



**Mary Taylor, CPA**  
Auditor of State



**JACKSON TOWNSHIP  
STARK COUNTY**

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STARK COUNTY

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Jackson Township  
Stark County  
5735 Wales Avenue NW  
Massillon, Ohio 44646

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Jackson Township, Stark County, Ohio, (the Township) as of and for the years ended December 31, 2008 and 2007, which collectively comprise the Township's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express 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. We believe our audit provides a reasonable basis for our opinions.

As discussed in Note 2, the accompanying financial statements and notes follow the modified 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 modified cash financial position of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Jackson Township, Stark County, Ohio, as of December 31, 2008 and 2007, and the respective changes in modified cash financial position and the respective budgetary comparison for the General Fund, Road and Bridge Fund, Police Levy Fund, and Fire Levy Fund thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 1, 2009 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.

101 Central Plaza South / 700 Chase Tower / Canton, OH 44702-1509  
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Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

September 1, 2009

**Jackson Township  
Stark County, Ohio**

Management's Discussion and Analysis  
For the Years Ended December 31, 2008 and 2007  
Unaudited

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This discussion and analysis of Jackson Township's financial performance provides an overview of the Township's financial activities for the years ended December 31, 2008 and 2007, within the limitations of the Township's modified cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

**Highlights**

Key highlights for 2008 and 2007 are as follows:

Net assets of governmental activities increased \$3,008,101, or 19.6 percent in 2008, a significant change from the prior year. Net assets of governmental activities increased \$3,339,734 or 27.8 percent in 2007, a significant change from the prior year. The funds most affected by the 2008 increase in cash and cash equivalents were the Fire, Police and Highway Capital Funds. The funds most affected by the 2007 increase in cash and cash equivalents were the Police and Highway Capital Funds.

The Township's general receipts are primarily property taxes. These receipts represent \$15,813,190 or 59.2 percent in 2008 and \$16,193,622 or 62.2 percent in 2007 of the total cash received for governmental activities during the year. Property tax receipts for 2008 decreased 2.3 percent.

\$1,050,736 was received in inheritance tax in 2008 and \$830,250 was received in 2007.

In 2008, voters approved a renewal of an existing tax of 6 mills for the Fire Levy. 2010 is the first year of collections.

In 2007, voters approved a renewal of an existing tax of 3 mills for the Road Levy. 2009 is the first year of collections.

**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 modified cash basis of accounting.

**Report Components**

The Statement of Net Assets and the Statement of Activities provide information about the cash activities of the Township as a whole.

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

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

**Jackson Township  
Stark County, Ohio**

Management's Discussion and Analysis  
For the Years Ended December 31, 2008 and 2007  
Unaudited

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**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 modified cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's modified cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the modified 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 modified 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 2008 and 2007, within the limitations of modified 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 modified cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the Statement of Net Assets and the Statement of Activities, the Township consists of one type of activity:

**Governmental Activities** - The Township's basic services are reported here, including police, fire, streets and parks. State and federal grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**Reporting the Township's Most Significant Funds**

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



**Jackson Township  
Stark County, Ohio**

Management's Discussion and Analysis  
For the Years Ended December 31, 2008 and 2007  
Unaudited

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

Proprietary Funds – When the Township charges customers for the services it provides, these services are generally reported in proprietary funds. When the services are provided to the general public, the activity is reported as an enterprise fund. The Township has no enterprise funds. When the services are provided to other departments of the Township, the service is reported as an internal service fund. The Township has one internal service fund to account for employee health-care claims.

**The Township as a Whole**

Table 1 provides a summary of the Township's net assets for 2008 compared to 2007 and 2006 on a modified cash basis.

(Table 1)  
**Net Assets**

	Governmental Activities		
	2008	2007	2006
<b>Assets</b>			
Cash and Cash Equivalents	\$18,377,281	\$15,369,180	\$12,029,446
<b>Net Assets</b>			
Restricted for:			
Capital Outlay	\$7,873,919	\$5,642,215	\$4,003,476
Other Purposes	8,041,906	7,427,064	5,857,653
Unrestricted	2,461,456	2,299,901	2,168,317
Total Net Assets	\$18,377,281	\$15,369,180	\$12,029,446

As mentioned previously, net assets of governmental activities increased \$3,008,101 or 19.6 percent during 2008. The primary reasons contributing to the increases in cash balances are as follows:

- Accumulated revenue in the General Capital, Fire Capital, Highway Capital, Police Capital, Park Capital General Accumulated Benefits, Police Accumulated Benefits and Fire Accumulated Benefits Funds totaled \$3,201,341 for future disbursements.
- 2008 was the first full year of collections of the Permissive Motor Vehicle License Tax of \$124,995.

**Jackson Township  
Stark County, Ohio**

Management's Discussion and Analysis  
For the Years Ended December 31, 2008 and 2007  
Unaudited

Table 2 reflects the changes in net assets in 2008, 2007, and 2006.

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

	Governmental Activities		
	2008	2007	2006
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$4,287,920	\$3,867,047	\$3,454,015
Operating Grants and Contributions	591,401	496,958	544,830
Capital Grants and Contributions	220,819	401,448	506,071
Total Program Receipts	5,100,140	4,765,453	4,504,916
General Receipts:			
Property and Other Local Taxes	15,813,190	16,193,622	15,315,705
Grants and Entitlements Not Restricted to Specific Programs	5,175,284	4,281,175	3,709,484
Interest	609,088	759,845	475,650
Miscellaneous	3,028	14,664	6,211
Total General Receipts	21,600,590	21,249,306	19,507,050
Total Receipts	26,700,730	26,014,759	24,011,966
Disbursements:			
General Government	4,367,558	4,026,928	4,212,194
Public Safety	13,332,514	12,532,346	11,587,816
Public Works	3,227,495	2,759,758	2,190,059
Health	321,226	305,686	291,750
Conservation-Recreation	801,982	869,736	846,117
Capital Outlay	1,641,854	2,180,571	1,917,438
Total Disbursements	23,692,629	22,675,025	21,045,374
Increase (Decrease) in Net Assets	3,008,101	3,339,734	2,966,592
Net Assets Beginning of Year	15,369,180	12,029,446	9,062,854
Net Assets End of Year	\$18,377,281	\$15,369,180	\$12,029,446

Program receipts represent only 19.1 percent of total receipts during 2008 and 18.3 percent of total receipts during 2007. Program receipts are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, building permits and inspection fees, and charges for ambulance and EMS.

General receipts represent 80.9 percent in 2008 and 81.7 percent in 2007 of the Township's total receipts, and of this amount, 59.2 percent in 2008 and 62.2 percent in 2007 are property taxes. State and federal grants and entitlements make up 19.4 percent in 2008 and 16.5 percent in 2007 of the Township's total receipts. Other receipts are insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the costs of the fiscal officer and trustees as well as internal services such as payroll and purchasing.

**Jackson Township  
Stark County, Ohio**

Management's Discussion and Analysis  
For the Years Ended December 31, 2008 and 2007  
Unaudited

Public Safety are costs associated with police and fire protection and emergency services. Public Works are costs associated with maintaining Township roads. Health is the contribution to the County health department; and Conservation-Recreation are the costs of maintaining the parks and playing fields.

