

***GREENVILLE TOWNSHIP  
DARKE COUNTY, OHIO***

***AUDIT REPORT***

***FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010***

***Charles E. Harris and Associates, Inc.***  
**Certified Public Accountants and Government Consultants**





# Dave Yost • Auditor of State

Board of Trustees  
Greenville Township  
P. O. Box 188  
5366 State Route 571E  
Greenville, Ohio 45331

We have reviewed the *Independent Accountants' Report* of Greenville Township, Darke County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2010 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

December 12, 2012

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**GREENVILLE TOWNSHIP  
DARKE COUNTY  
AUDIT REPORT  
For the Years Ended December 31, 2011 and 2010**

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***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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**INDEPENDENT ACCOUNTANTS' REPORT**

Greenville Township  
Darke County  
P. O. Box 188  
5366 St Rt 571 E  
Greenville, Ohio 45331

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greenville Township, Darke County, Ohio (the Township), as of and for the years ended December 31, 2011 and 2010, 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.

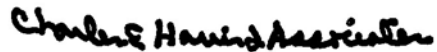
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Greenville Township, Darke County, Ohio, as of December 31, 2011 and 2010, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Emergency Rescue Services Levy funds for the years then ended in conformity with the accounting basis Note 2 describes.

As described in Note 3, during 2010 Greenville Township, Darke County adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2012, 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.

We conducted our audit to opine on the Township's financial statements taken as a whole. Management's Discussion & Analysis includes tables of net assets, changes in net assets and governmental activities. These tables provide additional information, but are not part of the basic financial statements. However these tables are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These tables were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the tables, we applied no procedures to any other information in Management's Discussion & Analysis, and we express no opinion or any other assurance on it.



**Charles E. Harris & Associates, Inc.**

June 25, 2012

Greenville Township, Darke County  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

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This discussion and analysis of Greenville Township, Darke County financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2011 and 2010, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

### **Highlights**

Key highlights for 2011 are as follows:

Net assets of governmental activities decreased \$484,537 or 11 percent, compared to an increase \$204,001 from the prior year. The funds most affected by the changes in cash and cash equivalents were the General Fund, Emergency Rescue Services and the Gasoline Fund which realized the greatest decreases in 2011; however most other funds experienced increases.

The Township's general receipts are primarily property taxes. These receipts represent \$1,280,938 or 49 percent of the total cash received for governmental activities during the year. Property tax receipts decreased slightly compared to 2010 due to decline in property values.

Road contracts and road striping were paid from the Gasoline Tax Fund and the Road and Bridge Fund.

Key highlights for 2010 are as follows:

Net assets of governmental activities increased \$204,001 or 5 percent, compared to a decrease of 1 percent from the prior year. The funds most affected by the changes in cash and cash equivalents were the Gasoline Tax Fund, General Fund and the Emergency Rescue Services Fund which realized the greatest increases in 2010; however most other funds experienced decreases.

The Township's general receipts are primarily property taxes. These receipts represent \$1,355,750 or 53 percent of the total cash received for governmental activities during the year. Property tax receipts increased slightly compared to 2009 due to reappraisals by the county government.

Road contracts and road striping were aid from the Motor Vehicle License Tax Fund, Road and Bridge Fund and the Permissive Motor Vehicle License Tax Fund.

### **Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting. The statements are organized so the reader can understand the Township as a financial whole, or as an entire operating entity.

Greenville Township, Darke County  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

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## **Report Components**

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

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

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

## **Basis of Accounting**

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

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

## **Reporting the Township as a Whole**

The statement of net assets and the statement of activities reflect how the Township did financially during 2011 and 2010 respectively, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

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

**Reporting the Township as a Whole (Continued)**

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

**Governmental activities** - All of the Township's basic services are reported here, including emergency rescue services, fire protection and road maintenance. State and federal grants and income 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 fiduciary.

**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) are combined and presented in total in a single column. The Township has two major governmental funds, General Fund and Emergency Rescue Service Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the Township. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the Township's programs. The Township has one fiduciary fund.

Greenville Township, Darke County  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

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**The Township as a Whole**

Table 1 provides a summary of the Township's net assets for 2011, 2010 and 2009 on a cash basis:

	Governmental Activities		
	2011	2010	2009
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 4,125,530	\$ 4,610,067	\$ 4,406,066
Total Assets	\$4,125,530	\$4,610,067	\$4,406,066
<b>Net Assets</b>			
Restricted for:			
Permanent Fund: For Improvements			
Expendable	\$ 158	\$ 158	\$ 158
Non Expendable	100	100	100
Other Purposes	2,010,944	2,129,188	1,949,655
Unrestricted	2,114,328	2,480,621	2,456,153
Total Net Assets	\$4,125,530	\$4,610,067	\$4,406,066

As mentioned previously, net assets of governmental activities decreased \$484,537 or eleven (11) percent during 2011 and increased by \$204,001 or five (5) percent in 2010. The primary reasons contributing to the changes in cash balances are as follows:

In 2011 the Township resurfaced with chip and seal and overlay or crack seal of nine (9) miles of roadways at a cost of approximately \$146,000 compared to six (6) miles in 2010 at an approximate cost of \$48,000. In 2011, the Township purchased a new Fire Pumper for the volunteer fire department at a cost of \$382,000.

