



Mary Taylor, CPA
Auditor of State

**DOVER TOWNSHIP
ATHENS COUNTY
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ATHENS COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Dover Township
Athens County
13880 Mill Creek Road
Millfield, Ohio 45761

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 Dover Township, Athens County, Ohio (the Township), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

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

For the years ended December 31, 2007 and 2006, the Township revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2008, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

Mary Taylor, CPA
Auditor of State

November 13, 2008

DOVER TOWNSHIP, ATHENS COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited

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

Highlights

Key highlights for 2006 are as follows:

Net assets of governmental activities decreased \$5,852, or 1.9 percent. The fund most affected by the decrease in cash and cash equivalents was the General Fund which realized the greatest burden of decreased costs in 2006.

The Township's general receipts are primarily property taxes. These receipts represent respectively \$307,012 or 49.5 percent of the total cash received for governmental activities during the year. Property tax receipts for 2006 changed very little compared to 2005 as development within the Township has slowed.

Dover Township has been and will continue to work on the expansion of Hill Top Cemetery on McDougal Road with the additional property purchased in 2005. The new property will be the site for a new building to house cemetery and road equipment and supplies.

The Township had \$625,835 in disbursements for 2006, which is lower than the \$664,438 disbursed in 2005.

Key highlights for 2007 are as follows:

Net assets of governmental activities increased \$38,624, or 13.1 percent. The fund most affected by the increase in cash and cash equivalents was the General Fund, which realized the greatest burden of increased costs in 2007; however, cost increases affected most funds.

The Township's general receipts are primarily property taxes. These receipts represent respectively \$245,605 or 41.6 percent of the total cash received for governmental activities during the year. Property tax receipts for 2007 decreased from 2006 because the Township reduced the collection of the Special Levy Fire Equipment Fund to zero for tax collection in 2007.

Dover Township has been and will continue to work on the expansion of Hill Top Cemetery on McDougal Road with the additional property purchased in 2005. The new property will be the site for a new building to house cemetery and road equipment and supplies.

The Township had \$550,526 in disbursements for 2007, which is lower than the \$625,835 disbursed in 2006.

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

DOVER TOWNSHIP, ATHENS COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited

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 basic 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.

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2006 and 2007, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

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

In the statement of net assets and the statement of activities, the Township has one type of activity:

Governmental activities. Most of the Township's basic services are reported here, including fire and township roadways. State and federal grants, gasoline tax, property taxes, local government distribution, and the fire levy, finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

DOVER TOWNSHIP, ATHENS COUNTY
 Management's Discussion and Analysis
 For the Years Ended December 31, 2007 and 2006
 Unaudited

Reporting the Township's Most Significant Funds

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

Governmental Funds – 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 Fund, Gasoline Tax Fund, Road and Bridge Fund, Special Levy Fire Fund, Special Levy Road Maintenance Fund and Special Levy Cemetery Fund. In addition, the Special Levy Fire Equipment Fund was major in 2006 only. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

The Township as a Whole

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

(Table 1)

Net Assets

	Governmental Activities	
	2007	2006
Assets		
Cash and Cash Equivalents	\$ 333,943	\$ 295,319
Total Assets	\$ 333,943	\$ 295,319
Net Assets		
Restricted for:		
Other Purposes	\$ 245,576	\$ 253,029
Unrestricted	88,367	42,290
Total Net Assets	\$ 333,943	\$ 295,319

The most significant change occurred in total net assets between 2006 and 2007. The increase of \$38,624 resulted primarily from the receipt of capital project monies of \$40,809 in 2007.

Table 2 reflects the changes in net assets on a cash basis in 2007 comparing 2006 for governmental activities.

DOVER TOWNSHIP, ATHENS COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited

(Table 2)
Changes in Net Assets

	Governmental Activities	
	2007	2006
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$ 1,850	\$ 3,200
Operating Grants and Contributions	172,658	190,515
Capital Grants and Contributions	40,809	
Total Program Receipts	<u>215,317</u>	<u>193,715</u>
General Receipts:		
Property Taxes	245,605	307,012
Grants and Entitlements Not Restricted to Specific Programs	81,000	33,498
Other Debt Proceeds	45,000	
Sale of Fixed Assets	105	45,170
Interest	2,024	2,230
Miscellaneous	99	38,358
Total General Receipts	<u>373,833</u>	<u>426,268</u>
Total Receipts	<u>589,150</u>	<u>619,983</u>
Disbursements:		
General Government	81,427	83,294
Public Safety	70,067	155,037
Public Works	287,613	232,152
Health Services	18,835	34,199
Human Services	438	
Capital Outlay	77,984	37,584
Debt Service:		
Principal Retirement	12,822	80,099
Interest and Fiscal Charges	1,340	3,470
Total Disbursements	<u>550,526</u>	<u>625,835</u>
Increase (Decrease) in Net Assets	38,624	(5,852)
Net Assets, January 1	295,319	301,171
Net Assets, December 31	<u>\$ 333,943</u>	<u>\$ 295,319</u>

For 2006, program receipts represent 31.2 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as Utility Reimbursement Funds, Motor Vehicle License, and Gasoline Tax monies.

General receipts represent 68.8 percent of the Township's total receipts, and of this amount, 72.0 percent is local taxes. State grants and entitlements make up 7.8 percent of the Township's general receipts. Other receipts are very insignificant and somewhat unpredictable revenue sources.

For 2007, Program receipts represent 36.5 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as Utility Reimbursement Funds, Motor Vehicle License, and Gasoline Tax monies.

General receipts represent 63.5 percent of the Township's total receipts, and of this amount, 65.7 percent is local taxes. State grants and entitlements make up 21.7 percent of the Township's general receipts. Other receipts are very insignificant and somewhat unpredictable revenue sources.

DOVER TOWNSHIP, ATHENS COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited

For both years, 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 trustees, and the fiscal office.

Public Safety is the costs of fire protection; and Public Works is the cost of resurfacing and maintaining the roads.

Governmental Activities

If you look at the Statements of Activities on pages 10 and 24 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. In 2006, the major program disbursements for governmental activities are for General Government, Public Safety and Public Works, which account for 13.3, 24.7 and 37.1 percent of all governmental disbursements, respectively. In 2007, the major program disbursements for governmental activities are for General Government, Public Safety, Public Works and Capital Outlay which account for 14.8, 12.7, 52.2 and 14.2 percent of all governmental disbursements, respectively. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)

Governmental Activities

	Total Cost Of Services 2007	Net Cost of Services 2007	Total Cost Of Services 2006	Net Cost of Services 2006
General Government	\$ 81,427	\$ 81,427	\$ 83,294	\$ 83,294
Public Safety	70,067	50,456	155,037	80,682
Public Works	287,613	140,783	232,152	116,356
Health	18,835	10,768	34,199	30,635
Human Services	438	438		
Capital Outlay	77,984	37,175	37,584	37,584
Debt Service:				
Principal	12,822	12,822	80,099	80,099
Interest	1,340	1,340	3,470	3,470
Total Expenses	\$ 550,526	\$ 335,209	\$ 625,835	\$ 432,120

The dependence upon property tax receipts is apparent as over 68.1 percent of governmental activities are supported through these general receipts in 2006 and 67.9 percent in 2007.

