



Mary Taylor, CPA
Auditor of State

**WINDSOR TOWNSHIP
MORGAN COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government – Wide Financial Statements - 2008:	
Statement of Net Assets – Cash Basis December 31, 2008	9
Statement of Activities – Cash Basis For the Year Ended December 31, 2008.....	10
Fund Financial Statements - 2008:	
Statement of Cash Basis Assets and Fund Balances – Governmental Funds – December 31, 2008	12
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances – Governmental Funds – For the Year Ended December 31, 2008.....	14
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – General Fund For the Year Ended December 31, 2008.....	16
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual -- Budget Basis – Motor Vehicle License Tax Fund For the Year Ended December 31, 2008.....	17
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – Gasoline Tax Fund For the Year Ended December 31, 2008.....	18
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.....	19
Statement of Receipts, Disbursements and Changes in Fund Balance -- Budget and Actual – Budget Basis – Fire District Fund For the Year Ended December 31, 2008.....	20
Statement of Receipts, Disbursements and Changes in Fund Balance -- Budget and Actual – Budget Basis – Permissive Motor Vehicle License Tax Fund For the Year Ended December 31, 2008.....	21
Government – Wide Financial Statements – 2007:	
Statement of Net Assets – Cash Basis – December 31, 2007	22

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**TABLE OF CONTENTS
(Continued)**

TITLE	PAGE
Statement of Activities – Cash Basis – For the Year Ended December 31, 2007	23
Fund Financial Statements – 2007:	
Statement of Cash Basis Assets and Fund Balances – Governmental Funds – December 31, 2007	24
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances – Governmental Funds – For the Year Ended December 31, 2007	26
Statement of Receipts, Disbursements and Changes in Fund Balance -- Budget and Actual – Budget Basis – General Fund For the Year Ended December 31, 2007	28
Statement of Receipts, Disbursements and Changes in Fund Balance -- Budget and Actual -- Budget Basis – Motor Vehicle License Tax Fund For the Year Ended December 31, 2007	30
Statement of Receipts, Disbursements and Changes in Fund Balance -- Budget and Actual – Budget Basis – Gasoline Tax Fund For the Year Ended December 31, 2007	31
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	32
Statement of Receipts, Disbursements and Changes in Fund Balance -- Budget and Actual – Budget Basis – Fire District Fund For the Year Ended December 31, 2007	33
Statement of Receipts, Disbursements and Changes in Fund Balance -- Budget and Actual – Budget Basis – Permissive Motor Vehicle License Tax Fund For the Year Ended December 31, 2007	34
Notes to the Basic Financial Statements.....	35
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	47
Schedule of Findings	49
Schedule of Prior Audit Findings	55



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Windsor Township
Morgan County
5209 Hanson Hill Road
Stockport, Ohio 43787

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 Windsor Township, Morgan 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. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Windsor Township, Morgan County, Ohio, as of December 31, 2008 and 2007, and the respective changes in cash financial position and the respective budgetary comparisons for the General, Motor Vehicle License Tax, Gasoline Tax, Road and Bridge, Fire District and Permissive Motor Vehicle License Tax Funds 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 November 23, 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.

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

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

Mary Taylor, CPA
Auditor of State

November 23, 2009

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

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

Highlights

Key highlights for 2008 are as follows:

Net assets of governmental activities decreased \$12,956, or 8 percent, a significant change from the prior year. The overall decrease in cash balances is due to an increase in fuel prices that had a ripple effect on all the material the Township uses. The Township also gave a \$2 an hour raise to its part time employee, as well as the Township paid off the loan for the Township building and the dump truck.

The Township's general receipts are primarily property tax, intergovernmental revenues and proceeds of notes. These receipts represent respectively \$158,864 and 55 percent of the total cash received for governmental activities during the year.

Key highlights for 2007 are as follows:

Net assets of governmental activities increased \$19,364, or 14 percent. The overall increase in cash balances is due to a decrease in debt service payments since a backhoe note was paid off in 2006.

The Township's receipts are primarily property tax and intergovernmental revenues. These receipts represent respectively \$103,267 and 42 percent of the total cash received for governmental activities during the year.

Using the Basic Financial Statements

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

Report Components

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

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.

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

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 2008 and 2007, within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well such as the Township's property tax base, the 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 reports only one type of activity:

Governmental activities. Most of the Township's basic services are reported here. 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 governmental.

Governmental Funds - All 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 Fund, Motor Vehicle License Tax Fund, Gasoline Tax Fund, Road and Bridge Fund, Fire District Fund and Permissive Motor Vehicle License Tax Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

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

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 cash basis:

(Table 1)
Net Assets

	Governmental Activities		
	2008	2007	2006
Assets			
Cash and Cash Equivalents	\$146,603	\$159,559	\$140,195
Total Assets	\$146,603	\$159,559	\$140,195
Net Assets			
Restricted for:			
Debt Service	\$2,054	\$9,541	\$8,392
Other Purposes	148,782	143,313	114,581
Unrestricted	(4,233)	6,705	17,222
Total Net Assets	\$146,603	\$159,559	\$140,195

Net assets of governmental activities in 2008 decreased \$12,956, or 8 percent, a significant change from the prior year. The overall decrease in cash balances is due to an increase in fuel prices that had a ripple effect on all the material the Township uses. The Township also gave a \$2 an hour raise to its part time employee, as well as the Township paid off the loan for the Township building and the dump truck.