A conservative approach to expenditures is practiced by the Township. The Township does the majority of equipment repair in-house. Only major repairs are outsourced. The Township's full time road employees are responsible for salting of the roads and snow removal. In the event of a large snowfall, the trustees assist with the snow removal. The Township's road mowing and the mowing of all Greenville Township cemeteries are done in-house by township employees.

Health benefit costs for the Township employees for 2011 and 2010 were approximately \$246,000 and \$220,000, respectively.

Greenville Township, Darke County  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

Table 2 reflects the changes in net assets on a cash basis in 2011, 2010 and 2009 for governmental activities.

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

	Governmental Activities		
	2011	2010	2009
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$942,240	\$775,694	\$760,617
Operating Grants and Contributions	148,653	157,853	120,053
Capital Grants and Contributions	-	-	28,188
Total Program Receipts	<u>1,090,893</u>	<u>933,547</u>	<u>908,858</u>
General Receipts:			
Property and Other Local Taxes	1,280,939	1,355,750	1,342,331
Grants and Entitlements Not Restricted to Specific Programs	197,266	219,378	164,786
Sales of Fixed Assets	6,476	15,846	27,205
Earnings on Investments	21,301	21,564	50,932
Miscellaneous	<u>17,313</u>	<u>14,833</u>	<u>121,340</u>
Total General Receipts	<u>1,523,295</u>	<u>1,627,371</u>	<u>1,706,594</u>
Total Receipts	<u>2,614,188</u>	<u>2,560,918</u>	<u>2,615,452</u>
Disbursements:			
General Government	974,927	923,270	940,451
Public Safety	1,078,765	939,446	827,444
Public Works	714,113	384,436	398,490
Public Health Services	65,249	66,704	61,141
Capital Outlay	<u>265,671</u>	<u>43,061</u>	<u>438,776</u>
Total Disbursements	<u>3,098,725</u>	<u>2,356,917</u>	<u>2,666,302</u>
Increase (Decrease) in Net Assets	(484,537)	204,001	(50,850)
Net Assets, January 1	<u>4,610,067</u>	<u>4,406,066</u>	<u>4,456,916</u>
Net Assets, December 31	<u>\$4,125,530</u>	<u>\$4,610,067</u>	<u>\$4,406,066</u>

Program receipts represent only 42 percent and 36 percent of total receipts for 2011 and 2010, respectively and are primarily comprised of restricted intergovernmental receipts such as charges for emergency rescue services; township levied permissive motor vehicle license tax, charges for cemetery services/burial lots and local public works commission.

Greenville Township, Darke County  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

General receipts represent 58 percent and 64 percent of the Government's total receipts for 2011 and 2010, respectively and of this amount, over 84 percent and 84 percent respectively, are local taxes. State and federal grants and entitlements, interest and miscellaneous income make up the balance of the Government's general receipts of 16 percent and 16 percent, respectively for 2011 and 2010. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the administrative costs for the emergency rescue service, fire protection, cemetery upkeep, zoning compliance, board of trustees, fiscal officer as well as other internal services. Since these costs do not represent direct services to residents, we try to control these costs which are 31 percent and 39 percent, of total disbursements, for years 2011 and 2010 respectively.

Disbursements for Public Safety, Public Works and Public Health Services represent the costs for staffing and maintaining the emergency rescue service, fire protection, costs of maintaining public roads and the costs for maintaining the seven cemeteries located in the Township. The cost for these services were 69 and 72 percent, respectively, for the years ended 2011 and 2010.

**Governmental Activities**

If you look at the Statement of Government 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 35 percent and 40 percent of all governmental disbursements for 2011 and 2010, respectively. General government also represents significant costs, which account for 31 percent and 39 percent of all government disbursements, for 2011 and 2010, respectively. The next two columns of the Statement entitled Governmental Activities 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 cost 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.

A comparison between the total cost of services and the net cost for 2011, 2010, and 2009 is presented in Table 3.

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2011	2011	2010	2010	2009	2009
General Government	\$974,927	\$967,556	\$923,270	\$916,749	\$940,451	\$937,188
Public Safety	\$1,078,765	\$202,669	\$939,446	\$239,916	\$827,443	\$128,916
Public Works	\$714,113	\$567,245	\$384,436	\$230,765	\$398,490	\$222,072
Public Health Services	65,249	4,691	66,704	(7,121)	61,141	30,491
Capital Outlay	265,671	265,671	43,061	43,061	438,776	438,776
<b>Total Expenses</b>	<b>\$3,098,725</b>	<b>\$2,007,832</b>	<b>\$2,356,917</b>	<b>\$1,423,370</b>	<b>\$2,666,301</b>	<b>\$1,757,443</b>

The dependence upon property tax receipts is apparent as over 84 percent and 83 percent, for 2011 and 2010, respectively, are governmental activities which are supported through these general receipts.