**Governmental Activities**

If you look at the Statement of Activities, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for public safety, which account for 56.3 percent in 2008 and 55.3 percent in 2007 of all governmental disbursements. General government also represents a significant cost, about 18.4 percent in 2008 and 17.8 percent in 2007. The next three columns of the Statement entitled Program Cash 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 2008	Net Cost of Services 2008	Total Cost of Services 2007	Net Cost of Services 2007
General Government	\$4,367,558	\$1,630,385	\$4,026,928	\$1,499,714
Public Safety	13,332,514	11,907,114	12,532,346	11,346,692
Public Works	3,227,495	2,347,330	2,759,758	1,764,399
Health	321,226	321,226	305,686	305,686
Conservation-Recreation	801,982	744,581	869,736	812,510
Capital Outlay	1,641,854	1,641,854	2,180,571	2,180,571
<b>Total Expenses</b>	<b>\$23,692,629</b>	<b>\$18,592,490</b>	<b>\$22,675,025</b>	<b>\$17,909,572</b>

The dependence upon property tax receipts is apparent as over 78.5 percent in 2008 and 79 percent in 2007 of governmental activities are supported through these general receipts.

**The Township's Funds**

Total governmental funds had receipts of \$28,733,493 in 2008 and \$28,154,266 in 2007 and disbursements of \$25,895,632 in 2008 and \$25,111,384 in 2007. The greatest change for 2008 and 2007 within governmental funds occurred within the Fire, Police, and Highway Capital Funds. In 2008, the fund balance of the Fire Fund increased \$571,643 due to a decrease in expenditures. The fund balance of the Police Fund increased \$304,555 due to a decrease in expenditures. The fund balance of the Highway Capital Fund increased \$949,950 due to a decrease in expenditures. In 2007, the fund balance of the Police Fund increased \$662,010 due to an increase in reserves. The fund balance of the Highway Capital Fund increased \$819,377 due to an increase in transfers from other Highway funds.

**Jackson Township  
Stark County, Ohio**

Management's Discussion and Analysis  
For the Years Ended December 31, 2008 and 2007  
Unaudited

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**General Fund Budgeting Highlights**

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

During 2008, the Township amended its General Fund budget once to reflect changing circumstances. Final budgeted receipts did not change from the original budgeted receipts. The difference between final budgeted receipts and actual receipts was \$713,188 due to a conservative estimate of estate/inheritance taxes and interest receipts, since these can be unpredictable sources of revenue.

During 2007, the Township amended its General Fund budget two times to reflect changing circumstances. Final budgeted receipts increased \$454,250 or 16 percent from the original budgeted receipts due to growth in the intergovernmental receipts. The difference between final budgeted receipts and actual receipts was \$375,067, of which 54.8 percent is due to interest.

During 2008, General Fund final disbursements were budgeted at \$3,588,772 while actual disbursements were \$2,474,324. General Government is most of the difference. This occurred due to the Township budgeting all available resources in case of emergency and/or unanticipated needs that may occur. Final budgeted disbursements increased \$269,424 or 8.1 percent from the original budgeted disbursements, due to an increase in actual receipts and supplemental appropriations.

During 2007, General Fund final disbursements were budgeted at \$3,847,882 while actual disbursements were \$2,420,141. General Government is most of the difference. This occurred due to the Township budgeting all available resources in case of emergency and/or unanticipated needs that may occur. Final budgeted disbursements increased \$604,230 or 18.6 percent from the original budgeted disbursements, due to an increase in actual receipts and supplemental appropriations.

**Capital Assets and Debt Administration**

**Capital Assets**

The Township does not currently keep track of its capital assets and infrastructure.

**Debt**

The Township has no outstanding debt.

**Current Issues**

The challenge for all Townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. As indicated in the preceding financial information, the Township relies heavily on local taxes and intergovernmental receipts to operate at the current level of services.

**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 Randy Gonzalez, Fiscal Officer, Jackson Township, Stark County, 5735 Wales Avenue N.W., Massillon, Ohio 44646, telephone 330-832-5886 or visit the Township's website at [www.jacksonwp.com](http://www.jacksonwp.com).

**Jackson Township**  
**Stark County, Ohio**

*Statement of Net Assets - Modified Cash Basis*  
*December 31, 2008*

	Primary Government Governmental Activities	Component Unit
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$18,377,281	\$20,272
<b>Net Assets</b>		
Restricted for:		
Capital Projects	\$7,873,919	
Other Purposes	8,041,906	
Unrestricted	2,461,456	\$20,272
<i>Total Net Assets</i>	<u>\$18,377,281</u>	<u>\$20,272</u>

See accompanying notes to the basic financial statements



**Jackson Township  
Stark County, Ohio**

*Statement of Modified Cash Basis Assets and Fund Balances  
Governmental Funds  
December 31, 2008*

	General	Road and Bridge	Police	Fire	Highway Capital	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	<u>\$1,860,014</u>	<u>\$573,693</u>	<u>\$2,163,098</u>	<u>\$1,881,322</u>	<u>\$4,518,113</u>	<u>\$6,779,599</u>	<u>\$17,775,839</u>
<b>Fund Balances</b>							
Reserved:							
Reserved for Encumbrances	\$24,697	\$141,414	\$20,925	\$106,624	\$1,315,626	\$1,218,775	\$2,828,061
Unreserved:							
Designated for:							
Acquisition of Fire Equipment						169,780	169,780
Acquisition of Police Cruisers						1,135,096	1,135,096
Park Improvements and Equipment						94,082	94,082
Road and Streets					3,202,487		3,202,487
Property Purchases						1,025,961	1,025,961
Severance/Termination Payouts						1,518,111	1,518,111
Budget Stabilization			1,125,000	716,878			1,841,878
Unreserved:							
Undesignated (Deficit), Reported in:							
General Fund	1,835,317						1,835,317
Special Revenue Funds		432,279	1,017,173	1,057,820		1,617,794	4,125,066
<b>Total Fund Balances</b>	<u>\$1,860,014</u>	<u>\$573,693</u>	<u>\$2,163,098</u>	<u>\$1,881,322</u>	<u>\$4,518,113</u>	<u>\$6,779,599</u>	<u>\$17,775,839</u>
Governmental activities net assets include the internal service fund's cash and cash equivalents. The proprietary fund's statements include these assets.							<u>601,442</u>
							<u>\$18,377,281</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Cash Receipts, Disbursements and Changes in Modified-Cash Basis Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2008*