Net assets of governmental activities in 2007 increased \$19,364, or 14 percent. The overall increase in cash balances is due to a decrease in debt service payments since a backhoe note was paid off in 2006.

Table 2 reflects the changes in net assets on a cash basis in 2008 and 2007 for governmental activities.

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

(Table 2)
Changes in Net Assets

	Governmental Activities		
	2008	2007	2006
Receipts:			
Program Receipts:			
Charges for Services and Sales			\$9,352
Operating Grants and Contributions	\$120,151	\$137,222	132,833
Total Program Receipts	<u>120,151</u>	<u>137,222</u>	<u>142,185</u>
General Receipts:			
Property and Other Local Taxes	89,477	90,070	78,362
Grants and Entitlements Not Restricted to Specific Programs	14,461	13,197	25,386
Notes Issued	54,926		
Interest	6,809	6,379	2,533
Miscellaneous	808	592	1,654
Total General Receipts	<u>166,481</u>	<u>110,238</u>	<u>107,935</u>
Total Receipts	<u>286,632</u>	<u>247,460</u>	<u>250,120</u>
Disbursements:			
General Government	41,301	39,608	34,332
Public Safety	29,373	29,150	29,137
Public Works	144,339	130,524	128,860
Health	12,530	17,774	12,921
Other	231	190	
Capital Outlay	54,926		
Principal Retirement	15,323	10,010	30,395
Interest and Fiscal Charges	1,565	840	2,610
Total Disbursements	<u>299,588</u>	<u>228,096</u>	<u>238,255</u>
Increase (Decrease) in Net Assets	(12,956)	19,364	11,865
Net Assets, January 1	159,559	140,195	128,330
Net Assets, December 31	<u>\$146,603</u>	<u>\$159,559</u>	<u>\$140,195</u>

In 2008, program receipts represent 42 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license, gas tax money and the permissive motor vehicle license tax from the County.

In 2007, program receipts represent 55 percent of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license, gas tax money and the permissive motor vehicle license tax from the County.

In 2008, general receipts represent 58 percent of the Township's total receipts, and of this amount, 54 percent are from property taxes. Grants and Entitlements and Notes Issued make up most of the balance of the Township's general receipts (9 percent and 33 percent, respectively). Interest receipts and miscellaneous receipts are insignificant.

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

In 2007, general receipts represent 45 percent of the Township's total receipts, and of this amount, 82 percent are from property taxes. Grants and entitlements make up most of the balance of the Township's general receipts (12 percent). Interest receipts and miscellaneous receipts are insignificant.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other government activities. These include, but are not limited to, the costs of trustee and fiscal officer salaries, medical costs, insurances, retirement, and utilities.

Public Safety is the cost of fire protection; Health is the health services; and Public Works is the general maintenance as well as repair of roads, Capital Outlay is the cost of equipment purchased by the Township and Debt Service is the payment of the debt of the Township.

Governmental Activities

If you look at the Statement of Activities on pages 10 and 23, 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 General Government, Public Works, and Capital Outlay which account for 14, 48 and 18 percent of all governmental disbursements, respectively for 2008. The major program disbursements for governmental activities are for General Government and Public Works, which account for 17 and 57 percent of all governmental disbursements, respectively for 2007. The next column of the Statement entitled Program Cash Receipts identify 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	Net Cost of Services	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2008	2008	2007	2007	2006	2006
General Government	\$41,301	\$41,301	\$39,608	\$39,608	\$34,332	\$34,332
Public Safety	29,373	29,373	29,150	29,150	29,137	29,137
Public Works	144,339	24,188	130,524	(6,698)	128,860	(13,025)
Health	12,530	12,530	17,774	17,774	12,921	12,621
Other	231	231	190	190		
Capital Outlay	54,926	54,926				
Principal Retirement	15,323	15,323	10,010	10,010	30,395	30,395
Interest and Fiscal Charges	1,565	1,565	840	840	2,610	2,610
Total Expenses	\$299,588	\$179,437	\$228,096	\$90,874	\$238,255	\$96,070

The dependence upon property tax and grants and entitlement receipts is apparent as over 60 percent in 2008 and over 40 percent in 2007 of governmental activities are supported through general receipts.

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

The Township's Funds

For 2008 total governmental funds had receipts of \$286,632 and disbursements of \$299,588. The Township has a contract with the Stockport Volunteer Fire Department in the amount of \$28,000 for fire protection. The General Fund had \$54,926 received in from a loan for a John Deere tractor and mower.

For 2007 total governmental funds had receipts of \$247,460 and disbursements of \$228,096.

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.

During 2008, the Township amended its budget one time in the General Fund to reflect receiving the loan for the tractor and mower. The final budget receipts were consistent with the original budgeted receipts for all other funds.

During 2008, final disbursements were budgeted at \$306,622 while actual disbursements were \$275,354.

During 2007, the Township did not amend its budgeted receipts for any funds.

During 2007, final disbursements were budgeted at \$249,645 while actual disbursements were \$180,021.

Debt Administration

At December 31, 2008, the Township's outstanding debt included \$49,953 in promissory notes issued for the purchase of a tractor and mower. For further information regarding the Township's debt, refer to Note 10 to the basic financial statements.

Current Issues

The challenge for all governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. We reviewed our sources of revenue and determined that increases were unlikely. We then reviewed the disbursement history of the Township. We have reduced spending on supplies.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, 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 Kerri Greuey, Fiscal Officer, Windsor Township, by contacting her at (740) 559-3939.