Greenville Township, Darke County  
Management's Discussion and Analysis  
For the Years Ended December 31, 2011 and 2010  
Unaudited

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**The Township's Funds**

Total governmental funds had receipts of \$2,614,188 and \$ 2,560,918 for 2011 and 2010, respectively, and disbursements of \$3,098,725 and \$2,356,917 for 2011 and 2010, respectively. The greatest change within the government funds for 2011 occurred with a decrease in the General Fund of approximately \$360,000 and a decrease in the Emergency Rescue Service Fund of approximately \$200,000 due to the purchase of a new fire pumper and an increase in salaries and benefits for rescue personnel. The greatest change within governmental funds for 2010 occurred within the General Fund and Emergency Rescue Service Fund.

**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 major funds are the General Fund and Emergency Rescue Service Fund.

During 2011 and 2010 the Village did not amend the budgeted receipts. During 2011 and 2010 the actual receipts were \$139,363 and \$71,329 more than budgeted receipts, respectively.

Disbursements for 2011 were appropriated at \$2,579,691 while actual disbursements were \$604,726 for the General Fund. Disbursements for 2010 were appropriated at \$ 2,555,863 while actual disbursements were \$303,970. The Township appropriates all available revenues but spends conservatively. The Township keeps a close monitoring on all disbursements to prevent having to request additional funds from taxpayers.

**Capital Assets and Debt Administration**

The Township tracks its capital assets utilizing an excel spreadsheet which is then used for end of year reporting and insurance purposes.

**Current Issues**

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed but limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. Our newly prepared financial forecast does not predict a deficit for 2012; but the audit (finance) committee and the administration will still continue to closely control costs for the years ahead.

**Contacting the Government's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Government's finances and to reflect the Government'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 Barbara Anthony, Fiscal Officer, Greenville Township, Darke County, P O Box 188, 5366 St Rt 571 E., Greenville, OH 45331.

GREENVILLE TOWNSHIP  
 DARKE COUNTY  
 STATEMENT OF NET ASSETS - CASH BASIS  
 DECEMBER 31, 2011

	<b>Governmental Activities</b>
<b><u>Assets</u></b>	
Equity in Pooled Cash and Cash Equivalents	\$ 4,125,530
 Total Net Assets	 4,125,530
<b><u>Net Assets</u></b>	
Restricted For:	
Permanent Fund:	
Expendable	158
Non- Expendable	100
Other Purposes	2,010,944
Unrestricted	2,114,328
 <b>Total Net Assets</b>	 <b>\$ 4,125,530</b>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Program Cash Receipts**

	<b>Cash Disbursements</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Net (Disbursements) Receipts and Changes in Net Assets</b>
<b>Governmental Activities:</b>				
General Government	\$ 974,927	\$ 7,371	\$ -	\$ (967,556)
Public Safety	1,078,765	874,311	1,785	(202,669)
Public Works	714,113	-	146,868	(567,245)
Health	65,249	60,558	-	(4,691)
Capital Outlay	265,671	-	-	(265,671)
Total Governmental Activities	<b>\$ 3,098,725</b>	<b>\$ 942,240</b>	<b>\$ 148,653</b>	<b>(2,007,832)</b>
<b><u>General Receipts:</u></b>				
				1,280,939
Property and Other Local Taxes				197,266
Grants and Entitlements not Restricted to Specific Programs				6,476
Sale of Fixed Assets				21,301
Earnings on Investments				17,313
Miscellaneous				
Total General Receipts				1,523,295
Net Change in Assets				(484,537)
Net Assets Beginning of Year				4,610,067
Net Assets End of Year				<b>\$ 4,125,530</b>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2011