	General	Road and Bridge	Police	Fire	Highway Capital	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>							
Property and Other Local Taxes	\$784,473	\$2,063,756	\$4,951,009	\$6,769,259		\$1,244,693	\$15,813,190
Charges for Services	291,620	19,955	4,587	11,691	\$120,642	1,138,091	1,586,586
Licenses, Permits and Fees		799		3,500		138,416	142,715
Fines and Forfeitures	44,234		3,280			31,559	79,073
Intergovernmental	2,093,088	366,350	1,265,200	1,214,029		1,118,358	6,057,025
Special Assessments						109,261	109,261
Interest	609,088					5,687	614,775
Other	44,274	2,164	47,440	3,566		52,742	150,186
<b>Total Receipts</b>	<b>3,866,777</b>	<b>2,453,024</b>	<b>6,271,516</b>	<b>8,002,045</b>	<b>120,642</b>	<b>3,838,807</b>	<b>24,552,811</b>
<b>Disbursements</b>							
Current:							
General Government	2,066,731					335,732	2,402,463
Public Safety			5,047,949	6,753,074		1,531,492	13,332,515
Public Works	19,076	2,301,461				906,958	3,227,495
Health	321,226						321,226
Conservation-Recreation						801,982	801,982
Capital Outlay	42,595	126,786	352,166	52,328	667,620	400,358	1,641,853
<b>Total Disbursements</b>	<b>2,449,628</b>	<b>2,428,247</b>	<b>5,400,115</b>	<b>6,805,402</b>	<b>667,620</b>	<b>3,976,522</b>	<b>21,727,534</b>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>1,417,149</u>	<u>24,777</u>	<u>871,401</u>	<u>1,196,643</u>	<u>(546,978)</u>	<u>(137,715)</u>	<u>2,825,277</u>
<b>Other Financing Sources (Uses)</b>							
Sale of Capital Assets		3,000	8,250			3,500	14,750
Transfers In					1,496,928	2,669,004	4,165,932
Transfers Out	(1,425,834)	(445,898)	(575,096)	(625,000)		(1,096,270)	(4,168,098)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,425,834)</b>	<b>(442,898)</b>	<b>(566,846)</b>	<b>(625,000)</b>	<b>1,496,928</b>	<b>1,576,234</b>	<b>12,584</b>
<b>Net Change in Fund Balances</b>	<b>(8,685)</b>	<b>(418,121)</b>	<b>304,555</b>	<b>571,643</b>	<b>949,950</b>	<b>1,438,519</b>	<b>2,837,861</b>
<b>Fund Balances Beginning of Year</b>	<b>1,868,699</b>	<b>991,814</b>	<b>1,858,543</b>	<b>1,309,678</b>	<b>3,568,163</b>	<b>5,341,081</b>	<b>14,937,978</b>
<b>Fund Balances End of Year</b>	<b>\$1,860,014</b>	<b>\$573,693</b>	<b>\$2,163,098</b>	<b>\$1,881,321</b>	<b>\$4,518,113</b>	<b>\$6,779,600</b>	<b>\$17,775,839</b>
Net Change in Fund Balances Governmental Funds							\$2,837,861
Internal Service funds charge insurance costs to other funds. The entity-wide statements eliminate governmental fund expenditures and related internal service fund charges. Governmental activities report allocated net internal service fund receipts (disbursements).							<u>170,240</u>
Change in net assets of							<u>\$3,008,101</u>

See accompanying notes to the basic financial statements



**Jackson Township  
Stark County, Ohio**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual -Budget Basis  
General Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Property and Other Local Taxes	\$721,787	\$721,787	\$784,473	\$62,686
Charges for Services	234,100	234,100	291,620	57,520
Fines and Forfeitures	42,700	42,700	44,234	1,534
Intergovernmental	1,504,402	1,504,402	2,093,088	588,686
Interest	600,000	600,000	609,088	9,088
Other	50,600	50,600	44,274	(6,326)
<i>Total Receipts</i>	<u>3,153,589</u>	<u>3,153,589</u>	<u>3,866,777</u>	<u>713,188</u>
<b>Disbursements</b>				
Current:				
General Government	2,895,437	3,172,064	2,084,049	1,088,015
Public Works	26,614	26,614	19,076	7,538
Health	320,359	321,226	321,226	0
Capital Outlay	76,938	68,868	49,973	18,895
<i>Total Disbursements</i>	<u>3,319,348</u>	<u>3,588,772</u>	<u>2,474,324</u>	<u>1,114,448</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>(165,759)</u>	<u>(435,183)</u>	<u>1,392,453</u>	<u>1,827,636</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(961,182)	(1,425,834)	(1,425,834)	0
<i>Net Change in Fund Balance</i>	(1,126,941)	(1,861,017)	(33,381)	1,827,636
<i>Fund Balance Beginning of Year</i>	1,821,937	1,821,937	1,821,939	2
Prior Year Encumbrances Appropriated	46,761	46,761	46,761	0
<i>Fund Balance End of Year</i>	<u>\$741,757</u>	<u>\$7,681</u>	<u>\$1,835,319</u>	<u>\$1,827,638</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual -Budget Basis  
Road and Bridge Fund  
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Property and Other Local Taxes	\$2,078,810	\$2,124,390	\$2,063,756	(\$60,634)
Charges for Services	17,100	17,100	19,955	2,855
Licenses, Permits and Fees	800	800	799	(1)
Intergovernmental	328,845	332,441	366,350	33,909
Other	500	500	2,164	1,664
<i>Total Receipts</i>	<u>2,426,055</u>	<u>2,475,231</u>	<u>2,453,024</u>	<u>(22,207)</u>
<b>Disbursements</b>				
Current:				
Public Works	2,611,964	2,611,964	2,442,875	169,089
Capital Outlay	130,000	130,000	126,786	3,214
<i>Total Disbursements</i>	<u>2,741,964</u>	<u>2,741,964</u>	<u>2,569,661</u>	<u>172,303</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>(315,909)</u>	<u>(266,733)</u>	<u>(116,637)</u>	<u>150,096</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets			3,000	3,000
Transfers Out		(675,905)	(445,898)	230,007
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(675,905)</u>	<u>(442,898)</u>	<u>233,007</u>
<i>Net Change in Fund Balance</i>	(315,909)	(942,638)	(559,535)	383,103
<i>Fund Balance Beginning of Year</i>	920,905	920,905	920,906	1
Prior Year Encumbrances Appropriated	70,909	70,909	70,909	0
<i>Fund Balance End of Year</i>	<u>\$675,905</u>	<u>\$49,176</u>	<u>\$432,280</u>	<u>\$383,104</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual -Budget Basis  
Police Fund  
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Receipts</b>				
Property and Other Local Taxes	\$4,971,930	\$5,090,338	\$4,951,009	(\$139,329)
Charges for Services	7,000	7,000	4,587	(2,413)
Fines and Forfeitures	3,100	3,100	3,280	180
Intergovernmental	1,187,887	1,201,926	1,265,200	63,274
Other	2,300	2,300	47,440	45,140
<i>Total Receipts</i>	<u>6,172,217</u>	<u>6,304,664</u>	<u>6,271,516</u>	<u>(33,148)</u>
<b>Disbursements</b>				
Current:				
Public Safety	5,923,250	5,964,250	5,068,044	896,206
Capital Outlay	417,414	376,414	352,996	23,418
<i>Total Disbursements</i>	<u>6,340,664</u>	<u>6,340,664</u>	<u>5,421,040</u>	<u>919,624</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>(168,447)</u>	<u>(36,000)</u>	<u>850,476</u>	<u>886,476</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	10,000	10,000	8,250	(1,750)
Transfers Out	(400,000)	(575,096)	(575,096)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(390,000)</u>	<u>(565,096)</u>	<u>(566,846)</u>	<u>(1,750)</u>
<i>Net Change in Fund Balance</i>	(558,447)	(601,096)	283,630	884,726
<i>Fund Balance Beginning of Year</i>	1,788,039	1,788,039	1,788,039	0
Prior Year Encumbrances Appropriated	70,504	70,504	70,504	0
<i>Fund Balance End of Year</i>	<u>\$1,300,096</u>	<u>\$1,257,447</u>	<u>\$2,142,173</u>	<u>\$884,726</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual -Budget Basis  
Fire Fund  
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$6,806,194	\$6,972,765	\$6,769,259	(\$203,506)
Charges for Services	7,500	7,500	11,691	4,191
Licenses, Permits and Fees	3,000	3,000	3,500	500
Intergovernmental	1,079,447	1,092,627	1,214,029	121,402
Other	4,000	4,000	3,567	(433)
<i>Total Receipts</i>	<u>7,900,141</u>	<u>8,079,892</u>	<u>8,002,046</u>	<u>(77,846)</u>
<b>Disbursements</b>				
Current:				
Public Safety	7,633,883	7,676,041	6,830,915	845,126
Capital Outlay	82,500	191,900	81,111	110,789
<i>Total Disbursements</i>	<u>7,716,383</u>	<u>7,867,941</u>	<u>6,912,026</u>	<u>955,915</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>183,758</u>	<u>211,951</u>	<u>1,090,020</u>	<u>878,069</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(625,000)	(625,000)	(625,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(625,000)</u>	<u>(625,000)</u>	<u>(625,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(441,242)</u>	<u>(413,049)</u>	<u>465,020</u>	<u>878,069</u>
<i>Fund Balance Beginning of Year</i>	1,104,170	1,104,170	1,104,170	0
Prior Year Encumbrances Appropriated	205,508	205,508	205,508	0
<i>Fund Balance End of Year</i>	<u>\$868,436</u>	<u>\$896,629</u>	<u>\$1,774,698</u>	<u>\$878,069</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Fund Net Assets - Modified Cash Basis  
Internal Service Fund  
December 31, 2008*