The Township's Funds

In 2006 total governmental funds had receipts of \$619,983 and disbursements of \$625,835. The greatest changes within governmental funds occurred in the Road and Bridge Fund. The fund balance of the Road and Bridge Fund increased \$65,884 in 2006 as a result of the sale of fixed assets and the receipt of FEMA money.

DOVER TOWNSHIP, ATHENS COUNTY
Management's Discussion and Analysis
For the Years Ended December 31, 2007 and 2006
Unaudited

In 2007 total governmental funds had receipts of \$589,150 and disbursements of \$550,526. The greatest changes within governmental funds occurred in the General Fund and the Special Levy Fire Fund. The fund balance of the General Fund increased \$46,077 due to estate tax received, and the Special Levy Fire Fund increased \$36,780 in 2007 as a result of debt proceeds.

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.

For 2006, final disbursements were budgeted at \$98,550 while actual disbursements were \$95,537. While actual receipts fell short of estimated receipts by \$16,036, appropriations were not reduced. The Township kept spending very close to budgeted expenditures with a variance of only \$3,013.

For 2007, final disbursements were budgeted at \$112,580 while actual disbursements were only \$64,810. While actual receipts exceeded estimated receipts by \$38,751, appropriations were not increased. The Township stayed well within the budgeted expenditures with a variance of \$47,770.

Debt Administration

At December 31, 2006, the Township's outstanding debt included \$53,272 in a note issued for a truck purchase. For further information regarding the Township's debt, refer to the notes to the basic financial statements.

At December 31, 2007, the Township's outstanding debt included \$85,450 in notes issued for truck purchases. For further information regarding the Township's debt, refer to the notes to the basic financial statements.

Current Issues

The challenge for all governments 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. We hold a finance committee meeting to closely look at any decreases in revenue and rising expenses to maintain a sound budget to operate the Township.

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 Tina Willis, Fiscal Officer, Dover Township, 13880 Mill Creek Road, Millfield, Ohio 45761.

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 333,943
<i>Total Assets</i>	<u>\$ 333,943</u>
Net Assets:	
Restricted for:	
Other Purposes	\$ 245,576
Unrestricted	88,367
<i>Total Net Assets</i>	<u>\$ 333,943</u>

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

DOVER TOWNSHIP
ATHENS COUNTY

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

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 81,427	\$	\$	\$	(81,427)
Public Safety	70,067		19,611		(50,456)
Public Works	287,613		146,830		(140,783)
Health	18,835	1,850	6,217		(10,768)
Human Services	438				(438)
Capital Outlay	77,984			40,809	(37,175)
Debt Service:					
Principal Retirement	12,822				(12,822)
Interest and Fiscal Charges	1,340				(1,340)
<i>Total Governmental Activities</i>	<u>\$ 550,526</u>	<u>\$ 1,850</u>	<u>\$ 172,658</u>	<u>\$ 40,809</u>	<u>(335,209)</u>
		General Receipts:			
		Property Taxes			245,605
		Grants and Entitlements not Restricted			81,000
		Other Debt Proceeds			45,000
		Sale of Capital Assets			105
		Interest			2,024
		Miscellaneous			99
		<i>Total General Receipts</i>			<u>373,833</u>
		<i>Change in Net Assets</i>			38,624
		Net Assets Beginning of Year			<u>295,319</u>
		Net Assets End of Year			<u>\$ 333,943</u>

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

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**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	General	Gasoline Tax	Road and Bridge	Special Levy Fire
Assets:				
Cash	\$ 88,367	\$ 26,809	\$ 54,092	\$ 68,615
<i>Total Assets</i>	<u>\$ 88,367</u>	<u>\$ 26,809</u>	<u>\$ 54,092</u>	<u>\$ 68,615</u>
Fund Balances:				
Unreserved:				
Undesignated (Deficit), Reported in:				
General Fund	\$ 88,367			
Special Revenue Funds		\$ 26,809	\$ 54,092	\$ 68,615
<i>Total Fund Balances</i>	<u>\$ 88,367</u>	<u>\$ 26,809</u>	<u>\$ 54,092</u>	<u>\$ 68,615</u>

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

<u>Special Levy Cemetery</u>	<u>Special Levy Road Maint</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 48,103	\$ 8,763	\$ 39,194	\$ 333,943
<u>\$ 48,103</u>	<u>\$ 8,763</u>	<u>\$ 39,194</u>	<u>\$ 333,943</u>
			\$ 88,367
\$ 48,103	\$ 8,763	\$ 39,194	245,576
<u>\$ 48,103</u>	<u>\$ 8,763</u>	<u>\$ 39,194</u>	<u>\$ 333,943</u>

**DOVER TOWNSHIP
ATHENS COUNTY**

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

	<u>General</u>	<u>Gasoline Tax</u>	<u>Road and Bridge</u>	<u>Special Levy Fire</u>
Cash Receipts:				
Property and Other Local Taxes	\$ 27,863	\$	\$ 70,868	\$ 48,552
Charges for Services				
Intergovernmental	81,000	90,942	14,903	10,870
Interest	2,024	186		
Other				
<i>Total Cash Receipts</i>	<u>110,887</u>	<u>91,128</u>	<u>85,771</u>	<u>59,422</u>
Cash Disbursements:				
Current:				
General Government	63,524		1,790	838
Public Safety				66,804
Public Works		95,942	91,729	
Health				
Human Services	438			
Capital Outlay	848		26,536	
Debt Service:				
Principal Retirement			12,822	
Interest and Fiscal Charges			1,340	
<i>Total Cash Disbursements</i>	<u>64,810</u>	<u>95,942</u>	<u>134,217</u>	<u>67,642</u>
<i>Excess of Cash Receipts Over (Under)</i>				
<i>Cash Disbursements</i>	<u>46,077</u>	<u>(4,814)</u>	<u>(48,446)</u>	<u>(8,220)</u>
Other Financing Sources (Uses):				
Sale of Capital Assets			105	
Other Debt Proceeds				45,000
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>105</u>	<u>45,000</u>
<i>Net Change in Fund Balances</i>	46,077	(4,814)	(48,341)	36,780
Fund Balances Beginning of Year	<u>42,290</u>	<u>31,623</u>	<u>102,433</u>	<u>31,835</u>
Fund Balances End of Year	<u>\$ 88,367</u>	<u>\$ 26,809</u>	<u>\$ 54,092</u>	<u>\$ 68,615</u>

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

<u>Special Levy Cemetery</u>	<u>Special Levy Road Maint</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 28,127	\$ 70,189	\$ 6	\$ 245,605
		1,850	1,850
6,217	14,511	75,659	294,102
		179	2,389
	99		99
<u>34,344</u>	<u>84,799</u>	<u>77,694</u>	<u>544,045</u>
701	1,745	12,829	81,427
		3,263	70,067
	99,942		287,613
18,685		150	18,835
			438
		50,600	77,984
			12,822
			1,340
<u>19,386</u>	<u>101,687</u>	<u>66,842</u>	<u>550,526</u>
<u>14,958</u>	<u>(16,888)</u>	<u>10,852</u>	<u>(6,481)</u>
			105
			45,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>45,105</u>
14,958	(16,888)	10,852	38,624
33,145	25,651	28,342	295,319
<u>\$ 48,103</u>	<u>\$ 8,763</u>	<u>\$ 39,194</u>	<u>\$ 333,943</u>