	<u>General</u>	<u>Emergency Rescue Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,114,328	\$ 1,579,699	\$ 431,503	\$ 4,125,530
Total Assets	<u>\$ 2,114,328</u>	<u>\$ 1,579,699</u>	<u>\$ 431,503</u>	<u>\$ 4,125,530</u>
<b><u>Fund Balances</u></b>				
Nonspendable	\$ -	\$ -	\$ 100	\$ 100
Restricted	-	1,579,699	431,403	2,011,102
Unassigned	2,114,328	-	-	2,114,328
<b>Total Fund Balances</b>	<u>\$ 2,114,328</u>	<u>\$ 1,579,699</u>	<u>\$ 431,503</u>	<u>\$ 4,125,530</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>General</u>	<u>Emergency Rescue Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>RECEIPTS</b>				
Property and Other Local Taxes	\$ 50,482	920,572	309,885	\$ 1,280,939
Charges for Services	134,136	\$ 732,112	\$ 60,558	926,806
Licenses, Permits and Fees	-	8,063	7,371	15,434
Intergovernmental	30,998	114,129	200,792	345,919
Earnings on Investments	21,255	-	46	21,301
Miscellaneous	1,562	13,703	2,048	17,313
Total Receipts	<u>238,433</u>	<u>1,788,579</u>	<u>580,700</u>	<u>2,607,712</u>
<b>DISBURSEMENTS</b>				
Current:				
General Government	216,447	708,309	50,171	974,927
Public Safety	-	1,014,966	63,799	1,078,765
Public Works	388,191	-	325,922	714,113
Public Health	-	-	65,249	65,249
Capital Outlay	88	264,752	831	265,671
Total Disbursements	<u>604,726</u>	<u>1,988,027</u>	<u>505,972</u>	<u>3,098,725</u>
Excess of Receipts Over (Under) Disbursements	(366,293)	(199,448)	74,728	(491,013)
Other Financing Sources (Uses)				
Sale of Fixed Assets	-	-	6,476	6,476
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>6,476</u>	<u>6,476</u>
Net Change in Fund Balances	(366,293)	(199,448)	81,204	(484,537)
Fund Balances Beginning of Year	<u>2,480,621</u>	<u>1,779,147</u>	<u>350,299</u>	<u>4,610,067</u>
Fund Balances End of Year	<u>\$ 2,114,328</u>	<u>\$ 1,579,699</u>	<u>\$ 431,503</u>	<u>\$ 4,125,530</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<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	\$ 44,520	\$ 44,520	\$ 50,482	\$ 5,962
Charges for Services	-	-	134,136	134,136
Intergovernmental	18,075	18,075	30,998	12,923
Earnings on Investments	9,000	9,000	21,255	12,255
Miscellaneous	27,475	27,475	1,562	(25,913)
Total Receipts	<u>99,070</u>	<u>99,070</u>	<u>238,433</u>	<u>139,363</u>
<b>DISBURSEMENTS</b>				
Current:				
General Government	315,424	315,424	216,447	98,977
Public Works	2,234,267	2,234,267	388,191	1,846,076
Capital Outlay	30,000	30,000	88	29,912
Total Disbursements	<u>2,579,691</u>	<u>2,579,691</u>	<u>604,726</u>	<u>1,974,965</u>
Net Changes in Fund Balances	(2,480,621)	(2,480,621)	(366,293)	2,114,328
Fund Balances Beginning of Year	<u>2,480,621</u>	<u>2,480,621</u>	<u>2,480,621</u>	<u>-</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,114,328</u>	<u>\$ 2,114,328</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
EMERGENCY RESCUE SERVICE LEVY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>RECEIPTS</b>				
Property and Other Local Taxes	\$ 798,000	\$ 798,000	\$ 920,572	\$ 122,572
Charges for Services	558,200	558,200	732,112	173,912
Licenses, Permits and Fees	7,000	7,000	8,063	1,063
Intergovernmental	122,620	122,620	114,129	(8,491)
Miscellaneous	7,800	7,800	13,703	5,903
	<hr/>	<hr/>	<hr/>	<hr/>
Total Receipts	<u>1,493,620</u>	<u>1,493,620</u>	<u>1,788,579</u>	<u>294,959</u>
<b>DISBURSEMENTS</b>				
Current:				
General Government	800,500	826,500	708,309	118,191
Public Safety	2,427,267	2,110,207	1,014,966	1,095,241
Capital Outlay	45,000	336,060	264,752	71,308
	<hr/>	<hr/>	<hr/>	<hr/>
Total Disbursements	<u>3,272,767</u>	<u>3,272,767</u>	<u>1,988,027</u>	<u>1,284,740</u>
Net Change in Fund Balances	(1,779,147)	(1,779,147)	(199,448)	1,579,699
Fund Balances Beginning of Year	<u>1,779,147</u>	<u>1,779,147</u>	<u>1,779,147</u>	<u>-</u>
Fund Balances End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,579,699</u></u>	<u><u>\$ 1,579,699</u></u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
 DARKE COUNTY  
 STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS  
 FIDUCIARY FUNDS  
 DECEMBER 31, 2011

	Private Purpose Trust
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 458
Total Assets	458
Net Assets	
Restricted for:	
Other Purposes	458
Total Net Assets	\$ 458

See accompanying notes to the basic financial statements.



GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - CASH BASIS  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Private Purpose Trust
Additions:	
Interest	\$ 1
Total Additions	1
Deductions:	
Supplies and Materials	23
Total Deductions	23
Change in Net Assets	(22)
Net Assets - Beginning of Year	480
Net Assets - End of Year	\$ 458

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
 DARKE COUNTY  
 STATEMENT OF NET ASSETS - CASH BASIS  
 DECEMBER 31, 2010