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	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$601,442</u>
<b>Net Assets</b>	
Unrestricted	<u>\$601,442</u>
<i>Total Net Assets</i>	<u>\$601,442</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Cash Receipts, Disbursements and Changes in Fund Net Assets  
Modified Cash Basis  
Internal Service Fund  
For the Year Ended December 31, 2008*

	Governmental Activities
	Internal Service
<b>Operating Receipts</b>	
Charges for Services	\$2,133,169
<b>Operating Disbursements</b>	
Administrative Fees	388,348
Claims	1,576,747
<i>Total Operating Disbursements</i>	1,965,095
<i>Operating Income (Loss)</i>	168,074
<i>Income (Loss) before Transfers</i>	168,074
Transfers In	2,166
<i>Change in Net Assets</i>	170,240
<i>Net Assets Beginning of Year</i>	431,202
<i>Net Assets End of Year</i>	\$601,442

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Net Assets - Modified Cash Basis  
December 31, 2007*

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	<u>Primary Government Governmental Activities</u>	<u>Component Unit</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	<u>\$15,369,180</u>	<u>\$22,512</u>
<b>Net Assets</b>		
Restricted for:		
Capital Projects	\$5,642,215	
Other Purposes	7,427,064	
Unrestricted	<u>2,299,901</u>	<u>\$22,512</u>
<i>Total Net Assets</i>	<u>\$15,369,180</u>	<u>\$22,512</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Activities - Modified 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	Primary Government Governmental Activities	Component Unit
<b>Governmental Activities</b>						
General Government	\$4,026,928	\$2,521,870		\$5,344	(\$1,499,714)	
Public Safety	12,532,346	1,111,641	\$74,013		(11,346,692)	
Public Works	2,759,758	191,550	418,865	384,944	(1,764,399)	
Health	305,686				(305,686)	
Conservation-Recreation	869,736	41,986	4,080	11,160	(812,510)	
Capital Outlay	2,180,571				(2,180,571)	
<i>Total Governmental Activities</i>	<u>22,675,025</u>	<u>3,867,047</u>	<u>496,958</u>	<u>401,448</u>	<u>(17,909,572)</u>	
<i>Total Primary Government</i>	<u>\$22,675,025</u>	<u>\$3,867,047</u>	<u>\$496,958</u>	<u>\$401,448</u>	<u>(17,909,572)</u>	
<b>Component Unit</b>	\$52,789		\$49,280			(\$3,509)
		<b>General Receipts</b>				
		Property Taxes Levied for:				
			General Purposes		378,317	
			Police		5,077,574	
			Fire		6,940,528	
			Road and Bridge		3,305,645	
			Other Taxes		491,558	
			Grants and Entitlements not Restricted to Specific Programs		4,281,175	
			Interest		759,845	
			Miscellaneous		14,664	
			<i>Total General Receipts</i>		<u>21,249,306</u>	<u>0</u>
			Change in Net Assets		3,339,734	(3,509)
			<i>Net Assets Beginning of Year</i>		<u>12,029,446</u>	<u>26,021</u>
			<i>Net Assets End of Year</i>		<u>\$15,369,180</u>	<u>\$22,512</u>

See accompanying notes to the basic financial statements



**Jackson Township  
Stark County, Ohio**

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

	General	Road and Bridge	Police	Fire	Highway Capital	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	<u>\$1,868,699</u>	<u>\$991,814</u>	<u>\$1,858,543</u>	<u>\$1,309,678</u>	<u>\$3,568,163</u>	<u>\$5,341,081</u>	<u>\$14,937,978</u>
<b>Fund Balances</b>							
Reserved:							
Reserved for Encumbrances	\$46,761	\$70,909	\$70,504	\$205,508	\$3,398,745	\$311,210	\$4,103,637
Unreserved:							
Designated for:							
Acquisition of Ambulance and Fire Trucks						725,779	725,779
Acquisition of Police Cruisers						660,000	660,000
Park Improvements and Equipment						96,387	96,387
Road and Streets					169,418		169,418
Property Purchases						591,885	591,885
Severance Payouts						1,251,505	1,251,505
Budget Stabilization			925,000	516,878			1,441,878
Unreserved:							
Undesignated (Deficit), Reported in:							
General Fund	1,821,938						1,821,938
Special Revenue Funds		920,905	863,039	587,292		1,704,315	4,075,551
<b>Total Fund Balances</b>	<u>\$1,868,699</u>	<u>\$991,814</u>	<u>\$1,858,543</u>	<u>\$1,309,678</u>	<u>\$3,568,163</u>	<u>\$5,341,081</u>	<u>\$14,937,978</u>
Governmental activities net assets include the internal service fund's cash and cash equivalents. The proprietary fund's statements include these assets.							<u>431,202</u>
							<u>\$15,369,180</u>

See accompanying notes to the basic financial statements.