**DOVER TOWNSHIP
ATHENS COUNTY**

**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>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 22,241	\$ 22,241	\$ 27,863	\$ 5,622
Intergovernmental	48,593	48,593	81,000	32,407
Interest	1,302	1,302	2,024	722
<i>Total Receipts</i>	<u>72,136</u>	<u>72,136</u>	<u>110,887</u>	<u>38,751</u>
Disbursements:				
Current:				
General Government	92,500	92,500	63,524	28,976
Public Works	2,580	2,580		2,580
Human Services	500	500	438	62
Capital Outlay	17,000	17,000	848	16,152
<i>Total Disbursements</i>	<u>112,580</u>	<u>112,580</u>	<u>64,810</u>	<u>47,770</u>
<i>Net Change in Fund Balance</i>	(40,444)	(40,444)	46,077	86,521
Fund Balance Beginning of Year	<u>42,290</u>	<u>42,290</u>	<u>42,290</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 1,846</u>	<u>\$ 1,846</u>	<u>\$ 88,367</u>	<u>\$ 86,521</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**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>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental	\$ 94,806	\$ 94,806	\$ 90,942	\$ (3,864)
Interest	194	194	186	(8)
<i>Total Receipts</i>	<u>95,000</u>	<u>95,000</u>	<u>91,128</u>	<u>(3,872)</u>
Disbursements:				
Current:				
Public Works	115,000	115,000	95,942	19,058
<i>Total Disbursements</i>	<u>115,000</u>	<u>115,000</u>	<u>95,942</u>	<u>19,058</u>
<i>Net Change in Fund Balance</i>	(20,000)	(20,000)	(4,814)	15,186
Fund Balance Beginning of Year	<u>31,623</u>	<u>31,623</u>	<u>31,623</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 11,623</u>	<u>\$ 11,623</u>	<u>\$ 26,809</u>	<u>\$ 15,186</u>

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

**DOVER TOWNSHIP
ATHENS 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, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 58,907	\$ 58,907	\$ 70,868	\$ 11,961
Intergovernmental	12,387	12,387	14,903	2,516
<i>Total Receipts</i>	<u>71,294</u>	<u>71,294</u>	<u>85,771</u>	<u>14,477</u>
Disbursements:				
Current:				
General Government	6,200	6,200	1,790	4,410
Public Works	113,480	113,480	91,729	21,751
Capital Outlay	55,000	55,000	26,536	28,464
Debt Service:				
Principal Retirement			12,822	(12,822)
Interest and Fiscal Charges			1,340	(1,340)
<i>Total Disbursements</i>	<u>174,680</u>	<u>174,680</u>	<u>134,217</u>	<u>40,463</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(103,386)	(103,386)	(48,446)	54,940
Other Financing Sources (Uses)				
Sale of Capital Assets			105	105
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>105</u>	<u>105</u>
<i>Net Change in Fund Balance</i>	(103,386)	(103,386)	(48,341)	55,045
Fund Balance Beginning of Year	<u>102,433</u>	<u>102,433</u>	<u>102,433</u>	<u>0</u>
Fund Balance End of Year	<u>\$ (953)</u>	<u>\$ (953)</u>	<u>\$ 54,092</u>	<u>\$ 55,045</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 24,685	\$ 24,685	\$ 48,552	\$ 23,867
Intergovernmental	5,527	5,527	10,870	5,343
<i>Total Receipts</i>	<u>30,212</u>	<u>30,212</u>	<u>59,422</u>	<u>29,210</u>
Disbursements:				
Current:				
General Government	1,000	1,000	838	162
Public Safety	84,000	84,000	66,804	17,196
<i>Total Disbursements</i>	<u>85,000</u>	<u>85,000</u>	<u>67,642</u>	<u>17,358</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(54,788)</u>	<u>(54,788)</u>	<u>(8,220)</u>	<u>46,568</u>
Other Financing Sources (Uses):				
Other Debt Proceeds	22,889	22,889	45,000	22,111
<i>Total Other Financing Sources (Uses)</i>	<u>22,889</u>	<u>22,889</u>	<u>45,000</u>	<u>22,111</u>
<i>Net Change in Fund Balance</i>	(31,899)	(31,899)	36,780	68,679
Fund Balance Beginning of Year	<u>31,835</u>	<u>31,835</u>	<u>31,835</u>	<u>0</u>
Fund Balance End of Year	<u>\$ (64)</u>	<u>\$ (64)</u>	<u>\$ 68,615</u>	<u>\$ 68,679</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY CEMETERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 23,765	\$ 23,765	\$ 28,127	\$ 4,362
Intergovernmental	5,253	5,253	6,217	964
<i>Total Receipts</i>	<u>29,018</u>	<u>29,018</u>	<u>34,344</u>	<u>5,326</u>
Disbursements:				
Current:				
General Government	7,400	7,400	701	6,699
Health	54,658	54,658	18,685	35,973
<i>Total Disbursements</i>	<u>62,058</u>	<u>62,058</u>	<u>19,386</u>	<u>42,672</u>
<i>Net Change in Fund Balance</i>	(33,040)	(33,040)	14,958	47,998
Fund Balance Beginning of Year	<u>33,145</u>	<u>33,145</u>	<u>33,145</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 105</u>	<u>\$ 105</u>	<u>\$ 48,103</u>	<u>\$ 47,998</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY ROAD MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 59,010	\$ 59,010	\$ 70,189	\$ 11,179
Intergovernmental	12,201	12,201	14,511	2,310
Other	83	83	99	16
<i>Total Receipts</i>	<u>71,294</u>	<u>71,294</u>	<u>84,799</u>	<u>13,505</u>
Disbursements				
Current:				
General Government	3,000	3,000	1,745	1,255
Public Works	102,000	102,000	99,942	2,058
Capital Outlay	10,000	10,000		10,000
<i>Total Disbursements</i>	<u>115,000</u>	<u>115,000</u>	<u>101,687</u>	<u>13,313</u>
<i>Net Change in Fund Balance</i>	(43,706)	(43,706)	(16,888)	26,818
Fund Balance Beginning of Year	<u>25,651</u>	<u>25,651</u>	<u>25,651</u>	<u>0</u>
Fund Balance End of Year	<u>\$ (18,055)</u>	<u>\$ (18,055)</u>	<u>\$ 8,763</u>	<u>\$ 26,818</u>

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

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**DOVER TOWNSHIP
ATHENS COUNTY**

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

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 295,319
<i>Total Assets</i>	<u>\$ 295,319</u>
Net Assets:	
Restricted for:	
Other Purposes	\$ 253,029
Unrestricted	42,290
<i>Total Net Assets</i>	<u>\$ 295,319</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

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

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets
Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	
Governmental Activities:				
General Government	\$ 83,294	\$	\$	\$ (83,294)
Public Safety	155,037		74,355	(80,682)
Public Works	232,152		115,796	(116,356)
Health	34,199	3,200	364	(30,635)
Capital Outlay	37,584			(37,584)
Debt Service:				
Principal Retirement	80,099			(80,099)
Interest and Fiscal Charges	3,470			(3,470)
<i>Total Governmental Activities</i>	<u>\$ 625,835</u>	<u>\$ 3,200</u>	<u>\$ 190,515</u>	<u>(432,120)</u>
		General Receipts:		
				307,012
				33,498
				45,170
				2,230
				38,358
			<i>Total General Receipts</i>	426,268
			<i>Change in Net Assets</i>	(5,852)
			Net Assets Beginning of Year	301,171
			Net Assets End of Year	\$ 295,319