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2008**

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 146,603
Total Assets	<u>\$ 146,603</u>
Net Assets:	
Restricted for:	
Debt Service	\$ 2,054
Other Purposes	148,782
Unrestricted	<u>(4,233)</u>
Total Net Assets	<u>\$ 146,603</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

		<u>Program Cash Receipts</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
	<u>Cash Disbursements</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:			
General Government	\$ 41,301		\$ (41,301)
Public Safety	29,373		(29,373)
Public Works	144,339	\$ 120,151	(24,188)
Health	12,530		(12,530)
Other	231		(231)
Capital Outlay	54,926		(54,926)
Debt Service:			
Principal Retirement	15,323		(15,323)
Interest and Fiscal Charges	1,565		(1,565)
<i>Total Governmental Activities</i>	<u>\$ 299,588</u>	<u>\$ 120,151</u>	<u>(179,437)</u>
General Receipts:			
Property Taxes Levied for:			
General Purposes			89,477
Grants and Entitlements not Restricted to Specific Programs			14,461
Notes Issued			54,926
Interest			6,809
Miscellaneous			808
<i>Total General Receipts</i>			<u>166,481</u>
<i>Change in Net Assets</i>			(12,956)
Net Assets Beginning of Year			<u>159,559</u>
<i>Net Assets End of Year</i>			<u>\$ 146,603</u>

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

This page intentionally left blank.

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2008**

	General	Motor Vehicle License Tax	Gasoline Tax
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ (4,233)	\$ 24,130	\$ 48,143
Total Assets	\$ (4,233)	\$ 24,130	\$ 48,143
Fund Balances:			
Unreserved:			
Undesignated (Deficit), Reported in:			
General Fund	\$ (4,233)		
Special Revenue Funds		\$ 24,130	\$ 48,143
Debt Service Fund			
Total Fund Balances	\$ (4,233)	\$ 24,130	\$ 48,143

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

<u>Road and Bridge</u>	<u>Fire District</u>	<u>Permissive Motor Vehicle License Tax</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 20,965	\$ 24,940	\$ 20,646	\$ 12,012	\$ 146,603
<u>\$ 20,965</u>	<u>\$ 24,940</u>	<u>\$ 20,646</u>	<u>\$ 12,012</u>	<u>\$ 146,603</u>
\$ 20,965	\$ 24,940	\$ 20,646	\$ 9,958	\$ (4,233)
\$ 20,965	\$ 24,940	\$ 20,646	2,054	148,782
<u>\$ 20,965</u>	<u>\$ 24,940</u>	<u>\$ 20,646</u>	<u>\$ 12,012</u>	<u>\$ 146,603</u>

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES
IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	General	Motor Vehicle License Tax	Gasoline Tax
Cash Receipts:			
Property and Other Local Taxes	\$ 23,166		
Intergovernmental	17,537	\$ 14,038	\$ 70,816
Interest	1,702	1,702	1,702
Other	319		189
<i>Total Cash Receipts</i>	42,724	15,740	72,707
 Cash Disbursements:			
Current:			
General Government	41,301		
Public Safety			
Public Works		12,150	77,100
Health	12,130		
Capital Outlay	54,926		
Debt Service:			
Principal Retirement			
Interest and Fiscal Charges			
<i>Total Cash Disbursements</i>	108,357	12,150	77,100
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	(65,633)	3,590	(4,393)
 Other Financing Sources (Uses):			
Notes Issued	54,926		
Other Financing Uses	(231)		
<i>Total Other Financing Sources (Uses)</i>	54,695	0	0
<i>Net Change in Fund Balances</i>	(10,938)	3,590	(4,393)
Fund Balances Beginning of Year	6,705	20,540	52,536
Fund Balances End of Year	\$ (4,233)	\$ 24,130	\$ 48,143

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

Road and Bridge	Fire District	Permissive Motor Vehicle License Tax	Other Governmental Funds	Total Governmental Funds
\$ 28,437	\$ 29,304		\$ 8,570	\$ 89,477
5,373	5,487	\$ 8,895	12,466	134,612
		1,703		6,809
			300	808
<u>33,810</u>	<u>34,791</u>	<u>10,598</u>	<u>21,336</u>	<u>231,706</u>
				41,301
	29,373			29,373
35,874		12,269	6,946	144,339
			400	12,530
				54,926
			15,323	15,323
			1,565	1,565
<u>35,874</u>	<u>29,373</u>	<u>12,269</u>	<u>24,234</u>	<u>299,357</u>
<u>(2,064)</u>	<u>5,418</u>	<u>(1,671)</u>	<u>(2,898)</u>	<u>(67,651)</u>
				54,926
				(231)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>54,695</u>
(2,064)	5,418	(1,671)	(2,898)	(12,956)
<u>23,029</u>	<u>19,522</u>	<u>22,317</u>	<u>14,910</u>	<u>159,559</u>
<u>\$ 20,965</u>	<u>\$ 24,940</u>	<u>\$ 20,646</u>	<u>\$ 12,012</u>	<u>\$ 146,603</u>