**Jackson Township  
Stark County, Ohio**

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

	General	Road and Bridge	Police	Fire	Highway Capital	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>							
Property and Other Local Taxes	\$727,024	\$2,116,725	\$5,077,574	\$6,940,528		\$1,331,772	\$16,193,623
Charges for Services	225,936	17,235	109,608	10,541	\$286,767	1,008,506	1,658,593
Licenses, Permits and Fees	50	789		4,020		143,901	148,760
Fines and Forfeitures	41,933		3,550			35,036	80,519
Intergovernmental	1,839,072	296,738	995,839	980,952		744,534	4,857,135
Special Assessments						130,893	130,893
Interest	759,845					12,591	772,436
Other	73,065	1,143	25,136	4,433		51,837	155,614
<b>Total Receipts</b>	<b>3,666,925</b>	<b>2,432,630</b>	<b>6,211,707</b>	<b>7,940,474</b>	<b>286,767</b>	<b>3,459,070</b>	<b>23,997,573</b>
<b>Disbursements</b>							
Current:							
General Government	2,021,748					330,522	2,352,270
Public Safety			4,767,933	7,176,034		588,379	12,532,346
Public Works	21,472	1,894,403				843,883	2,759,758
Health	305,686						305,686
Conservation-Recreation						869,736	869,736
Capital Outlay	24,474	395,401	188,564	34,843	867,390	669,899	2,180,571
<b>Total Disbursements</b>	<b>2,373,380</b>	<b>2,289,804</b>	<b>4,956,497</b>	<b>7,210,877</b>	<b>867,390</b>	<b>3,302,419</b>	<b>21,000,367</b>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<i>1,293,545</i>	<i>142,826</i>	<i>1,255,210</i>	<i>729,597</i>	<i>(580,623)</i>	<i>156,651</i>	<i>2,997,206</i>
<b>Other Financing Sources (Uses)</b>							
Sale of Capital Assets		39,766	6,800	420			46,986
Transfers In					1,400,000	2,709,707	4,109,707
Transfers Out	(1,458,812)	(50,000)	(600,000)	(550,000)		(1,452,205)	(4,111,017)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,458,812)</b>	<b>(10,234)</b>	<b>(593,200)</b>	<b>(549,580)</b>	<b>1,400,000</b>	<b>1,257,502</b>	<b>45,676</b>
<b>Net Change in Fund Balances</b>	<b>(165,267)</b>	<b>132,592</b>	<b>662,010</b>	<b>180,017</b>	<b>819,377</b>	<b>1,414,153</b>	<b>3,042,882</b>
<b>Fund Balances Beginning of Year</b>	<b>2,033,966</b>	<b>859,222</b>	<b>1,196,533</b>	<b>1,129,661</b>	<b>2,748,786</b>	<b>3,926,928</b>	<b>11,895,096</b>
<b>Fund Balances End of Year</b>	<b>\$1,868,699</b>	<b>\$991,814</b>	<b>\$1,858,543</b>	<b>\$1,309,678</b>	<b>\$3,568,163</b>	<b>\$5,341,081</b>	<b>\$14,937,978</b>
Net Change in Fund Balances Governmental Funds							\$3,042,882
Internal Service funds charge insurance costs to other funds. The entity-wide statements eliminate governmental fund expenditures and related internal service fund charges. Governmental activities report allocated net internal service fund receipts (disbursements).							296,852
Change in net assets of							<u>\$3,339,734</u>

See accompanying notes to the basic financial statements.

**Jackson Township  
Stark County, Ohio**

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

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Receipts</b>				
Property and Other Local Taxes	\$706,469	\$706,469	\$727,024	\$20,555
Charges for Services	172,050	172,050	225,936	53,886
Licenses, Permits and Fees			50	50
Fines and Forfeitures	40,000	40,000	41,933	1,933
Intergovernmental	1,472,589	1,772,589	1,839,072	66,483
Interest	400,000	554,250	759,845	205,595
Other	46,500	46,500	73,065	26,565
<i>Total receipts</i>	<u>2,837,608</u>	<u>3,291,858</u>	<u>3,666,925</u>	<u>375,067</u>
<b>Disbursements</b>				
Current:				
General Government	2,863,626	3,453,658	2,054,084	1,399,574
Public Works	24,458	24,458	11,472	12,986
Health	308,380	305,934	305,686	248
Capital Outlay	47,188	63,832	48,899	14,933
<i>Total Disbursements</i>	<u>3,243,652</u>	<u>3,847,882</u>	<u>2,420,141</u>	<u>1,427,741</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>(406,044)</u>	<u>(556,024)</u>	<u>1,246,784</u>	<u>1,802,808</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,000	1,000		(1,000)
Transfers Out	(878,943)	(1,478,943)	(1,458,812)	20,131
<i>Total Other Financing Sources (Uses)</i>	<u>(877,943)</u>	<u>(1,477,943)</u>	<u>(1,458,812)</u>	<u>19,131</u>
<i>Net Change in Fund Balance</i>	(1,283,987)	(2,033,967)	(212,028)	1,821,939
<i>Fund Balance Beginning of Year</i>	1,984,577	1,984,577	1,984,577	0
Prior Year Encumbrances Appropriated	49,390	49,390	49,390	0
<i>Fund Balance End of Year</i>	<u>\$749,980</u>	<u>\$0</u>	<u>\$1,821,939</u>	<u>\$1,821,939</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*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>		
<b>Receipts</b>				
Property and Other Local Taxes	\$1,925,263	\$2,116,725	\$2,116,725	\$0
Charges for Services	15,500	17,147	17,235	88
Licenses, Permits and Fees	300	300	789	489
Intergovernmental	277,565	296,739	296,738	(1)
Other	1,200	1,200	1,143	(57)
<i>Total receipts</i>	<u>2,219,828</u>	<u>2,432,111</u>	<u>2,432,630</u>	<u>519</u>
<b>Disbursements</b>				
Current:				
Public Works	2,257,938	2,875,352	1,965,312	910,040
Capital Outlay	394,288	399,713	395,401	4,312
<i>Total Disbursements</i>	<u>2,652,226</u>	<u>3,275,065</u>	<u>2,360,713</u>	<u>914,352</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>(432,398)</u>	<u>(842,954)</u>	<u>71,917</u>	<u>914,871</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets		33,731	39,766	6,035
Transfers Out	(50,000)	(50,000)	(50,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(50,000)</u>	<u>(16,269)</u>	<u>(10,234)</u>	<u>6,035</u>
<i>Net Change in Fund Balance</i>	<u>(482,398)</u>	<u>(859,223)</u>	<u>61,683</u>	<u>920,906</u>
<i>Fund Balance Beginning of Year</i>	693,397	693,397	693,397	0
Prior Year Encumbrances Appropriated	165,826	165,826	165,826	0
<i>Fund Balance End of Year</i>	<u>\$376,825</u>	<u>\$0</u>	<u>\$920,906</u>	<u>\$920,906</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual -Budget Basis  
Police Fund  
For the Year Ended December 31, 2007*

