the Township's bank balance of \$400,467 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name.

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

NOTE 6 PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2007 represent the collection of 2006 taxes, and real property tax receipts received in 2006 represent the collection of 2005 taxes. Real property taxes received in 2007 were levied after October 1, 2006, on the assessed values as of January 1, 2006, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

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

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 6 PROPERTY TAXES (continued)

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

The full tax rate for all Township operations for the years ended December 31, 2007 and 2006, was \$2.80 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 and 2006 property tax receipts were based are as follows:

	2007	2006
Real Property		
Residential	\$ 12,507,110	\$ 12,369,480
Agricultural	4,688,050	4,574,570
Commercial/Industrial/Mineral	5,929,340	5,928,890
Tangible Personal Property		
Business	2,226,120	2,817,170
Public Utility	2,020,470	2,027,770
Total Assessed Value	\$ 27,371,090	\$ 27,717,880

NOTE 7 RISK MANAGEMENT

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 550 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity for the public purpose of enabling its members to obtain self-insurance through a jointly administered self-insurance fund. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each Member's risk management needs. The Plan pays judgments, settlements, and other expenses resulting from covered claims that exceed the Member's deductible.

The Plan issues its own policies and reinsures the Plan with A-VII or better rated carriers, except for the 15% casualty and the 10% property portions the Plan retains. The Plan pays the lesser of 15% or \$37,500 of casualty losses and the lesser of 10% or \$100,000 of property losses. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

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

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 7 RISK MANAGEMENT (continued)

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

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

	<u>2007</u>	<u>2006</u>
Assets	\$11,136,455	\$ 9,620,148
Liabilities	<u>(4,273,553)</u>	<u>(3,329,620)</u>
Members Equity	<u>\$ 6,862,902</u>	<u>\$ 6,290,528</u>

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

NOTE 8 DEFINED BENEFIT PENSION PLAN

A Ohio Public Employees Retirement System

The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

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

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

For the years ended December 31, 2007 and 2006, the members of all three plans were required to contribute 9.5 and 9.0 percent, respectively, of their annual covered salaries. The Township's contribution rate for pension benefits for 2007 and 2006 was 13.85 and 13.70 percent, respectively.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$12,293, \$9,897, and \$10,348 respectively. The full amount has been contributed for 2007, 2006 and 2005.

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 9 POSTEMPLOYMENT BENEFITS

A Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2007 local government employer contribution rate was 13.85 percent of covered payroll.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .50 to 8.00 percent annually for the next eight years and 4.00 percent annually beyond that.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 374,979. The number of active contributing participants for both plans in the December 31, 2006 actuarial valuation was 362,130. Actual employer contributions for 2007 and 2006 which were used to fund postemployment benefits were \$3,861 and \$3,429 respectively. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2006, (the latest information available) were \$12 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. To improve the solvency of the Health Care Fund, OPERS created a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which will allow additional funds to be allocated to the health care plan.

NOTE 10 JOINT VENTURE AND JOINTLY GOVERNED ORGANIZATION

Central Townships Fire Department, Madison County, Ohio (the Department) was incorporated on March 26, 1969, and was a governmental not-for-profit corporation legally separate from any other entity. The Central Townships Fire Department was dissolved on May 21, 2007.

Central Townships Joint Fire District (the Fire District) was incorporated in May, 2007, and is a governmental not-for-profit corporation legally separate from any other entity. The Department is made up of six townships: Deercreek, Union, Monroe, Oak Run, Paint, and Somerford. The Fire District is directed by an appointed twelve-member Board of Trustees consisting of the elected Trustees from each participating township. The Fire District will receive its revenues starting in January 2008 from a levy that passed in November 2007.

**Deercreek Township
Madison County, Ohio**

**Notes to the Financial Statements
December 31, 2007 and 2006**

NOTE 10 JOINT VENTURE AND JOINTLY GOVERNED ORGANIZATION (continued)

Deercreek Township disbursed \$63,339 of unused monies received from prior levies to the Fire District in 2007.

Further detailed financial information may be obtained by contacting the Central Townships Joint Fire Department at Central Townships Joint Fire District, Robert Dunkle, 9270 Danville Road, S.E., London, OH 43140.

The Madison Emergency Medical District (the District) provides ambulance services within the District and by contract to areas outside the District. The District is directed by an appointed six member Board of Trustees. One board member is appointed by each political subdivision within the District. Those subdivisions are the City of London, Deercreek Township, Monroe Township, Oak Run Township, Paint Township and Union Township.

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

Deercreek Township
Madison County
1945 Cumberland Street
London, Ohio 43140

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Deercreek Township, Madison County, Ohio (the Township) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements and have issued our report thereon dated May 9, 2008, wherein, we noted the Township uses a comprehensive accounting basis other than generally accepted accounting principles. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

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

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

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Internal Control Over Financial Reporting (continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe none of the significant deficiency described above is a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2007-001.

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

Van Krevel & Company

Van Krevel & Company
Dublin, Ohio

May 9, 2008

**Deercreek Township
Madison County, Ohio**

**Schedule of Findings
December 31, 2007 and 2006**

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

FINDING NUMBER 2007-001

**Significant Deficiency
Noncompliance Citation
Posting Estimated Revenues and Appropriations**

The Township did not have a control procedure in place to ensure that estimated receipts and appropriations, as authorized by the Board of Trustees and certified by the County Budget Commission, were reconciled to the estimated receipts posted to the accounting system.

During 2007, this resulted in several incorrect amounts posted to the accounting system; and information available to the Board of Trustees to monitor year-to-date total comparison of budgeted amounts versus actual amounts was not accurate. Adjustments were made to the budgetary activity schedules in order to accurately present estimated receipts and appropriations as certified by the County Budget Commission.

General Fund – 2007

Estimate of Revenue Sources as certified by the County Auditor was \$68,914. Fiscal Officer reported \$73,914 as Budget Revenue, resulting in an overstatement of estimated resources of \$5,000.

All Funds – 2007

The following amounts were recorded in the Township’s accounting system as final appropriations for 2007. A comparison of the final amounts certified with the County Auditor and the differences noted are disclosed. The financial statements have been revised to report the final appropriations certified by the County Auditor.

	Township Records	Certified by County Auditor	Overstated (Understated)
General Fund Appropriations	\$204,820	\$ 204,690	\$ 130
Motor Vehicle License Tax Fund	8,630	5,000	3,630
Gasoline Tax Fund	193,621	184,416	9,205
Cemetery Fund	14,096	12,364	1,732
Fire Fund	89,134	89,134	--
PMVL Tax Fund	8,900	2,500	6,400

We recommend the Township officials and fiscal officer periodically reconcile budgetary amounts posted to the accounting system with amounts certified by the County Budget Commission.

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



Mary Taylor, CPA
Auditor of State

DEERCREEK TOWNSHIP

MADISON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 7, 2008**