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**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>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts:				
Property and Other Local Taxes	\$ 24,744	\$ 22,980	\$ 23,166	\$ 186
Intergovernmental	27,668	27,668	17,537	(10,131)
Interest			1,702	1,702
Other		1,764	319	(1,445)
<i>Total Receipts</i>	<u>52,412</u>	<u>52,412</u>	<u>42,724</u>	<u>(9,688)</u>
Disbursements:				
Current:				
General Government	35,655	46,006	41,301	4,705
Health	14,000	13,000	12,130	870
Capital Outlay		54,926	54,926	0
<i>Total Disbursements</i>	<u>49,655</u>	<u>113,932</u>	<u>108,357</u>	<u>5,575</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>2,757</u>	<u>(61,520)</u>	<u>(65,633)</u>	<u>(4,113)</u>
Other Financing Sources (Uses):				
Notes Issued		54,926	54,926	0
Other Financing Uses	(350)	(350)	(231)	119
<i>Total Other Financing Sources (Uses)</i>	<u>(350)</u>	<u>54,576</u>	<u>54,695</u>	<u>119</u>
<i>Net Change in Fund Balance</i>	2,407	(6,944)	(10,938)	(3,994)
Fund Balance Beginning of Year	<u>6,705</u>	<u>6,705</u>	<u>6,705</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 9,112</u>	<u>\$ (239)</u>	<u>\$ (4,233)</u>	<u>\$ (3,994)</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
MOTOR VEHICLE LICENSE TAX 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>		
Receipts:				
Intergovernmental	\$ 19,813	\$ 19,813	\$ 14,038	\$ (5,775)
Interest			1,702	1,702
<i>Total Receipts</i>	<u>19,813</u>	<u>19,813</u>	<u>15,740</u>	<u>(4,073)</u>
Disbursements:				
Current:				
Public Works	14,850	15,525	12,150	3,375
<i>Total Disbursements</i>	<u>14,850</u>	<u>15,525</u>	<u>12,150</u>	<u>3,375</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	4,963	4,288	3,590	(698)
Fund Balance Beginning of Year	<u>20,540</u>	<u>20,540</u>	<u>20,540</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 25,503</u>	<u>\$ 24,828</u>	<u>\$ 24,130</u>	<u>\$ (698)</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GASOLINE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts:				
Intergovernmental	\$ 59,448	\$ 59,448	\$ 70,816	\$ 11,368
Interest			1,702	1,702
Other			189	189
<i>Total Receipts</i>	<u>59,448</u>	<u>59,448</u>	<u>72,707</u>	<u>13,259</u>
Disbursements:				
Current:				
Public Works	84,050	86,550	77,100	9,450
<i>Total Disbursements</i>	<u>84,050</u>	<u>86,550</u>	<u>77,100</u>	<u>9,450</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(24,602)	(27,102)	(4,393)	22,709
Fund Balance Beginning of Year	<u>52,536</u>	<u>52,536</u>	<u>52,536</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 27,934</u>	<u>\$ 25,434</u>	<u>\$ 48,143</u>	<u>\$ 22,709</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 30,183	\$ 30,183	\$ 28,437	\$ (1,746)
Intergovernmental	600	600	5,373	4,773
<i>Total Receipts</i>	<u>30,783</u>	<u>30,783</u>	<u>33,810</u>	<u>3,027</u>
Disbursements:				
Current:				
Public Works	47,550	47,550	35,874	11,676
<i>Total Disbursements</i>	<u>47,550</u>	<u>47,550</u>	<u>35,874</u>	<u>11,676</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(16,767)	(16,767)	(2,064)	14,703
Fund Balance Beginning of Year	<u>23,029</u>	<u>23,029</u>	<u>23,029</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 6,262</u>	<u>\$ 6,262</u>	<u>\$ 20,965</u>	<u>\$ 14,703</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
FIRE DISTRICT 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>		
Receipts				
Property and Other Local Taxes	\$ 30,936	\$ 30,936	\$ 29,304	\$ (1,632)
Intergovernmental			5,487	5,487
<i>Total Receipts</i>	<u>30,936</u>	<u>30,936</u>	<u>34,791</u>	<u>3,855</u>
Disbursements:				
Current:				
Public Safety	30,215	30,215	29,373	842
<i>Total Disbursements</i>	<u>30,215</u>	<u>30,215</u>	<u>29,373</u>	<u>842</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	721	721	5,418	4,697
Fund Balance Beginning of Year	<u>19,522</u>	<u>19,522</u>	<u>19,522</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 20,243</u></u>	<u><u>\$ 20,243</u></u>	<u><u>\$ 24,940</u></u>	<u><u>\$ 4,697</u></u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
PERMISSIVE MOTOR VEHICLE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts				
Intergovernmental	\$ 13,440	\$ 13,440	\$ 8,895	\$ (4,545)
Interest			1,703	1,703
<i>Total Receipts</i>	<u>13,440</u>	<u>13,440</u>	<u>10,598</u>	<u>(2,842)</u>
Disbursements:				
Current:				
Public Works	10,500	12,500	12,269	231
<i>Total Disbursements</i>	<u>10,500</u>	<u>12,500</u>	<u>12,269</u>	<u>231</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	2,940	940	(1,671)	(2,611)
Fund Balance Beginning of Year	<u>22,317</u>	<u>22,317</u>	<u>22,317</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 25,257</u></u>	<u><u>\$ 23,257</u></u>	<u><u>\$ 20,646</u></u>	<u><u>\$ (2,611)</u></u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2007**

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 159,559
Total Assets	<u>\$ 159,559</u>
Net Assets:	
Restricted for:	
Debt Service	\$ 9,541
Other Purposes	143,313
Unrestricted	<u>6,705</u>
Total Net Assets	<u>\$ 159,559</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