	Budgeted Amounts		Actual	Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$5,056,149	\$5,077,574	\$5,077,574	\$0
Charges for Services	85,258	85,258	109,608	24,350
Fines and Forfeitures	2,800	2,800	3,550	750
Intergovernmental	1,012,195	1,023,184	995,839	(27,345)
Other	7,800	7,800	25,136	17,336
<i>Total receipts</i>	<u>6,164,202</u>	<u>6,196,616</u>	<u>6,211,707</u>	<u>15,091</u>
<b>Disbursements</b>				
Current:				
Public Safety	5,350,616	5,631,256	4,791,737	839,519
Capital Outlay	246,892	246,892	235,264	11,628
<i>Total Disbursements</i>	<u>5,597,508</u>	<u>5,878,148</u>	<u>5,027,001</u>	<u>851,147</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>566,694</u>	<u>318,468</u>	<u>1,184,706</u>	<u>866,238</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	10,000	10,000	6,800	(3,200)
Transfers Out	(600,000)	(600,000)	(600,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(590,000)</u>	<u>(590,000)</u>	<u>(593,200)</u>	<u>(3,200)</u>
<i>Net Change in Fund Balance</i>	(23,306)	(271,532)	591,506	863,038
<i>Fund Balance Beginning of Year</i>	1,176,230	1,176,230	1,176,230	0
Prior Year Encumbrances Appropriated	20,303	20,303	20,303	0
<i>Fund Balance End of Year</i>	<u>\$1,173,227</u>	<u>\$925,001</u>	<u>\$1,788,039</u>	<u>\$863,038</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$6,934,799	\$6,940,528	\$6,940,528	\$0
Charges for Services	2,100	8,704	10,541	1,837
Licenses, Permits and Fees	2,000	2,000	4,020	2,020
Intergovernmental	881,524	980,406	980,952	546
Other	6,000	6,000	4,433	(1,567)
<i>Total receipts</i>	<u>7,826,423</u>	<u>7,937,638</u>	<u>7,940,474</u>	<u>2,836</u>
<b>Disbursements</b>				
Current:				
Public Safety	7,686,224	7,928,816	7,381,542	547,274
Capital Outlay	51,605	71,605	34,843	36,762
<i>Total Disbursements</i>	<u>7,737,829</u>	<u>8,000,421</u>	<u>7,416,385</u>	<u>584,036</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>88,594</u>	<u>(62,783)</u>	<u>524,089</u>	<u>586,872</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets			420	420
Transfers Out	(400,000)	(550,000)	(550,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(400,000)</u>	<u>(550,000)</u>	<u>(549,580)</u>	<u>420</u>
<i>Net Change in Fund Balance</i>	<u>(311,406)</u>	<u>(612,783)</u>	<u>(25,491)</u>	<u>587,292</u>
<i>Fund Balance Beginning of Year</i>	1,102,860	1,102,860	1,102,860	0
Prior Year Encumbrances Appropriated	26,801	26,801	26,801	0
<i>Fund Balance End of Year</i>	<u>\$818,255</u>	<u>\$516,878</u>	<u>\$1,104,170</u>	<u>\$587,292</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Fund Net Assets - Modified Cash Basis  
Internal Service Fund  
December 31, 2007*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$431,202</u>
<b>Net Assets</b>	
Unrestricted	<u>\$431,202</u>
<i>Total Net Assets</i>	<u>\$431,202</u>

See accompanying notes to the basic financial statements

**Jackson Township  
Stark County, Ohio**

*Statement of Cash Receipts, Disbursements and Changes in Fund Net Assets  
Modified Cash Basis  
Internal Service Fund  
For the Year Ended December 31, 2007*

	<u>Governmental Internal Service</u>
<b>Operating Receipts</b>	
Charges for Services	<u>\$1,970,200</u>
<b>Operating Disbursements</b>	
Administrative Fees	324,723
Claims	<u>1,349,935</u>
<i>Total Operating Disbursements</i>	<u>1,674,658</u>
<i>Operating Income (Loss)</i>	<u>295,542</u>
<i>Income (Loss) before Transfers</i>	295,542
Transfers In	<u>1,310</u>
<i>Change in Net Assets</i>	296,852
<i>Net Assets Beginning of Year</i>	<u>134,350</u>
<i>Net Assets End of Year</i>	<u><u>\$431,202</u></u>

See accompanying notes to the basic financial statements



**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007

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**Note 1 – Reporting Entity**

Jackson Township, Stark County, Ohio, (the Township) is a body politic and corporate established in 1815 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

The reporting entity is comprised of the primary government and a component unit that was included to ensure that the financial statements are not misleading.

**A. Primary Government**

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

**B. Component Units**

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

The Jackson Township Community Improvement Corporation (CIC) is a not-for-profit corporation created under Chapter 1724 of the Ohio Revised Code. The purpose of the CIC is to advance, encourage and promote industrial, economic, commercial and civic development of the Township. The Township appoints four of the nine CIC Board of Trustee members and presently, a majority of the CIC funding is received from the Township. The CIC is a component unit of the Township, as the Township is financially accountable for the CIC under the criteria of Governmental Accounting Standards Board Statement No. 14. The Township will report the financial status of the Community Improvement Corporation as a discretely presented component unit in its basic financial statements. Separately issued financial statements can be obtained from the CIC, 5735 Wales Avenue NW, Massillon, Ohio 44646.

**C. Joint Ventures and Jointly Governed Organizations**

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 1 – Reporting Entity (Continued)**

Joint Venture

The Township participates in the Local Organized Governments in Cooperation (LOGIC), a statutorily created political subdivision of the State formed in 1986 under Chapter 167 of the Ohio Revised Code to provide safety dispatching services. LOGIC is a joint venture among the Township, the City of Massillon, the City of Canal Fulton, the Village of Hills and Dales, and Lawrence Township with each participant providing one representative. Each representative has a membership share based on the percentage of contractual financial contributions to the total funding, and each participant is entitled to vote its percentage share. The board has total authority over the operation of LOGIC, including budgeting, appropriation, contracting, and designating management. Continued existence of LOGIC is dependent on the Township's continued participation. LOGIC does not provide specific financial benefits or impose specific financial burdens on the Township. During 2008 and 2007, the Township made contributions of \$516,314 and \$494,852, respectively, but does not have an equity interest in LOGIC. Financial statements of LOGIC may be obtained from Local Organized Governments in Cooperation, 2601 Cleveland Avenue N.W., Canton, Ohio, 44709.

Jointly Governed Organizations

The Township participates in the Stark Council of Governments (the SCOG), which is established by its member political subdivisions as a regional council under Chapter 167 of the Ohio Revised Code for the purpose of providing a permanent forum for discussion and study of concerns of the county, cities, villages, and townships for development of policies and programs for implementation by one or more of the local governing bodies. The SCOG operates under the direction of a nine member Executive Committee, which is elected by the General Membership of the SCOG. The General Membership consists of one representative designated by each political subdivision. The SCOG's current functions include but are not limited to the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. Continued existence of the Council is not dependent on the Township's continued participation. The Council does not provide specific financial benefits or impose specific financial burdens on the Township. The Township did not make any contributions during the year and does not have an equity interest in the council. Financial statements of the Council can be obtained from the Stark Council of Governments, P.O. Box 21451, Canton, Ohio, 44701-1451.

**Note 2 – Summary of Significant Accounting Policies**

As discussed further in Note 2C, these financial statements are presented on a modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting. In the government-wide financial statements and the fund financial statements for the proprietary funds, 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 modified 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.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the Township as a whole. These statements include the financial activities of the primary government. The activity of the internal service fund is eliminated to avoid "doubling up" receipts and disbursements. The statements usually distinguish between those activities of the Township that are governmental and those that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Township has no business-type activities.

The Statement of Net Assets presents the cash and investment 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 modified 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. The internal service funds are presented in a single column on the face of the proprietary fund statements.

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating disbursements include costs of sales and services and administrative costs. The fund statements report all other receipts and disbursements as nonoperating.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

**B. Fund Accounting**

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

**Governmental Funds**

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township has the following major governmental funds:

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

Road and Bridge Fund – This fund receives tax levy money for the purpose of providing and maintaining roads, ditches, and bridges, related apparatus, appliances, buildings, or the payment of highway laborers.