	<b>Governmental Activities</b>
<b><u>Assets</u></b>	
Equity in Pooled Cash and Cash Equivalents	\$ 4,610,067
 Total Net Assets	 \$ 4,610,067
<b><u>Net Assets</u></b>	
Restricted For:	
Permanent:	
Expendable	\$ 158
Non- Expendable	100
Other Purposes	2,129,188
Unrestricted	2,480,621
 <b>Total Net Assets</b>	 <b>\$ 4,610,067</b>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Program Cash Receipts</u>			
	<u>Cash</u>	<u>Charges for</u>	<u>Operating</u>	<u>Net (Disbursements)</u>
	<u>Disbursements</u>	<u>Services</u>	<u>Grants and</u>	<u>Receipts and</u>
			<u>Contributions</u>	<u>Changes in Net Assets</u>
<b>Governmental Activities:</b>				
General Government	\$ 923,270	\$ 6,521	\$ -	\$ (916,749)
Public Safety	939,446	695,348	4,182	(239,916)
Public Works	384,436	-	153,671	(230,765)
Health	66,704	73,825	-	7,121
Capital Outlay	43,061	-	-	(43,061)
<b>Total Governmental Activities</b>	<u>\$ 2,356,917</u>	<u>\$ 775,694</u>	<u>\$ 157,853</u>	(1,423,370)
<b>General Receipts:</b>				
				1,355,750
Property and Other Local Taxes				
Grants and Entitlements not Restricted				219,378
to Specific Programs				
Sale of Fixed Assets				15,846
Earnings on Investments				21,564
Miscellaneous				<u>14,833</u>
<b>Total General Receipts</b>				<u>1,627,371</u>
<b>Net Change in Assets</b>				204,001
<b>Net Assets Beginning of Year, as adjusted</b>				<u>4,406,066</u>
<b>Net Assets End of Year</b>				<u>\$ 4,610,067</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010

	<u>General</u>	<u>Emergency Rescue Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,480,621	\$ 1,779,147	\$ 350,299	\$ 4,610,067
Total Assets	<u>\$ 2,480,621</u>	<u>\$ 1,779,147</u>	<u>\$ 350,299</u>	<u>\$ 4,610,067</u>
 <b><u>Fund Balances</u></b>				
Nonspendable	\$ -	\$ -	\$ 100	\$ 100
Restricted	-	1,779,147	350,199	2,129,346
Unassigned	2,480,621	-	-	2,480,621
<b>Total Fund Balances</b>	<u>\$ 2,480,621</u>	<u>\$ 1,779,147</u>	<u>\$ 350,299</u>	<u>\$ 4,610,067</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>General</u>	<u>Emergency Rescue Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>RECEIPTS</b>				
Property and Other Local Taxes	\$ 52,944	\$ 969,170	\$ 333,636	\$ 1,355,750
Charges for Services	53,144	633,777	73,825	760,746
Licenses, Permits and Fees	-	8,427	6,521	14,948
Intergovernmental	43,117	119,932	214,182	377,231
Earnings on Investments	21,386	-	178	21,564
Miscellaneous	448	11,860	2,525	14,833
Total Receipts	<u>171,039</u>	<u>1,743,166</u>	<u>630,867</u>	<u>2,545,072</u>
<b>DISBURSEMENTS</b>				
Current:				
General Government	228,077	631,517	63,676	923,270
Public Safety	-	870,705	68,741	939,446
Public Works	75,893	-	308,543	384,436
Public Health	-	-	66,704	66,704
Capital Outlay	-	38,061	5,000	43,061
Total Disbursements	<u>303,970</u>	<u>1,540,283</u>	<u>512,664</u>	<u>2,356,917</u>
Excess of Receipts Over (Under) Disbursements	(132,931)	202,883	118,203	188,155
Other Financing Sources (Uses)				
Sale of Fixed Assets	-	-	15,846	15,846
Advances In	181,000	-	-	181,000
Advances Out	-	-	(181,000)	(181,000)
Total Other Financing Sources (Uses)	<u>181,000</u>	<u>-</u>	<u>(165,154)</u>	<u>15,846</u>
Net Change in Fund Balances	48,069	202,883	(46,951)	204,001
Fund Balances Beginning of Year, Restated (Note 12)	<u>2,432,552</u>	<u>1,576,264</u>	<u>397,250</u>	<u>4,406,066</u>
Fund Balances End of Year	<u>\$ 2,480,621</u>	<u>\$ 1,779,147</u>	<u>\$ 350,299</u>	<u>\$ 4,610,067</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<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	\$ 50,710	\$ 50,710	\$ 52,944	\$ 2,234
Charges for Services	-	-	53,144	53,144
Intergovernmental	37,000	37,000	43,117	6,117
Earnings on Investments	12,000	12,000	21,386	9,386
Miscellaneous	-	-	448	448
Total Receipts	<u>99,710</u>	<u>99,710</u>	<u>171,039</u>	<u>71,329</u>
<b>DISBURSEMENTS</b>				
Current:				
General Government	274,175	297,215	228,077	69,138
Public Works	2,251,688	2,228,648	75,893	2,152,755
Capital Outlay	30,000	30,000	-	30,000
Total Disbursements	<u>2,555,863</u>	<u>2,555,863</u>	<u>303,970</u>	<u>2,251,893</u>
Excess of Receipts Over (Under) Disbursements	(2,456,153)	(2,456,153)	(132,931)	2,323,222
<b>Other Financing Sources (Uses)</b>				
Advances In	-	-	181,000	181,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>181,000</u>	<u>181,000</u>
Net Change in Fund Balances	(2,456,153)	(2,456,153)	48,069	2,504,222
Fund Balances Beginning of Year, Restated (Note 12)	<u>2,432,552</u>	<u>2,432,552</u>	<u>2,432,552</u>	<u>-</u>
Fund Balances End of Year	<u>\$ (23,601)</u>	<u>\$ (23,601)</u>	<u>\$ 2,480,621</u>	<u>\$ 2,504,222</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
DARKE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND CASH BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
EMERGENCY RESCUE SERVICE LEVY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<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	\$ 890,860	\$ 890,860	\$ 969,170	\$ 78,310
Charges for Services	600,000	600,000	633,777	33,777
Licenses, Permits and Fees	8,500	8,500	8,427	(73)
Intergovernmental	8,500	8,500	119,932	111,432
Miscellaneous	2,500	2,500	11,860	9,360
	<hr/>	<hr/>	<hr/>	<hr/>
Total Receipts	1,510,360	1,510,360	1,743,166	232,806
<b>DISBURSEMENTS</b>				
Current:				
General Government	768,550	790,050	631,517	158,533
Public Safety	1,289,511	1,250,011	870,705	379,306
Capital Outlay	57,000	75,000	38,061	36,939
	<hr/>	<hr/>	<hr/>	<hr/>
Total Disbursements	2,115,061	2,115,061	1,540,283	574,778
Net Change in Fund Balances	(604,701)	(604,701)	202,883	807,584
Fund Balances Beginning of Year, Restated (Note 12)	1,576,264	1,576,264	1,576,264	-
Fund Balances End of Year	<u>\$ 971,563</u>	<u>\$ 971,563</u>	<u>\$ 1,779,147</u>	<u>\$ 807,584</u>