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

		<u>Program Cash Receipts</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
	<u>Cash Disbursements</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:			
General Government	\$ 39,608		\$ (39,608)
Public Safety	29,150		(29,150)
Public Works	130,524	\$ 137,222	6,698
Health	17,774		(17,774)
Other	190		(190)
Debt Service:			
Principal Retirement	10,010		(10,010)
Interest and Fiscal Charges	840		(840)
<i>Total Governmental Activities</i>	<u>\$ 228,096</u>	<u>\$ 137,222</u>	<u>(90,874)</u>
General Receipts:			
Property Taxes Levied for:			
General Purposes			90,070
Grants and Entitlements not Restricted to Specific Programs			13,197
Interest			6,379
Miscellaneous			592
<i>Total General Receipts</i>			<u>110,238</u>
<i>Change in Net Assets</i>			19,364
Net Assets Beginning of Year			<u>140,195</u>
<i>Net Assets End of Year</i>			<u>\$ 159,559</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2007**

	General	Motor Vehicle License Tax	Gasoline Tax
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 6,705	\$ 20,540	\$ 52,536
Total Assets	\$ 6,705	\$ 20,540	\$ 52,536
Fund Balances:			
Unreserved:			
Undesignated (Deficit), Reported in:			
General Fund	\$ 6,705		
Special Revenue Funds		\$ 20,540	\$ 52,536
Debt Service Fund			
Total Fund Balances	\$ 6,705	\$ 20,540	\$ 52,536

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

<u>Road and Bridge</u>	<u>Fire District</u>	<u>Permissive Motor Vehicle License Tax</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 23,029	\$ 19,522	\$ 22,317	\$ 14,910	\$ 159,559
\$ 23,029	\$ 19,522	\$ 22,317	\$ 14,910	\$ 159,559
\$ 23,029	\$ 19,522	\$ 22,317	\$ 5,369	\$ 6,705
			9,541	143,313
\$ 23,029	\$ 19,522	\$ 22,317	\$ 14,910	\$ 159,559

**WINDSOR TOWNSHIP
MORGAN COUNTY**

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

	<u>General</u>	<u>Motor Vehicle License Tax</u>	<u>Gasoline Tax</u>
Cash Receipts:			
Property and Other Local Taxes	\$ 23,054		
Intergovernmental	16,603	\$ 17,080	\$ 84,334
Interest	1,595	1,595	1,595
Other	111		276
<i>Total Cash Receipts</i>	<u>41,363</u>	<u>18,675</u>	<u>86,205</u>
Cash Disbursements:			
Current:			
General Government	39,608		
Public Safety			
Public Works		8,394	61,757
Health	12,082		
Debt Service:			
Principal Retirement			
Interest and Fiscal Charges			
<i>Total Cash Disbursements</i>	<u>51,690</u>	<u>8,394</u>	<u>61,757</u>
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	<u>(10,327)</u>	<u>10,281</u>	<u>24,448</u>
Other Financing Sources (Uses):			
Other Financing Uses	(190)		
<i>Total Other Financing Sources (Uses)</i>	<u>(190)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(10,517)	10,281	24,448
Fund Balances Beginning of Year	<u>17,222</u>	<u>10,259</u>	<u>28,088</u>
<i>Fund Balances End of Year</i>	<u>\$ 6,705</u>	<u>\$ 20,540</u>	<u>\$ 52,536</u>

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

Road and Bridge	Fire District	Permissive Motor Vehicle License Tax	Other Governmental Funds	Total Governmental Funds
\$ 28,649	\$ 29,711		\$ 8,656	\$ 90,070
4,206	4,283	\$ 10,859	13,054	150,419
		1,594		6,379
			205	592
<u>32,855</u>	<u>33,994</u>	<u>12,453</u>	<u>21,915</u>	<u>247,460</u>
				39,608
	29,150			29,150
28,840			31,533	130,524
			5,692	17,774
			10,010	10,010
			840	840
<u>28,840</u>	<u>29,150</u>	<u>0</u>	<u>48,075</u>	<u>227,906</u>
<u>4,015</u>	<u>4,844</u>	<u>12,453</u>	<u>(26,160)</u>	<u>19,554</u>
				(190)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(190)</u>
4,015	4,844	12,453	(26,160)	19,364
19,014	14,678	9,864	41,070	140,195
<u>\$ 23,029</u>	<u>\$ 19,522</u>	<u>\$ 22,317</u>	<u>\$ 14,910</u>	<u>\$ 159,559</u>