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

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**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	General	Gasoline Tax	Road and Bridge	Special Levy Fire	Special Levy Cemetery
Assets:					
Cash	\$ 42,290	\$ 31,623	\$ 102,433	\$ 31,835	\$ 33,145
<i>Total Assets</i>	\$ 42,290	\$ 31,623	\$ 102,433	\$ 31,835	\$ 33,145
Fund Balances:					
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	\$ 42,290				
Special Revenue Funds		\$ 31,623	\$ 102,433	\$ 31,835	\$ 33,145
<i>Total Fund Balances</i>	\$ 42,290	\$ 31,623	\$ 102,433	\$ 31,835	\$ 33,145

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

<u>Special Levy Road Maint</u>	<u>Special Levy Fire Equip</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 25,651	\$ 9,791	\$ 18,551	\$ 295,319
<u>\$ 25,651</u>	<u>\$ 9,791</u>	<u>\$ 18,551</u>	<u>\$ 295,319</u>
			\$ 42,290
\$ 25,651	\$ 9,791	\$ 18,551	253,029
<u>\$ 25,651</u>	<u>\$ 9,791</u>	<u>\$ 18,551</u>	<u>\$ 295,319</u>

**DOVER TOWNSHIP
ATHENS COUNTY**

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

	<u>General</u>	<u>Gasoline Tax</u>	<u>Road and Bridge</u>	<u>Special Levy Fire</u>	<u>Special Levy Cemetery</u>
Cash Receipts:					
Property and Other Local Taxes	\$ 27,237	\$	\$ 68,154	\$ 47,488	\$ 25,019
Charges for Services					
Intergovernmental	33,498	79,065	5,429	4,270	2,299
Interest	2,229	92			
Other		15,095	21,583		
<i>Total Cash Receipts</i>	<u>62,964</u>	<u>94,252</u>	<u>95,166</u>	<u>51,758</u>	<u>27,318</u>
Cash Disbursements:					
Current:					
General Government	68,753			600	637
Public Safety				97,592	
Public Works	200	77,516	54,291		
Health					30,191
Capital Outlay	26,584		6,000		
Debt Service:					
Principal Retirement			12,516		
Interest and Fiscal Charges			1,645		
<i>Total Cash Disbursements</i>	<u>95,537</u>	<u>77,516</u>	<u>74,452</u>	<u>98,192</u>	<u>30,828</u>
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	<u>(32,573)</u>	<u>16,736</u>	<u>20,714</u>	<u>(46,434)</u>	<u>(3,510)</u>
Other Financing Sources (Uses):					
Sale of Capital Assets			45,170		
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>45,170</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(32,573)</u>	<u>16,736</u>	<u>65,884</u>	<u>(46,434)</u>	<u>(3,510)</u>
Fund Balances Beginning of Year	<u>74,863</u>	<u>14,887</u>	<u>36,549</u>	<u>78,269</u>	<u>36,655</u>
Fund Balances End of Year	<u>\$ 42,290</u>	<u>\$ 31,623</u>	<u>\$ 102,433</u>	<u>\$ 31,835</u>	<u>\$ 33,145</u>

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

<u>Special Levy Road Maint</u>	<u>Special Levy Fire Equip</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 70,156	\$ 68,958	\$	\$ 307,012
		3,200	3,200
5,335	5,153	88,791	223,840
		82	2,403
1,680			38,358
<u>77,171</u>	<u>74,111</u>	<u>92,073</u>	<u>574,813</u>
1,515		11,789	83,294
	1,585	55,860	155,037
63,560		36,585	232,152
		4,008	34,199
		5,000	37,584
	67,583		80,099
	1,825		3,470
<u>65,075</u>	<u>70,993</u>	<u>113,242</u>	<u>625,835</u>
<u>12,096</u>	<u>3,118</u>	<u>(21,169)</u>	<u>(51,022)</u>
			45,170
<u>0</u>	<u>0</u>	<u>0</u>	<u>45,170</u>
12,096	3,118	(21,169)	(5,852)
<u>13,555</u>	<u>6,673</u>	<u>39,720</u>	<u>301,171</u>
<u>\$ 25,651</u>	<u>\$ 9,791</u>	<u>\$ 18,551</u>	<u>\$ 295,319</u>

**DOVER TOWNSHIP
ATHENS COUNTY**

**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>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 28,000	\$ 28,000	\$ 27,237	(763)
Intergovernmental	49,000	49,000	33,498	(15,502)
Interest	2,000	2,000	2,229	229
<i>Total Receipts</i>	<u>79,000</u>	<u>79,000</u>	<u>62,964</u>	<u>(16,036)</u>
Disbursements:				
Current:				
General Government	71,766	71,766	68,753	3,013
Public Works	200	200	200	0
Capital Outlay	26,584	26,584	26,584	0
<i>Total Disbursements</i>	<u>98,550</u>	<u>98,550</u>	<u>95,537</u>	<u>3,013</u>
<i>Net Change in Fund Balance</i>	(19,550)	(19,550)	(32,573)	(13,023)
Fund Balance Beginning of Year	<u>74,863</u>	<u>74,863</u>	<u>74,863</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 55,313</u>	<u>\$ 55,313</u>	<u>\$ 42,290</u>	<u>\$ (13,023)</u>

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

DOVER TOWNSHIP
ATHENS COUNTY

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>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental	\$ 84,800	\$ 69,705	\$ 79,065	\$ 9,360
Interest	313	313	92	(221)
Other		15,095	15,095	0
<i>Total Receipts</i>	<u>85,113</u>	<u>85,113</u>	<u>94,252</u>	<u>9,139</u>
Disbursements:				
Current:				
Public Works	100,000	100,000	77,516	22,484
<i>Total Disbursements</i>	<u>100,000</u>	<u>100,000</u>	<u>77,516</u>	<u>22,484</u>
<i>Net Change in Fund Balance</i>	(14,887)	(14,887)	16,736	31,623
Fund Balance Beginning of Year	<u>14,887</u>	<u>14,887</u>	<u>14,887</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 31,623</u>	<u>\$ 31,623</u>