Police Fund – This fund receives tax levy money for the purpose of providing and maintaining police apparatus, equipment, or payment of permanent, part-time police officers.

Fire Fund – This fund receives tax levy money for the purpose of providing and maintaining fire apparatus, appliances, buildings, sources of water supply and materials, or the payment of permanent, part-time, or volunteer firemen or to provide ambulance or emergency medical services.

Highway Capital Fund – This fund received transfers from various other funds for the purpose of construction and/or performance of engineering services for various road improvement projects.

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

**Proprietary Funds**

The Township classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise or internal service. The Township has no enterprise funds.

Internal Service Fund - Internal service funds account for services provided by one department of the Township to another on a cost-reimbursement basis. The Township's internal service fund accounts for a self-insurance program for employee health, vision, prescription drug and dental benefits.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

**C. Basis of Accounting**

The Township's financial statements are prepared using the modified cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements 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 modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**D. Budgetary Process**

All funds are legally required to be budgeted and appropriated. The major documents prepared are the alternate 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 personal services and other object level within each department for each fund for the General Fund and at personal services and other object level for all other funds for 2008 and 2007.

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

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

**E. Cash and Investments**

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

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

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

During 2008 and 2007, the Township invested in nonnegotiable certificates of deposit, repurchase agreements (overnight sweep), Federal Farm Credit Bank, Federal National Mortgage Association Notes, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes, STAR Ohio and a money market fund.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost. The nonnegotiable certificates of deposit are reported at cost.

STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31.

Interest earnings are allocated to Township funds according to State statutes or grant requirements. Interest receipts credited to the General Fund during 2008 was \$609,088 which includes \$567,061 assigned from other Township funds. Interest receipts credited to the General Fund during 2007 was \$759,845 which includes \$683,861 assigned from other Township funds.

**F. Inventory and Prepaid Items**

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

**G. Capital Assets**

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

**H. Interfund Receivables/Payables**

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

**I. Accumulated Leave**

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

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

**J. Employer Contributions to Cost-Sharing Pension Plans**

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

**K. Long-Term Obligations**

The Township has no outstanding debt.

**L. 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 fire, police, and highway services.

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

**M. Fund Balance Reserves**

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances. Designations of fund balance represent tentative management plans that are subject to change. These designations include reservations of fund equity for acquisition of ambulances, fire trucks, police cruisers, park improvements and equipment, property purchases, and road projects, along with severance payouts and budget stabilization.

**N. Interfund Transactions**

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**Note 3 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statements of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund, Road and Bridge Fund, Police Fund, and Fire Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the modified cash basis are that outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (modified cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$24,697 in 2008 and \$46,761 in 2007 for the General Fund; \$141,414 in 2008 and \$70,909 in 2007 for the Road and Bridge Fund; \$20,925 in 2008 and \$70,504 in 2007 for the Police Fund; and \$106,624 in 2008 and \$205,508 in 2007 for the Fire Fund.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 4 – Deposits and Investments**

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

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

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

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

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

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

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



**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

**Note 4 – Deposits and Investments (Continued)**

Deposits

The Township's policy for custodial risk contains the requirements of the Ohio Revised Code. 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.

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. On December 31, 2008, \$1,406,145 of the Township's bank balance of \$1,906,145 and on December 31, 2007, \$3,595,747 of the Township's bank balance of \$3,995,747 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Township's name. The amount covered by the Federal Deposit Insurance Corporation on December 31, 2008, was \$250,000 and on December 31, 2007, was \$200,000.

Investments

As of December 31, 2008, the Township had the following investments:

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>			
	<u>Carrying Value</u>	<u>Less than 1</u>	<u>1 - 2</u>	<u>3 or more</u>
Federal Farm Credit Bank	\$2,678,192	\$0	\$2,428,192	\$250,000
Federal Home Loan Bank Notes	1,244,398	0	1,244,398	0
Federal Home Loan Mortgage Corporation Notes	3,727,749	729,749	2,248,000	750,000
Federal National Mortgage Association Notes	2,739,472	0	2,739,472	0
Money Market	126,321	126,321	0	0
Repurchase Agreement	250,000	250,000	0	0
STAR Ohio	<u>5,894,259</u>	<u>5,894,259</u>	<u>0</u>	<u>0</u>
<b>Total Investments</b>	<b><u>\$16,660,391</u></b>	<b><u>\$7,000,329</u></b>	<b><u>\$8,660,062</u></b>	<b><u>\$1,000,000</u></b>

As of December 31, 2007, the Township had the following investments:

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>			
	<u>Carrying Value</u>	<u>Less than 1</u>	<u>1 - 2</u>	<u>3 or more</u>
Federal Home Loan Bank Notes	\$3,983,106	\$983,145	\$2,999,961	\$0
Federal Home Loan Mortgage Corporation Notes	1,741,060	496,635	1,244,425	0
Federal National Mortgage Association Notes	3,722,602	1,732,302	1,990,300	0
Money Market	634,538	634,538	0	0
Repurchase Agreements	160,000	160,000	0	0
STAR Ohio	<u>1,294,528</u>	<u>1,294,528</u>	<u>0</u>	<u>0</u>
<b>Total Investments</b>	<b><u>\$11,535,834</u></b>	<b><u>\$5,301,148</u></b>	<b><u>\$6,234,686</u></b>	<b><u>\$0</u></b>

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 4 – Deposits and Investments (Continued)**

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Township's investment policy addresses interest rate risk by requiring that the Township's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

The Federal National Mortgage Association Notes carry a rating of AAA by Fitch. The Federal Farm Credit Bank Notes, the Federal Home Loan Bank Notes, and the Federal Home Loan Mortgage Corporation Notes carry a AAA rating by Standard and Poor's. The Money Market Fund is made up of all Government issues (Treasuries or U.S. Government Agencies) that carry a rating of AAA by Standard and Poor's and STAR Ohio carries a rating of AAAM by Standard and Poor's. The Township has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes, and the Federal Home Loan Bank Notes are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the Township's name. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

**Note 5 – Property Taxes**

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

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 5 – Property Taxes (Continued)**

Tangible personal property tax receipts received in each year (other than public utility property) represent the collection of current year taxes. Tangible personal property taxes received in each year were levied after October 1 of the prior year on the true value as of December 31 of the prior year. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 is 12.50 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all Township operations for the year ended December 31, 2008, was \$15.50 per \$1,000 of assessed value and \$15.50 per \$1,000 of assessed value for the year ended December 31, 2007. The assessed values of real property, public utility property, and tangible personal property upon which 2008 and 2007 property tax receipts were based are as follows:

	<u>2008</u>	<u>2007</u>
<u>Real Property</u>		
Residential	\$906,082,370	\$887,470,150
Agriculture	12,829,860	12,994,490
Commercial/Industrial/Mineral	374,207,540	371,748,810
<u>Public Utility Property</u>		
Real	20,570	19,390
Personal	37,324,340	39,968,980
<u>Tangible Personal Property</u>		
Total Assessed Value	<u>\$1,356,740,561</u>	<u>\$1,365,726,860</u>

**Note 6 – 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 Workers' Compensation.

**A. Property and Casualty Coverage**

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 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.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 6 – Risk Management (Continued)**

If losses exhaust PEP'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).