**WINDSOR TOWNSHIP
MORGAN COUNTY**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 22,453	\$ 22,453	\$ 23,054	\$ 601
Intergovernmental	27,668	27,668	16,603	(11,065)
Interest			1,595	1,595
Other			111	111
<i>Total Receipts</i>	<u>50,121</u>	<u>50,121</u>	<u>41,363</u>	<u>(8,758)</u>
Disbursements:				
Current:				
General Government	35,240	41,930	39,608	2,322
Health	14,200	14,200	12,082	2,118
<i>Total Disbursements</i>	<u>49,440</u>	<u>56,130</u>	<u>51,690</u>	<u>4,440</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>681</u>	<u>(6,009)</u>	<u>(10,327)</u>	<u>(4,318)</u>
Other Financing Sources (Uses):				
Other Financing Uses	(350)	(650)	(190)	460
<i>Total Other Financing Sources (Uses)</i>	<u>(350)</u>	<u>(650)</u>	<u>(190)</u>	<u>460</u>
<i>Net Change in Fund Balance</i>	331	(6,659)	(10,517)	(3,858)
Fund Balance Beginning of Year	<u>17,222</u>	<u>17,222</u>	<u>17,222</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 17,553</u></u>	<u><u>\$ 10,563</u></u>	<u><u>\$ 6,705</u></u>	<u><u>\$ (3,858)</u></u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
MOTOR VEHICLE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts:				
Intergovernmental	\$ 22,334	\$ 22,334	\$ 17,080	\$ (5,254)
Interest			1,595	1,595
<i>Total Receipts</i>	<u>22,334</u>	<u>22,334</u>	<u>18,675</u>	<u>(3,659)</u>
Disbursements:				
Current:				
Public Works	14,850	14,850	8,394	6,456
<i>Total Disbursements</i>	<u>14,850</u>	<u>14,850</u>	<u>8,394</u>	<u>6,456</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	7,484	7,484	10,281	2,797
Fund Balance Beginning of Year	<u>10,259</u>	<u>10,259</u>	<u>10,259</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 17,743</u></u>	<u><u>\$ 17,743</u></u>	<u><u>\$ 20,540</u></u>	<u><u>\$ 2,797</u></u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts:				
Intergovernmental	\$59,448	\$59,448	\$84,334	\$24,886
Interest			1,595	1,595
Other			276	276
<i>Total Receipts</i>	<u>59,448</u>	<u>59,448</u>	<u>86,205</u>	<u>26,757</u>
Disbursements:				
Current:				
Public Works	87,050	87,050	61,757	25,293
<i>Total Disbursements</i>	<u>87,050</u>	<u>87,050</u>	<u>61,757</u>	<u>25,293</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(27,602)	(27,602)	24,448	52,050
Fund Balance Beginning of Year	<u>28,088</u>	<u>28,088</u>	<u>28,088</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 486</u>	<u>\$ 486</u>	<u>\$ 52,536</u>	<u>\$ 52,050</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property and Other Local Taxes	\$ 25,497	\$ 25,497	\$ 28,649	\$ 3,152
Intergovernmental			4,206	4,206
<i>Total Receipts</i>	<u>25,497</u>	<u>25,497</u>	<u>32,855</u>	<u>7,358</u>
Disbursements:				
Current:				
Public Works	48,550	49,250	28,840	20,410
<i>Total Disbursements</i>	<u>48,550</u>	<u>49,250</u>	<u>28,840</u>	<u>20,410</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(23,053)	(23,753)	4,015	27,768
Fund Balance Beginning of Year	<u>19,014</u>	<u>19,014</u>	<u>19,014</u>	<u>0</u>
Fund Balance End of Year	<u>\$ (4,039)</u>	<u>\$ (4,739)</u>	<u>\$ 23,029</u>	<u>\$ 27,768</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts:				
Property and Other Local Taxes	\$ 31,667	\$ 31,667	\$ 29,711	\$ (1,956)
Intergovernmental			4,283	4,283
<i>Total Receipts</i>	<u>31,667</u>	<u>31,667</u>	<u>33,994</u>	<u>2,327</u>
Disbursements:				
Current:				
Public Safety	30,215	30,215	29,150	1,065
<i>Total Disbursements</i>	<u>30,215</u>	<u>30,215</u>	<u>29,150</u>	<u>1,065</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	1,452	1,452	4,844	3,392
Fund Balance Beginning of Year	<u>14,678</u>	<u>14,678</u>	<u>14,678</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 16,130</u>	<u>\$ 16,130</u>	<u>\$ 19,522</u>	<u>\$ 3,392</u>

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
PERMISSIVE MOTOR VEHICLE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental	\$ 13,440	\$ 13,440	\$ 10,859	\$ (2,581)
Interest			1,594	1,594
<i>Total Receipts</i>	<u>13,440</u>	<u>13,440</u>	<u>12,453</u>	<u>(987)</u>
Disbursements:				
Current:				
Public Works	11,500	11,500		11,500
<i>Total Disbursements</i>	<u>11,500</u>	<u>11,500</u>	<u>0</u>	<u>11,500</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	1,940	1,940	12,453	10,513
Fund Balance Beginning of Year	<u>9,864</u>	<u>9,864</u>	<u>9,864</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 11,804</u>	<u>\$ 11,804</u>	<u>\$ 22,317</u>	<u>\$ 10,513</u>

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

This page intentionally left blank.

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 1 – Reporting Entity

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

The reporting entity is comprised of the primary government 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, maintenance of Township roads and bridges, and cemetery maintenance. The Township contracts with the Stockport Volunteer Fire Department for fire protection. Police protection is provided by the Morgan County Sheriff's Department.

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

Note 2 – Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

Government-Wide Financial Statements

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

The statement of net assets presents the cash balances of the governmental-type 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.

Note 2 – Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

The Township had the following major funds in addition to the General Fund as mentioned above.

Motor Vehicle License Tax Fund – This fund receives motor vehicle license tax money. Funds are restricted for the purpose of road maintenance provided it is expended according to the general laws of Ohio.

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

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

Fire District Fund – This fund receives money from property taxes to provide fire protection to the Township.

Permissive Motor Vehicle License Tax Fund – This fund receives permissive motor vehicle license tax money to provide road maintenance for the Township.

Note 2 – Summary of Significant Accounting Policies (Continued)

B. Fund Accounting (Continued)

Governmental Funds (Continued)

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

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note.