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

**DOVER TOWNSHIP
ATHENS 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, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 72,400	\$ 71,745	\$ 68,154	\$ (3,591)
Intergovernmental	5,000	5,000	5,429	429
Other	51	706	21,583	20,877
<i>Total Receipts</i>	<u>77,451</u>	<u>77,451</u>	<u>95,166</u>	<u>17,715</u>
Disbursements:				
Current:				
Public Works	93,700	93,700	54,291	39,409
Capital Outlay	20,300	6,139	6,000	139
Debt Service:				
Principal Retirement		12,516	12,516	0
Interest and Fiscal Charges		1,645	1,645	0
<i>Total Disbursements</i>	<u>114,000</u>	<u>114,000</u>	<u>74,452</u>	<u>39,548</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(36,549)	(36,549)	20,714	57,263
Other Financing Sources (Uses)				
Sale of Capital Assets			45,170	45,170
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>45,170</u>	<u>45,170</u>
<i>Net Change in Fund Balance</i>	(36,549)	(36,549)	65,884	102,433
Fund Balance Beginning of Year	<u>36,549</u>	<u>36,549</u>	<u>36,549</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 102,433</u>	<u>\$ 102,433</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 33,175	\$ 33,175	\$ 47,488	\$ 14,313
Intergovernmental	6,000	6,000	4,270	(1,730)
<i>Total Receipts</i>	<u>39,175</u>	<u>39,175</u>	<u>51,758</u>	<u>12,583</u>
Disbursements:				
Current:				
General Government	600	600	600	0
Health	111,900	111,900	97,592	14,308
<i>Total Disbursements</i>	<u>112,500</u>	<u>112,500</u>	<u>98,192</u>	<u>14,308</u>
<i>Net Change in Fund Balance</i>	(73,325)	(73,325)	(46,434)	26,891
Fund Balance Beginning of Year	<u>78,269</u>	<u>78,269</u>	<u>78,269</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 4,944</u>	<u>\$ 4,944</u>	<u>\$ 31,835</u>	<u>\$ 26,891</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY CEMETERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 29,176	\$ 28,811	\$ 25,019	(3,792)
Intergovernmental	2,200	2,564	2,299	(265)
<i>Total Receipts</i>	<u>31,376</u>	<u>31,375</u>	<u>27,318</u>	<u>(4,057)</u>
Disbursements:				
Current:				
General Government	700	700	637	63
Health	49,400	49,400	30,191	19,209
Capital Outlay	3,000	3,000		3,000
<i>Total Disbursements</i>	<u>53,100</u>	<u>53,100</u>	<u>30,828</u>	<u>22,272</u>
<i>Net Change in Fund Balance</i>	(21,724)	(21,725)	(3,510)	18,215
Fund Balance Beginning of Year	<u>36,655</u>	<u>36,655</u>	<u>36,655</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 14,931</u>	<u>\$ 14,930</u>	<u>\$ 33,145</u>	<u>\$ 18,215</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY ROAD MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 66,161	\$ 65,253	\$ 70,156	4,903
Intergovernmental	18,164	19,072	5,335	(13,737)
Interest	2,000	2,000		(2,000)
Other	500	500	1,680	1,180
<i>Total Receipts</i>	<u>86,825</u>	<u>86,825</u>	<u>77,171</u>	<u>(9,654)</u>
Disbursements:				
Current:				
General Government	2,000	2,000	1,515	485
Public Works	97,380	97,380	63,560	33,820
Capital Outlay	1,000	1,000		1,000
<i>Total Disbursements</i>	<u>100,380</u>	<u>100,380</u>	<u>65,075</u>	<u>35,305</u>
<i>Net Change in Fund Balance</i>	(13,555)	(13,555)	12,096	25,651
Fund Balance Beginning of Year	<u>13,555</u>	<u>13,555</u>	<u>13,555</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 25,651</u>	<u>\$ 25,651</u>

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY FIRE EQUIPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 70,000	\$ 64,847	\$ 68,958	4,111
Intergovernmental		5,153	5,153	0
Interest	9,327	9,327		(9,327)
<i>Total Receipts</i>	<u>79,327</u>	<u>79,327</u>	<u>74,111</u>	<u>(5,216)</u>
Disbursements:				
Current:				
Public Safety	2,000	2,000	1,585	415
Debt Service:				
Principal Retirement			67,583	(67,583)
Interest and Fiscal Charges	84,000	84,000	1,825	82,175
<i>Total Disbursements</i>	<u>86,000</u>	<u>86,000</u>	<u>70,993</u>	<u>15,007</u>
<i>Net Change in Fund Balance</i>	(6,673)	(6,673)	3,118	9,791
Fund Balance Beginning of Year	<u>6,673</u>	<u>6,673</u>	<u>6,673</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,791</u>	<u>\$ 9,791</u>

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

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006

Note 1 – Reporting Entity

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

A. Primary Government

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

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

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. The Township has no component units.

C. Public Entity Risk Pools

The Township participates in a public entity risk pool. Notes 8 and 12 to the financial statements provides additional information for this entity. This organization is the Ohio Township Association Risk Management Authority (OTARMA).

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. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

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

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation (Continued)

Government-Wide Financial Statements

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

The statement of net assets presents the cash balances 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. The funds of the Township are all governmental.

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 only required major governmental fund is the General 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 Township had the following major funds in addition to the General Fund as mentioned above.

Gasoline Tax Fund – This fund receives gasoline tax money. Funds are restricted for the purpose of road maintenance provided it is expended according to the general laws of Ohio.

Road and Bridge Fund – This fund receives property tax money. Funds are restricted for the purpose of road maintenance provided it is expended according to the general laws of Ohio.

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

B. Fund Accounting (Continued)

Special Levy Fire Fund – This fund receives tax levy money. This fund balance is available to the Township for the purpose of fire protection provided it is expended or transferred according to the general laws of Ohio.

Special Levy Cemetery Fund – This fund receives levy tax money for maintaining cemeteries.

Special Levy Road Maintenance Fund – This fund receives levy money for the purpose of road maintenance.

Special Levy Fire Equipment Fund – This fund receives levy money for the purpose of purchasing and maintaining fire equipment.

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. Any such modifications made by the Township are described in the appropriate section in this note.

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

D. Budgetary Process

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

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

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

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

D. Budgetary Process (Continued)

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 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”.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions.

F. Restricted Assets

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

G. Inventory and Prepaid Items

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

H. Capital Assets

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

I. 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 9 and 10, 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.

K. 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 road maintenance, fire protection, ambulance services and cemetery maintenance.

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

K. Net Assets (Continued)

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.

Note 3 – Change in Basis of Accounting and Restatement of Fund Equity

Change in Basis of Accounting

In the prior audit the Township reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. For this audit the Township has implemented the cash basis of accounting described in Note 2. The fund financial statements now present each major fund in a separate column with nonmajor funds aggregated and presented in a single column, rather than a column for each fund type.

Note 4 – Compliance

Contrary to Ohio Rev. Code Section 5705.41(B), at December 31, 2007, expenditures exceeded appropriations in the Issue II Fund.

Contrary to Ohio Rev. Code Section 121.22, the Township did not specify the reason for executive sessions during the audit period.

Contrary to Ohio Rev. Code Section 5705.39, appropriations exceeded estimated resources at February 21, 2006 and December 31, 2007, in several funds.

Contrary to Ohio Rev. Code Section 5705.41(D)(1), the Township did not obtain certification prior to making purchases.

Note 5 – 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 and major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. There are no differences between the budgetary basis and the cash basis since the Township canceled all encumbrances at year end.

Note 6 – 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.

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 6 - 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) above 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 (STAROhio).

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 to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2007, \$221,751 of the Township's bank balance of \$321,751 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. At December 31, 2006, \$198,214 of the Township's bank balance of \$298,214 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.

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 6 - Deposits and Investments (Continued)

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

Note 7 – 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 and 2006 represent the collection of 2006 and 2005 taxes. Property tax payments received during 2007 and 2006 for tangible personal property (other than public utility property) is for 2007 and 2006 taxes.

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

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

The full tax rate for all Township operations for the years ended December 31, 2007 was \$8.70 per \$1,000 of assessed value and for 2006, was \$11.20 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2005 (2006) property tax receipts were based and upon which 2006 (2007) property tax receipts were based are as follows:

	2007	2006
Real Property	\$ 28,031,660	\$ 27,892,020
Tangible Personal Property	155,365	233,048
Public Utility Real & Personal Property	3,396,710	3,496,250
Total Assessed Value	\$ 31,583,735	\$ 31,621,318

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 7 – Property Taxes (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

Note 8 – Risk Management

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

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

Risk Pool Membership

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. OTARMA is a member of the American Public Entity Excess Pool (APEEP). 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 Coverage

For an occurrence prior to January 1, 2006 OTARMA retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence, including loss adjustment expenses. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust OTARMA's retained earnings, APEEP provides excess of funds available coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (for claims prior to January 1, 2006) or \$3,000,000 (for claims on or after January 1, 2006) as noted above.