See accompanying notes to the basic financial statements.

GREENVILLE TOWNSHIP  
 DARKE COUNTY  
 STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS  
 FIDUCIARY FUNDS  
 DECEMBER 31, 2010

		Private Purpose Trust
Assets		
Equity in Pooled Cash and Cash Equivalents	\$	480
Total Assets		480
Net Assets		
Restricted for:		
Other Purposes		480
Total Net Assets	\$	480

See accompanying notes to the basic financial statements.



GREENVILLE TOWNSHIP  
 DARKE COUNTY  
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - CASH BASIS  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Private Purpose Trust
Additions:	
Interest	\$ 1
Total Additions	1
Deductions:	
Supplies and Materials	23
Total Deductions	23
Change in Net Assets	(22)
Net Assets - Beginning of Year	502
Net Assets - End of Year	\$ 480

See accompanying notes to the basic financial statements.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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**Note 1 – Reporting Entity**

Greenville Township, Darke County, Ohio (the Township), is a body politic and corporate established in 1817 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

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

**A. Primary Government**

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

**B. Component Units**

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township. The Township has no component units.

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

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

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA) public entity risk pool. Note 7 to the financial statements provides additional information for this entity.

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

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

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

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

**A. Basis of Presentation**

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

**Government-Wide Financial Statements**

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

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 activity is self-financing on a cash basis or draws from the Township's general receipts.

**Fund Financial Statements**

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

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

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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 fiduciary.

**Governmental Funds**

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

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

**Emergency Rescue Service Fund** – is used to account for all receipts of property taxes and other revenues enabling the Township to provide public emergency care.

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

**Fiduciary Funds**

Fiduciary funds include pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Township's own programs. The Township has one Fiduciary Fund, a private purpose trust fund. The fund is related to a cemetery bequest that requires amounts donated to be maintained in perpetuity. Investment earnings are used to place flowers on the John J. Ross Sr. grave at the East Zion Cemetery for Memorial Day Services.

**C. Basis of Accounting**

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

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

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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

**D. Budgetary Process**

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

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

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

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

**E. Cash and Investments**

Township records identify the purchase of specific investments by specific funds.

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

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts, respectively. During 2011 and 2010, the Township invested in STAR Ohio and nonnegotiable certificates of deposit.

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, 2011 and 2010.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

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

The certificates of deposit are held with Greenville National Bank, and valued at cost.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2011 and 2010 were \$21,255 and \$21,386, respectively, which includes \$10,267 and \$10,000, for 2011 and 2010, respectively, assigned from other Township funds.

**F. Restricted Assets**

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset.. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The Township has no restricted assets.

**G. Inventory and Prepaid Items**

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

**H. Capital Assets**

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

**I. Accumulated Leave**

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

**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 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

**K. Net Assets**

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for road and bridge maintenance, cemetery maintenance, fire protection and emergency rescue 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.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

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

**L. Fund Balance**

For the year ended December 31, 2010, fund balance is divided into five classifications based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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

**M. Interfund Transactions**

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds.