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 \$300,000 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 Township.

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

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 (the latest information available):

	<u>2007</u>	<u>2006</u>
Assets	\$43,210,703	\$42,042,275
Liabilities	<u>(13,357,837)</u>	<u>(12,120,661)</u>
Retained Earnings	<u>\$29,852,866</u>	<u>\$29,921,614</u>

At December 31, 2007 and 2006, respectively, liabilities noted 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 \$131,082. 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.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 6 – Risk Management (Continued)**

Financial Position

CONTRIBUTIONS TO OTARMA

2006	\$145,724
2007	127,615
2008	139,449

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA. They must 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 was incurred or reported prior to the withdrawal.

**B. Workers' Compensation**

For fiscal years 2008 and 2007, the Township participated in the Ohio Township Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of GRP is to achieve the benefit of a reduced premium for the Township by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating Townships is calculated as one experience and a common premium rate is applied to all Townships in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to Townships that can meet the GRP's selection criteria. The firm of Avizent/Frank Gates Service Company provides administrative, cost control and actuarial services to the GRP.

**C. Employee Medical Benefits**

The Township is partially self insured for employee health insurance. The Self Insurance Fund pays covered claims to service providers and recovers these costs from charges to other funds based on an actuarial method or historical cost information and adjusted over a reasonable period of time so the internal service fund receipts and disbursements are approximately equal. Members of the plan are required to remit, through payroll deduction, 50 percent of the excess monthly amount over an annually agreed upon base amount.

**Note 7 – Defined Benefit Pension Plan**

**A. Ohio Public Employees Retirement System**

All Township employees, other than Firemen, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans as described below:

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

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 7 – Defined Benefit Pension Plan (Continued)**

**A. Ohio Public Employees Retirement System (Continued)**

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

For the year ended December 31, 2008, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 10.0 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement or public safety contributed 10.1 percent of their annual covered salary. The Township's contribution rate for pension benefits for 2008 was 14.0 percent, except for those plan members in law enforcement or public safety. For those classifications, the Township's pension contributions were 17.4 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

For the year ended December 31, 2007, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 9.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9.75 percent. The Township's contribution rate for pension benefits for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety. For those classifications, the Township's pension contributions were 17.17 percent of covered payroll. 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, 2008, 2007, and 2006 were \$672,083, \$705,229, and \$660,405 respectively. The full amount has been contributed for 2008, 2007 and 2006.

**B. Ohio Police and Fire Pension Fund**

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the Township is required to contribute 24 percent for firefighters. Contributions are authorized by State statute. The Township's contributions to OP&F were \$1,048,836 for the year ended December 31, 2008, \$951,510 for the year ended December 31, 2007, and \$912,631 for the year ended December 31, 2006. The full amount has been contributed for 2008, 2007 and 2006.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 8 - Postemployment Benefits**

**A. Ohio Public Employees Retirement System**

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

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus, OH 432125-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. State employers contributed at a rate of 14.0 percent in 2008 and 13.77 percent in 2007 of covered payroll, local government employer units contributed at 14.0 percent in 2008 and 13.85 percent in 2007 of covered payroll, and public safety and law enforcement employer units contributed at 17.4 percent in 2008 and 17.17 percent in 2007. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units, and 18.1 percent of covered payroll for law and public safety employer units. Active members do not make contributions to the OPEB Plan.

OPERS Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The employer contribution allocated to the health care plan was 7.0 percent in 2008 and 6.0 percent in 2007 of covered payroll. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and coverage selected.

The rates stated above, are the actuarially determined contribution requirements for OPERS. The Township's actual contributions for 2008 and 2007 that were used to fund post-employment benefits were \$352,615 and \$291,155, respectively.

**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

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**Note 8 - Postemployment Benefits (Continued)**

**A. Ohio Public Employees Retirement System (Continued)**

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, is effective on January 1, 2007. OPERS took additional actions to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which will allow additional funds to be allocated to the health care plan.

**B. Ohio Police and Fire Pension Fund**

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

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides that health care cost paid from funds of OP&F shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll.

The Ohio Revised Code provides the statutory authority allowing OP&F's Board of Trustees to offer health care coverage to all eligible individuals.

Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 6.75 percent of covered payroll in 2007 and 2008. In addition, since July 1, 1992, most retirees and survivors were required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The number of participants eligible to receive health care benefits as of December 31, 2007, the date of the last actuarial valuation available, are 14,295 for Police and 10,583 for Firefighters. The Township's actual contributions for 2008 and 2007 that were used to fund postemployment benefits were \$294,723 and \$267,374, respectively, for firefighters. The OP&F's total health care expense for the year ended December 31, 2007, the date of the last actuarial valuation available, was \$93,205,319, which was net of member contributions of \$56,031,875.



**Jackson Township  
Stark County, Ohio**

Notes to the Financial Statements  
For the Years Ended December 31, 2008 and 2007  
(Continued)

**Note 9 – Interfund Transfers**

During 2008 the following transfers were made:

	Transfers Out	Transfer In			Total
		Highway Capital Fund	Other Governmental Funds	Internal Service Fund	
General Fund	\$1,425,834		\$1,423,668	\$2,166	\$1,425,834
Road and Bridge	445,898	\$445,898			445,898
Police Fund	575,096		575,096		575,096
Fire Fund	625,000		625,000		625,000
Other Governmental Funds	1,096,270	1,051,030	45,240		1,096,270
	<u>\$4,168,098</u>	<u>\$1,496,928</u>	<u>\$2,669,004</u>	<u>\$2,166</u>	<u>\$4,168,098</u>

During 2007 the following transfers were made:

	Transfers Out	Transfer In			Total
		Highway Capital Fund	Other Governmental Funds	Internal Service Fund	
General Fund	\$1,458,812		\$1,457,502	\$1,310	\$1,458,812
Road and Bridge Fund	50,000		50,000		50,000
Police Fund	600,000		600,000		600,000
Fire Fund	550,000		550,000		550,000
Other Governmental Funds	1,452,205	\$1,400,000	52,205		1,452,205
	<u>\$4,111,017</u>	<u>\$1,400,000</u>	<u>\$2,709,707</u>	<u>\$1,310</u>	<u>\$4,111,017</u>

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or transfers to reserve balance accounts established in accordance with Chapter 5705.13 of the Ohio Revised Code.

**Note 10 – Contingent Liabilities**

The Township is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the Township's financial condition.

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

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# Mary Taylor, CPA

Auditor of State

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

Jackson Township  
Stark County  
5735 Wales Avenue NW  
Massillon, Ohio 44646

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Jackson Township, Stark County, Ohio, (the Township) as of and for the years ended December 31, 2008 and 2007, which collectively comprise the Township's basic financial statements and have issued our report thereon dated September 1, 2009 wherein we noted the Township uses a comprehensive accounting basis other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

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.

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. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the Township's management in a separate letter dated September 1, 2009.

#### **Compliance and Other Matters**

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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



**Mary Taylor, CPA**  
Auditor of State

September 1, 2009



Mary Taylor, CPA  
Auditor of State

**JACKSON TOWNSHIP**

**STARK COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
OCTOBER 6, 2009**