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

D. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations 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 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 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 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

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

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 2 – Summary of Significant Accounting Policies (Continued)

E. Cash (Continued)

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 2008 were \$1,702. Interest receipts credited to the General Fund during 2007 were \$1,595.

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. 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.

I. Long-Term Obligations

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

J. Net Assets

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

K. Fund Balance Reserves

The Township reserves any portion of fund balances which is not available 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.

Note 3 – Compliance

At December 31, 2008, the Township had appropriations in excess of actual resources in the amount of \$9,927 in the General Fund, contrary to Ohio Rev. Code Section 5705.36(A)(4).

At December 31, 2008, the Township had appropriations in excess of estimated resources in the General Fund in the amount of \$240 and the Note Retirement Fund in the amount \$2,172, contrary to Ohio Rev. Code Section 5705.39.

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 3 – Compliance (Continued)

At December 31, 2007, the Township had appropriations in excess of estimated resources in the Road and Bridge Fund in the amount of \$4,739, contrary to Ohio Rev. Code Section 5705.39.

At December 31, 2007, the Township had expenditures in excess of appropriations in the FEMA Special Revenue 2902 Fund in the amount of \$9,196 and the FEMA Special Revenue 2903 Fund in the amount of \$22,337, contrary to Ohio Rev. Code Section 5705.41(B).

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 – Budget Basis presented for the General Fund and the following major Special Revenue Funds: Motor Vehicle License Tax, Gasoline Tax, Road and Bridge, Fire District and Permissive Motor Vehicle License Tax Funds, are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

Note 5 – Deposits and Investments

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

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

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

Interim deposits are deposits 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;

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 5 – Deposits and Investments (Continued)

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio).

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

Deposits

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

Note 6 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Property tax receipts received in 2008 and 2007 for real and public utility property taxes represents the collection of 2007 and 2006 taxes. Property tax payments received during 2008 and 2007 for tangible personal property (other than public utility property) is for 2008 and 2007 taxes.

2008 and 2007 real property taxes are levied after October 1, 2008 and 2007, on the assessed values as of January 1, 2008 and 2007, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 2008 and 2007 real property taxes are collected in and intended to finance 2009 and 2008.

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 tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2008 and 2007 public utility property taxes which became a lien on December 31, 2007 and 2006 are levied after October 1, 2008 and 2007 and are collected in 2009 and 2008 with real property taxes.

2008 and 2007 tangible personal property taxes are levied after October 1, 2007 and 2006, on the true value as of December 31, 2007 and 2006. Collections are made in 2008 and 2007. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. Payments 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.

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 6 – Property Taxes (Continued)

The full tax rate for all Township operations for the year ended December 31, 2008, was \$5.00 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property	
Residential & Agricultural	\$18,038,450
Other	342,670
Tangible Personal Property	0
Public Utility	3,145,510
Total Assessed Value	<u>\$21,526,630</u>

The full tax rate for all Township operations for the year ended December 31, 2007, was \$5.00 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property	
Residential & Agricultural	\$17,729,010
Other	336,460
Tangible Personal Property	154,290
Public Utility	3,199,000
Total Assessed Value	<u>\$21,418,760</u>

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

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

Casualty Coverage

For an occurrence prior to January 1, 2006, OTARMA retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence. 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.

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 7 – 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 (prior to January 1, 2006) or \$3,000,000 (on or subsequent to 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 government.

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.

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

At December 31, 2007 and 2006, respectively, liabilities above include approximately \$12.5 million and \$11.3 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$11.6 million and \$10.8 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$4,000. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

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

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 7 – Risk Management (Continued)

<u>Year</u>	<u>Contribution</u>
2008	\$3,681
2007	\$3,490
2006	\$4,288

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

Note 8 – Defined Benefit Pension Plan

Plan Description - The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. Members in the State and local divisions may participate in all three plans.

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.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the years ended December 31, 2008 and December 31, 2007, members in state and local classifications contributed 10 percent and 9.5 percent, respectively, of covered payroll.

The Township's contribution rate for 2008 and 2007 was 14 percent and 13.85 percent, respectively. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the Township of 14 percent for 2008 and 13.85 percent for 2007.

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 \$6,420, \$5,199, and \$5,806, respectively. The full amount has been contributed for 2008, 2007 and 2006.

Plan Description - OPERS maintains a cost-sharing multiple-employer defined benefit postemployment healthcare plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment healthcare. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for postemployment healthcare coverage, age and service retirees under the traditional and combined plans must have ten years or more of qualifying Ohio service credit. Healthcare coverage for disability benefit recipients and qualified survivor benefit recipients is available.

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 9 - Postemployment Benefits

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

Disclosures for the healthcare plan are provided separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222 – 7377.

Funding Policy – The postemployment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund postemployment healthcare through contributions to OPERS. A portion of each employer’s contribution to the traditional or combined plans is set aside for the funding of postemployment healthcare.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2008, local government employers contributed 14 percent of covered payroll. In 2007, local government employers contributed 13.85 percent of covered payroll. Each year, the OPERS Retirement Board determines the portion of the employer contribution that will be set aside for funding postemployment healthcare benefits. The amount of the employer contributions which was allocated to fund postemployment healthcare was 7 percent of covered payroll from January 1, 2008 to December 31, 2008, 5 percent from January 1 through June 30, 2007, and 6 percent from July 1, through December 31, 2007.