**Note 3 – Change in Accounting Principle**

For fiscal year 2010, the Township implemented Governmental Accounting Standard Board (GASB) Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement did not result in the reclassification of certain funds or the restatement of the Township’s financial statements.

**Note 4 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General, and Emergency Rescue Service funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances treated as disbursements (budgetary basis) rather than restricted, committed or assigned fund balance (cash basis). The Township had no outstanding encumbrances at years ended December 31, 2011 and 2010.

**Note 5 – Deposits and Investments**

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

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



**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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**Note 5 – Deposits and Investments** (continued)

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 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. Payment for investments may be made only upon delivery of the securities representing the investments to the clerk/treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

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**Note 5 – Deposits and Investments** (continued)

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2011, the carrying amount of the Township’s deposits was \$3,854,600 and the bank balance was \$3,976,514. At December 31, 2010, the carrying amount of the Township’s deposits was \$4,339,286 and the bank balance was \$4,467,756. Of the bank balances, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC) and \$3,726,514 and \$4,217,756 for 2011 and 2010, respectively, was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the Township’s name.

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

B. Investments

As of December 31, 2011 and 2010, the Township had the following investments:

	Carrying Value 2011	Carrying Value 2010
STAR Ohio	\$ 271,388	\$ 271,261

These investments have a maturity of less than one year.

**Interest Rate Risk** Interest rate risk arises because the fair value of investments changes as interest rates change. 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.

**Credit Risk** STAR Ohio carries a rating of AAA by Standard and Poor’s. The Township’s investment policy is limited to requiring compliance with 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.

**Custodial Credit Risk** 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.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

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**Note 5 – Deposits and Investments** (continued)

The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M) (2) which states, “Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.”

**Note 6 – Property Taxes**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Property tax revenue received during 2011 for real and public utility property taxes represents collections of 2010 taxes.

2011 real property taxes are levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due in February; if paid semi-annually, the first payment is due in February, with the remainder payable in July of each year. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes which became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2011 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2011, was \$6.90 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2011 property tax receipts were based are as follows:

	<u>2011</u>	<u>2010</u>
Real Property		
Residential	\$69,429,960	\$73,864,290
Agricultural	17,445,180	11,700,490
Commercial/Industrial/Mineral	6,172,310	6,297,750
Public Utility – Real Estate	9,170	8,830
Public Utility – Personal Property	6,169,230	6,030,350
Total Assessed Value	\$99,225,850	\$97,901,710

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

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

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**Note 7 – Risk Management**

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

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

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. American Risk Pool Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of OTARMA and provides underwriting, claims, loss control, risk management, and reinsurance services for OTARMA. OTARMA is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO.

Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members’ deductibles.

**Casualty and Property Coverage**

APEEP provides OTARMA with an excess risk-sharing program. Under this arrangement OTARMA retains insured risks up to the amount specified in the contracts. At December 31, 2010 OTARMA retained \$350,000 for casualty claims and \$150,000 for property claims.

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

**Financial Position**

OTARMA’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2010 and 2009 (the latest information available):

	<u>2010</u>	<u>2009</u>
Assets	\$ 35,855,252	\$ 38,982,088
Liabilities	<u>(10,664,724)</u>	<u>(12,880,766)</u>
Net Assets	<u>\$ 25,190,528</u>	<u>\$ 26,101,322</u>

At December 31, 2010 and 2009, respectively, liabilities above include approximately \$9.9 million and \$12.0 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$9.5 million and \$11.5 million of unpaid claims to be billed to approximately 940 member governments in the future, as of December 31, 2010 and 2009, 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 \$10,400.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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**Note 7 – Risk Management** (continued)

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

**Contributions to OTARMA**

2011	\$14,092
2010	\$11,935
2009	\$ 8,724

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

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years. Settled claims have not exceeded commercial coverage in any of the last three fiscal years.

**Note 8 – Defined Benefit Pension Plans**

**Ohio Public Employees Retirement System**

A. Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below.

1. The Traditional Pension Plan - a cost-sharing, multiple employer defined benefit pension plan.
2. The Member-Directed Plan - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 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.
3. The Combined Plan - a cost-sharing, multiple-employer defined benefit pension plan.. Under the Combined Plan, employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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**Note 8 – Defined Benefit Pension Plans** (continued)

B. OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member Directed Plan do not qualify for ancillary benefits.

C. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code.

D. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or calling 614-222-5601 or 1-800-222-7377.

E. The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

The 2010 and 2011 member contribution rates were 10.0% of covered payroll for members in state and local classifications. Public safety and law enforcement members contributed 11.0% and 11.6%, respectively.

The 2010 and 2011 employer contribution rate for state and local employers was 14.00% of covered payroll. The law enforcement and public safety division employer contribution rate was 18.10% of covered payroll.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2011, 2010, and 2009 were \$159,904, \$156,355 and \$149,938, respectively. The full amount has been contributed for 2011, 2010 and 2009.