Property Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. This amount increased to \$300,000 in 2007. For 2007, APEEP reinsures members for specific losses exceeding \$100,000 up to \$3,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, in 2006, or \$100,000 and \$300,000 in 2007, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2007 was \$2,014,548.

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

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

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 8 – Risk Management (Continued)

Risk Pool Membership (Continued)

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, 2007 and 2006:

	2007	2006
Assets	\$ 43,210,703	\$ 42,042,275
Liabilities	(13,357,837)	(12,120,661)
Net Assets	\$ 29,852,866	\$ 29,921,614

At December 31, 2007 and 2006, respectively, liabilities above include approximately \$12.5 million and \$11.3 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$11.6 million and \$10.8 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$14,000. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

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

2005	\$	17,938
2006	\$	17,274
2007	\$	14,125

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

Note 9 – Defined Benefit Pension Plan

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).

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 9 – Defined Benefit Pension Plan (Continued)

Ohio Public Employees Retirement System (Continued)

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. The Township participates only in the traditional 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) 222-5601 or (800) 222-7377.

For the year ended December 31, 2007, the members of all three plans were required to contribute 9.5 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2007 was 13.85 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

For the year ended December 31, 2006, the members of all three plans were required to contribute 9 percent of their annual covered salaries. The Township's contribution rate for pension benefits for 2006 was 13.70 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007 and 2006 were \$16,163 and \$15,372, respectively. 100 percent has been contributed for 2007 and 2006. There were no contributions to member-directed plans.

Note 10 - Postemployment Benefits

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. 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; 5 percent from January 1 to June 30, 2007 and 6 percent from July 1 through December 31, 2007 was the portion that was used to fund health care. The 2006 local government employer contribution rate was 13.70 percent of covered payroll; 4.50 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the individual entry age actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.50 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.

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 10 - Postemployment Benefits (Continued)

Ohio Public Employees Retirement System (Continued)

Health care costs were assumed to increase between 0.5 percent and 5.00 percent annually for the next eight years and 4.00 percent annually after eight years.

All investments are carried at market value. 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, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 374,979 for 2007. The number of active contributing participants for both plans used in the December 31, 2006, actuarial valuation was 362,130. Actual employer contributions which were used to fund postemployment benefits were \$4,647 for 2007 and \$5,783 for 2006.

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, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

Note 11 – Debt

The Township's debt activity for the year ended December 31, 2007, was as follows:

	Interest Rate	Balance January 1, 2007	Additions	Reductions	Balance December 31, 2007	Due Within One Year
<u>Governmental Activities</u>						
2004 International Truck	2.5%	\$ 53,272	\$ 0	\$ 12,822	\$ 40,450	\$ 13,150
2006 Ford F-550 Fire Truck	3.6%	0	45,000	0	45,000	8,375
Total		\$ 53,272	\$ 45,000	\$ 12,822	\$ 85,450	\$ 21,525

The general obligation notes were issued to finance the purchase of a dump truck to be used for Township road maintenance and a fire truck, payable from special levy fire equipment receipts, to be used for fire protection. The notes are secured by the equipment purchased and are backed by the full faith and credit of the Township.

The following is a summary of the Township's future annual debt service requirements:

DOVER TOWNSHIP, ATHENS COUNTY
Notes to the Financial Statements
For the Years Ended December 31, 2007 and 2006
(Continued)

Note 11 – Debt (Continued)

Year	<u>2004 International Truck</u>		<u>2006 Ford F-550 Fire Truck</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 13,150	\$ 1,011	\$ 8,375	\$ 1,621
2009	13,479	682	8,676	1,320
2010	13,821	340	8,989	1,007
2011			9,313	683
2012			9,647	349
	<u>\$ 40,450</u>	<u>\$ 2,033</u>	<u>\$ 45,000</u>	<u>\$ 4,980</u>

Note 12– Public Entity Risk Pool

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. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Note 13 – 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.



Mary Taylor, CPA

Auditor of State

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

Dover Township
Athens County
13880 Mill Creek Road
Millfield, Ohio 45761

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 Dover Township, Athens 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 November 13, 2008, wherein we noted the Township revised its financial presentation comparable to the requirements of Governmental Accounting Standards Board Statement No. 34. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

We consider the following deficiencies described in the accompanying Schedule of Findings to be a significant deficiencies in internal control over financial reporting: 2007-006 and 2007-007.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. However, of the significant deficiencies described above, we believe finding number 2007-006 is also a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Township's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters that we must report under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2007-001 through 2007-005.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated November 13, 2008.

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

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



Mary Taylor, CPA
Auditor of State

November 13, 2008

**DOVER TOWNSHIP
ATHENS COUNTY**

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

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

FINDING NUMBER 2007-001

Finding for Recovery

Dover Township Resolution 07-107 states part-time employees can only earn overtime after 40 hours per week.

The Resolution is silent regarding the rate at which overtime compensation is to be calculated.

Ohio Rev. Code Section 4111.03 states, in part, that an employer shall pay an employee for overtime at a wage rate of one and one-half times the employee's wage rate for hours worked in excess of forty hours in one workweek, in the manner and methods provided in and subject to the exemptions of Section 7 and Section 13 of the "Fair Labor Standards Act of 1938," 52 Stat. 1060, 29 U.S.C.A. 207, 213, as amended.

During 2006, employees were compensated at 1.50 times their regular rate for any hours worked in excess of 40 hours per week. However, in 2007, employees Richard Arnold and Willard Hart were compensated at 2.25 times their regular rate for any hours worked in excess of 40 hours per week.

This resulted in an overpayment as follows:

Richard Arnold

	Overtime Hours	Regular Rate	Overtime Rate	Overtime Wages
2.25 times	117	\$ 13.85	\$ 31.17	\$ 3,646.89
1.50 times	117	13.85	20.78	<u>2,431.26</u>
			Overpayment	<u><u>\$ 1,215.63</u></u>

Willard Hart

	Overtime Hours	Regular Rate	Overtime Rate	Overtime Wages
2.25 times	101.5	\$ 13.85	\$ 31.17	\$ 3,129.25
1.50 times	101.5	13.85	20.78	<u>2,085.83</u>
			Overpayment	<u><u>\$ 1,043.42</u></u>

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery is hereby issued for public money illegally expended is hereby issued against Richard Arnold, Dover Township employee, in the amount of \$1,215.63 and Willard Hart, Dover Township employee, in the amount of \$1,043.42, in favor of the Dover Township Gasoline Tax Fund.