**Note 9 – Postemployment Benefits**

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 both 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 healthcare coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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**Note 9 – Postemployment Benefits** (continued)

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 visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or calling 614-222-5601 or 1-800-222-7377.

The Ohio Revised Code provides 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 benefits.

Employer contribution rates are expressed as a percentage of covered payroll of active members. In 2011 and 2010, local government employers contributed 14.00% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00% of covered payroll for state and local employer units. Active members do not make contributions to the OPEB plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2011. The portion of employer contributions allocated to health care for the calendar year beginning January 1, 2012 remained the same, but they are subject to change based on Board action. Employers will be notified if the portion allocated to health care changes during calendar year 2012. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Village's contributions for postemployment benefits were \$45,572, \$61,291 and \$61,324 for the years ended December 31, 2011, 2010 and 2009, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

**Note 10 – Subsequent Events**

Management has evaluated subsequent events through June 25, 2012, the date on which the financial statements were available for issue. No subsequent events which would warrant inclusion were discovered during the review.

**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
**For the Years Ended December 31, 2011 and 2010**

**Note 11 – Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and other governmental funds are presented below:

Fund Balances at December 31, 2011:

Fund Balances	General Fund	Emergency Rescue Service Levy Fund	Other Governmental Funds	Total
Nonspendable	\$ -	\$ -	\$ 100	\$ 100
Restricted for:				
Improvements	-	-	158	158
Road and Bridge	-	-	274,711	274,711
Cemetery	-	-	22,915	22,915
Zoning	-	-	11,860	11,860
Emergency Rescue Services	-	1,579,699	-	1,579,699
Fire Levy	-	-	121,759	121,759
Total Restricted	-	<u>1,579,699</u>	<u>431,403</u>	<u>2,011,102</u>
Unassigned	<u>2,114,328</u>	-	-	<u>2,114,328</u>
Total	<u>\$ 2,114,328</u>	<u>\$ 1,579,699</u>	<u>\$ 431,503</u>	<u>\$4,125,530</u>

Fund Balances at December, 31, 2010:

Fund Balances	General Fund	Emergency Rescue Service Levy Fund	Other Governmental Funds	Total
Nonspendable	\$ -	\$ -	\$ 100	\$ 100
Restricted for:				
Improvements	-	-	158	158
Road and Bridge	-	-	263,564	263,564
Cemetery	-	-	31,595	31,595
Zoning	-	-	13,258	13,258
Emergency Rescue Services	-	1,779,147	-	1,779,147
Fire Levy	-	-	41,624	41,624
Total Restricted	-	<u>1,779,147</u>	<u>350,199</u>	<u>2,129,346</u>
Unassigned	<u>2,480,621</u>	-	-	<u>2,480,621</u>
Total	<u>\$ 2,480,621</u>	<u>\$ 1,779,147</u>	<u>\$ 350,299</u>	<u>\$4,610,067</u>



**Greenville Township**  
**Darke County**  
*Notes to the Financial Statements*  
***For the Years Ended December 31, 2011 and 2010***

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**Note 12 – Prior Period Fund Adjustment**

The Board had a prior period fund balance adjustment to the following funds:

<u>Fund</u>	<u>Fund Balance</u> <u>12/31/2009</u>	<u>Prior Period</u> <u>Adjustment</u>	<u>Fund Balance</u> <u>Restated</u> <u>1/1/2010</u>
General Fund	\$1,460,993	\$ 971,559	\$ 2,432,552
Emergency Rescue Services Levy	2,547,823	(971,559)	1,576,264

Adjustments necessary due to Township paying for the construction of a rescue facility with General Fund money during fiscal years 2002 and 2003. This adjustment is a correction of an error in that posting.

Rockefeller Building  
614 W Superior Ave Ste 1242  
Cleveland OH 44113-1306  
Office phone - (216) 575-1630  
Fax - (216) 436-2411

***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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

Greenville Township  
Darke County  
P. O. Box 188  
5366 St Rt 571 E  
Greenville, Ohio 45331

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Greenville Township, Darke County (the Township) as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated June 25, 2012, wherein we noted the Township followed the cash basis of accounting, a comprehensive accounting basis other than accounting principles generally accepted in the United States of America. We also noted the Township adopted Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls 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 auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected.

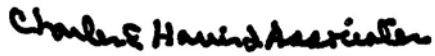
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

However, we noted certain internal control matters that we reported to the Township's management in a separate letter dated June 25, 2012.

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



*Charles E. Harris & Associates, Inc.*  
June 25, 2012

GREENVILLE TOWNSHIP  
 DARKE COUNTY  
 DECEMBER 31, 2011 AND 2010

SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NUMBER	FUNDING SUMMARY	FULLY CORRECTED?	Not Corrected. Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2009-001	The Township failed to comply with the Ohio Revised Code in making advances and transfers.	Yes	No Longer Valid



# Dave Yost • Auditor of State

**GREENVILLE TOWNSHIP**

**DARKE 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  
JANUARY 3, 2013**