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-001 (Continued)

Finding for Recovery (Continued)

Additionally, under Ohio law, any public official who either authorizes an illegal expenditure of public funds or supervises the accounts of a public office from which such illegal expenditure is made is strictly liable for the amount of the expenditure. Seward v. National Surety Corp.(1929), 120 Ohio St. 47; 1980 Op. Att’y Gen. No. 80-074; Ohio Rev. Code Section 9.39; State ex. Rel. Village of Linndale v. Masten (1985), 18 Ohio St. 3d 228. Public officials controlling public funds or property are secondarily liable for the loss incurred should such funds or property be fraudulently obtained by another, converted, misappropriated, lost or stolen. Public officials will be liable if and to the extent that recovery or restitution is not obtained from the persons who unlawfully obtained such funds or property (1980 Op. Att’y Gen. No. 80-074).

Therefore, because various Township officials approved and signed the checks resulting in the improper payments, the following are jointly and severally liable as follows: Chris Russell, Township Trustee, Charlie Pidcock, Township Trustee, Tina Willis, Fiscal Officer, and their surety company, The Cincinnati Insurance Company, for the entire amount of \$2,259.05; and Dave Bobo, Township Trustee, and his surety company, The Cincinnati Insurance Company, in the amount of \$2,098.86. This recovery is \$2,259.05 in favor of Dover Township’s Gasoline Tax Fund.

The Township officials noted above for approving and signing the warrants resulting in the improper payments shall be secondarily liable for such illegal expenditures to the extent that recovery or restitution is not obtained from Richard Arnold and Willard Hart.

Officials’ Response: On October 17, 2008, Dover Township Trustees passed a resolution that Dover Township deducts \$100 each pay period from Richard Arnold and Willard Hart to correct the overpayment of wages. This will begin in 2009.

FINDING NUMBER 2007-002

Noncompliance Citation

Ohio Rev. Code Section 121.22(G) states, in part, that the members of a public body may hold an executive session only after a majority of a quorum of the public body determines, by a roll call vote, to hold such a session and only at a regular or special meeting for the sole purpose of the consideration of any of the following matters:

- (a) To consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or officials, or the investigation of charges or complaints against a public employee, official, licensee, or regulated individual, unless the public employee, official licensee, or regulated individual requests a public hearing;
- (b) To consider the purchase of property for public purposes, or for the sale of property at competitive bidding, if premature disclosure of information would give an unfair competitive or bargaining advantage to a person whose personal private interest is adverse to the general public interest;
- (c) Conducting conferences with an attorney for the public body, concerning disputes involving the public body that are the subject of pending or imminent court action;

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-002 (Continued)

Noncompliance Citation - Ohio Rev. Code Section 121.22(G) (Continued)

- (d) Preparing for, conducting, or reviewing negotiations or bargaining sessions with public employees concerning their compensation or other terms and conditions of their employment;
- (e) Matters required to be kept confidential by federal laws or rules or state statutes; and,
- (f) Specialized details of security arrangements where disclosure of the matters discussed might reveal information that could be used for the purpose of committing or avoiding prosecution for a violation of the law.

The minutes need only reflect the general subject matter of discussions in executive sessions.

We noted three meetings in which the Board of Trustees entered into executive session without the general subject matter or purpose of the discussion reflected in the record of proceedings. The dates of those meetings were as follows: January 5, 2006; August 11, 2006; and January 4, 2007. We could not determine whether the executive sessions held were for an allowable purpose. This could result in unallowable discussions to occur and not be public record.

We recommend executive sessions of the Board of Trustees be reflected in the record of minutes, including the general subject matter to be discussed. In addition, we recommend the Township obtain and review Ohio's Open Government Resource Manual. A copy of the manual can be obtained from the Office of the Auditor of State at www.auditor.state.oh.us/organization/ogu or by calling the Open Government Unit at 614-466-4717.

Officials' Response: Will correct in the future.

FINDING NUMBER 2007-003

Noncompliance Citation

Ohio Rev. Code Section 5705.39 states that total appropriations from each fund should not exceed the total estimated revenue. No appropriation measure is to become effective until the County Auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate.

At February 21, 2006, appropriations exceeded the estimated resources in the Motor Vehicle License Tax Fund by \$39,512 and in the Special Levy Fire Equipment Fund by \$72,560. At December 31, 2007, appropriations exceeded the total estimated resources in the Road and Bridge Fund by \$954 and in the Special Levy Road Maintenance Fund by \$18,055. Because of lack of monitoring appropriations vs. estimated resources, this could result in the Township spending more than is available.

We recommend the Township monitor budgetary data to ensure that total appropriations from each fund do not exceed the total estimated revenue certified to the County Auditor.

Officials' Response: We will monitor more closely in the future.

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-004

Noncompliance Citation

Ohio Rev. Code Section 5705.41(B) prohibits a subdivision or taxing unit from expending money unless it has been appropriated.

The Township's expenditures exceeded appropriations in 2007 as follows:

<u>Fund</u>	<u>Appropriations</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Issue II	\$0	\$40,808	(\$40,808)

The Fiscal Officer did not record or budget for Issue II on-behalf payments; therefore, expenditures exceeded appropriations in that fund. This could result in deficit fund balances.

We recommend the Township monitor actual expenditures as compared to appropriations at the legal level of control throughout the fiscal year. Any amended appropriations must be formally approved by the Board of Trustees and documented in the minutes.

Officials' Response: Will correct in the future.

FINDING NUMBER 2007-005

Noncompliance Citation

Ohio Rev. Code Section 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The Fiscal Officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Further, contracts and orders for expenditures lacking prior certification shall be null and void.

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

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

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

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-005 (Continued)

Noncompliance Citation - Ohio Rev. Code Section 5705.41(D)(1) (Continued)

b.) Blanket Certificate – Fiscal Officer may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

c.) Super Blanket Certificate – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the Fiscal Officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The Township did not obtain the Fiscal Officer’s prior certification for 41% of transactions tested in 2007 and 52% of transactions tested in 2006. There was no evidence that the Township followed the aforementioned exceptions. Because of lack of oversight, the Fiscal Officer failed to certify the availability of funds properly could result in overspending funds and negative cash fund balances.

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

We recommend the Township certify purchases to which Ohio Rev. Code Section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The Fiscal Officer should sign the certification prior to the Township incurring a commitment and only when the requirements of Section 5705.41(D) are satisfied. The Fiscal Officer should post approved purchase orders to the proper appropriation code to reduce the available appropriation.

Officials’ Response: We will monitor more closely in the future.

FINDING NUMBER 2007-006

Material Weakness

Sound financial reporting is the responsibility of the fiscal officer and governing board and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

As a result of the audit procedures performed, we noted the following errors in the financial statements that required audit adjustment or reclassification:

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-006 (Continued)

Material Weakness (Continued)

2007:

- The Fiscal Officer improperly classified General Fund intergovernmental receipts as taxes (\$6,591), Road & Bridge Fund (\$14,903), Special Levy Fire Fund (\$10,870), Special Levy Road Maintenance Fund (\$14,512) and Special Levy Cemetery Fund (\$6,217). The misposted receipts were Homestead and Rollback Personal Property Tax Reimbursements and Public Utility Tax Reimbursements. In addition, the Fiscal Officer improperly posted Road and Bridge tax receipts (\$129) to the General Fund.
- The Fiscal Officer improperly posted Motor Vehicle License Tax Fund intergovernmental receipts (\$1,280) to the General and Permissive Motor Vehicle License Funds.
- Debt payments totaling \$14,161 relating to the Road and Bridge Fund were improperly posted to Road and Bridge Capital Outlay (\$10,000) and Special Levy – Road Maintenance Capital Outlay (\$4,161) rather than Redemption of Principal (\$12,821) and Interest (\$1,340) in the in the Road and Bridge Fund.
- The Fiscal Officer did not record Issue II on-behalf payments (\$40,808) in Other Governmental Funds.

2006:

- The Fiscal Officer improperly classified General Fund intergovernmental receipts as taxes (\$309), Road & Bridge Fund (\$655), Special Levy Fire Fund (\$545), Special Levy Fire Equipment Fund (\$5,153), Special Levy Road Maintenance Fund (\$908) and Special Levy Cemetery Fund (\$364). The misposted receipts were Homestead and Rollback Personal Property Tax Reimbursements and Public Utility Tax Reimbursements.
- The Fiscal Officer improperly posted Local Government Revenue and Revenue Assistance received from the County Auditor to the Motor Vehicle License Tax Fund (\$1,140) and Permissive Motor Vehicle License Fund (\$706), rather than the General Fund.
- The Miscellaneous Special Revenue – FEMA Fund reimbursed the Gasoline Tax Fund (\$15,095) and the Road and Bridge Fund (\$20,085) from FEMA monies received in 2005. The Fiscal Officer improperly posted the reimbursements to the funds as intergovernmental receipts rather than other receipts.
- The Fiscal Officer improperly posted debt payments totaling \$14,161 relating to the Road and Bridge Fund to Capital Outlay (\$14,161) rather than Redemption of Principal (\$12,516) and Interest (\$1,645).
- The Fiscal Officer improperly posted debt payments totaling \$67,583 to the Special Levy Fire Equipment Fund Interest and Fiscal Charges rather than Redemption of Principal.

Lack of due care in posting correctly resulted in audit adjustments. The audited financial statements and the Township's accounting system reflect the above adjustments.

To ensure the Township's financial statements and notes to the financial statements are complete and accurate, we recommend the Fiscal Officer review the Township Manual for guidance on the correct line item to post various receipts and expenditures of the Township.

Officials' Response: We will monitor more closely in the future.

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-007

Significant Deficiency

All local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

At December 31, 2006, estimated revenue as approved by the Budget Commission did not agree to the Township's accounting system for one fund. The variances and funds are as follows:

Fund	Estimated Revenue Approved by Budget Commission	Estimated Revenue Posted to UAN System	Variance
Misc. Special Revenue - VFD	\$ 65,860	\$ 10,000	\$ (55,860)

At December 31, 2006, we found appropriations as approved by the Board of Trustees did not agree to the Township's accounting system at the fund level. The variances are as follows:

Fund	Appropriations per Resolutions	Appropriations Posted to UAN System	Variance
Special Levy Fire Fund	\$ 112,500	\$ 115,000	\$ (2,500)

In addition, the final budgeted disbursements column on the budget and actual statement reflects adjustments made by this variance to agree the amount approved by the Board of Trustees.

At December 31, 2007, estimated revenue as approved by the Budget Commission did not agree to the Township's accounting system for ten funds. The variances and funds are as follows:

Fund	Estimated Revenue Approved by Budget Commission	Estimated Revenue Posted to UAN System	Variance
General	\$ 72,136	\$ 112,580	\$ 40,444
Motor Vehicle License Tax	28,284	38,970	10,686
Gasoline Tax	95,000	115,000	20,000
Road & Bridge	71,294	174,680	103,386
Cemetery	3,741	7,000	3,259
Special Levy Fire	53,101	130,000	76,899
Special Levy Cemetery	29,016	62,058	33,042
Special Levy Road Maintenance	71,294	115,000	43,706
Special Levy Fire Equipment	5,208	15,000	9,792
Permissive Motor Vehicle License Tax	29,378	35,800	6,422

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-007 (Continued)

Significant Deficiency (Continued)

In addition, the final budgeted receipts column on the budget and actual statements were also adjusted by these variances to agree to the amounts approved by the Budget Commission for the General, Gasoline Tax, Road and Bridge, Special Levy Fire, Special Levy Cemetery and Special Levy Road Maintenance Funds.

At December 31, 2006, estimated revenue as approved by the Budget Commission did not agree to the original column on the budget and actual statements. The variances are as follows:

Fund	Estimated Revenue Approved by Budget Commission	Posted to the Budget and Actual Statements	Variance
General	\$ 79,000	\$ 112,580	\$ 33,580
Gasoline Tax	85,112	115,000	29,888
Road & Bridge	77,451	174,680	97,229
Special Levy Fire	39,175	85,000	45,825
Special Levy Cemetery	31,375	62,058	30,683
Special Levy Road Maintenance	86,825	115,000	28,175
Special Levy Fire Equipment	79,327	15,000	(64,327)

At December 31, 2006, we found appropriations as approved by the Board of Trustees did not agree to the original column on the budget and actual statements. The variances are as follows:

Fund	Appropriations per Resolutions	Posted to the Budget and Actual Statements	Variance
General	\$ 98,550	\$ 0	\$ 98,550
Gasoline Tax	100,000	0	100,000
Road & Bridge	114,000	0	114,000
Special Levy Fire	112,500	0	112,500
Special Levy Cemetery	53,100	0	53,100
Special Levy Road Maintenance	100,380	0	100,380
Special Levy Fire Equipment	86,000	0	86,000

At December 31, 2007, estimated revenue as approved by the Budget Commission did not agree to the original column on the budget and actual statements. The variances are as follows:

**DOVER TOWNSHIP
ATHENS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

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

FINDING NUMBER 2007-007 (Continued)

Significant Deficiency (Continued)

Fund	Estimated Revenue Approved by Budget Commission	Posted to the Budget and Actual Statements	Variance
General	\$ 72,136	\$ 119,550	\$ 47,414
Gasoline Tax	95,000	124,700	29,700
Road & Bridge	71,294	132,300	61,006
Special Levy Fire	53,101	120,671	67,570
Special Levy Cemetery	29,018	77,958	48,940
Special Levy Road Maintenance	71,294	96,980	25,686

At December 31, 2007, we found appropriations as approved by the Board of Trustees did not agree to the original column on the budget and actual statements. The variances are as follows:

Fund	Appropriations per Resolutions	Posted to the Budget and Actual Statements	Variance
General	\$ 112,580	\$ 119,550	\$ (6,970)
Gasoline Tax	115,000	124,700	(9,700)
Road & Bridge	174,680	133,300	41,380
Special Levy Fire	85,000	120,671	(35,671)
Special Levy Cemetery	62,058	77,958	(15,900)

These adjustments were made to budget and actual statements for both 2007 and 2006. Due to the lack of care in properly posting budgetary into the system, the management of the Township lost some degree of budgetary control.

We recommend the Fiscal Officer accurately post estimated receipts as certified by the County Budget Commission and appropriations as approved by the Board of Trustees into the computer system and only after receiving approval. This procedure will help ensure more useful comparisons of budget versus actual activity, as well as provide management with an accurate monitoring tool throughout the year. We also recommend the Fiscal Officer ensure the amounts input in the Budget and Actual basic financial statements are accurate.

Officials' Response: Will monitor more closely in the future.

**DOVER TOWNSHIP
ATHENS COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-001	Ohio Rev. Code Section 5705.41(D) – Prior certification of expenditures	No	Not corrected – repeated in the current Schedule of Findings as Finding number 2007-005.



Mary Taylor, CPA
Auditor of State

DOVER TOWNSHIP

ATHENS 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
DECEMBER 2, 2008**