The Retirement Board is also authorized to establish rules for the payment of a portion of the healthcare benefits by the retiree or retiree’s surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and selected coverage. Active members do not make contributions to the postemployment health care plan.

The Township’s contributions allocated to fund postemployment healthcare benefits for the years ended December 31, 2008, 2007, and 2006 were \$3,210, \$2,065 and \$1,916 respectively; 100 percent has been contributed for 2008, 2007 and 2006.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the healthcare plan.

Note 10 – Debt

The Township’s long-term debt activity for the year ended December 31, 2008, was as follows:

	Interest Rate	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008	Due Within One Year
<u>Governmental Activities</u>						
Promissory Notes						
2008 Issue	3.938%	\$ 0	\$ 55,001	\$ 5,048	\$ 49,953	\$ 4,052

The promissory notes are supported by the full faith and credit of the Township and are payable from unvoted property tax receipts to the extent that other resources are not available to meet annual principal and interest payments.

Windsor Township
Morgan County
Notes to the Basic Financial Statements
For the Years Ended December 31, 2008 and 2007

Note 10 – Debt (Continued)

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

<u>Year</u>	<u>Amount</u>
2009	\$ 6,000
2010	6,000
2011	6,000
2012	6,000
2013	<u>34,051</u>
Total	<u>\$ 58,051</u>

This page intentionally left blank.



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*

Windsor Township
Morgan County
5209 Hanson Hill Road
Stockport, Ohio 43787

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 Windsor Township, Morgan 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 November 23, 2009, wherein we noted the Township uses a comprehensive accounting basis other than generally accepted accounting principles. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

We consider findings 2008-005 and 2008-006 described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. Of the significant deficiencies described above, we believe finding number 2008-005 is also a material weakness.

We also noted certain internal control matters that we reported to the Township's management in a separate letter dated November 23, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the Township's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters that we must report under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2008-001 through 2008-004.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated November 23, 2009.

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



Mary Taylor, CPA
Auditor of State

November 23, 2009

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007**

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

FINDING NUMBER 2008-001

Noncompliance Citation

Ohio Rev. Code Section 5705.36(A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

Appropriations were greater than actual resources at December 31, 2008, in the following fund:

Fund	Actual Resources	Appropriation Authority	Variance
General	\$104,355	\$114,282	(\$9,927)

This could cause the Township to spend more money than is available to spend.

We recommend the Fiscal Officer monitor estimated and actual resources for all funds on a regular basis. In the situation where appropriations exceed actual resources, the Township should adjust appropriations accordingly.

FINDING NUMBER 2008-002

Noncompliance Citation

Ohio Rev. Code Section 5705.39 provides, in part, that total appropriations from each fund shall not exceed the total estimated resources.

Appropriations exceeded estimated resources at December 31, 2007, in the following fund:

Fund	Estimated Resources	Appropriation Authority	Variance
Road and Bridge	\$44,511	\$49,250	(\$4,739)

Appropriations exceeded estimated resources at December 31, 2008, in the following funds:

Fund	Estimated Resources	Appropriation Authority	Variance
General	\$114,042	\$114,282	(\$240)
Note Retirement	18,028	20,200	(2,172)

This could cause the Township to spend in excess of their estimated resources.

We recommend the Fiscal Officer monitor its estimated revenue and appropriations to ensure that appropriations are within estimated resources.

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007
(Continued)**

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

FINDING NUMBER 2008-003

Noncompliance Citation

Ohio Rev. Code Section 5705.41(B) prohibits subdivisions from expending money unless it has been appropriated as provided in such chapter.

Expenditures exceeded appropriations at December 31, 2007 for the following funds:

Fund	Appropriation Authority	Disbursements	Variance
2902 FEMA	\$0	\$9,196	(\$9,196)
2903 FEMA	0	22,337	(22,337)

The practice of allowing expenditures to exceed appropriations could result in negative fund balances for the Township.

We recommend the Fiscal Officer compare expenditures to appropriations on a monthly basis. If appropriations in addition to those already adopted will be needed, the Board should take the necessary steps to adopt additional appropriations, if possible, to prevent expenditures from exceeding appropriations or reduce spending. The Fiscal Officer should deny requests for payment when appropriations are not available.

FINDING NUMBER 2008-004

Noncompliance Citation

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

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

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007
(Continued)**

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

**FINDING NUMBER 2008-004
(Continued)**

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

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

2. Blanket Certificates - Fiscal officers may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate - The Township may also make expenditures and contracts for any amount from a specific line item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to exceed beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

Twelve percent of the 2007 non-payroll transactions tested and 16 percent of the 2008 non-payroll transactions tested did not have the prior certification of the Township, nor was there any evidence the Fiscal Officer was using a “then and now” certificate. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

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

We recommend the Township obtain the Fiscal Officer’s certification of the availability of funds prior to the commitment being incurred. The most convenient certification method is to use purchase orders that include the certification language Section 5705.41(D) requires to authorize disbursements. The Fiscal Officer should sign the certification at the time the Township incurs a commitment, and only when the requirements of Section 5705.41(D) are satisfied. The Fiscal Officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007
(Continued)**

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

FINDING NUMBER 2008-005

Material Weakness

All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements.

During 2008, the Township issued a note for the purchase of a tractor/mower. The Fiscal Officer recorded the receipt of debt proceeds as miscellaneous receipts and the expenditure as General Government instead of Capital Outlay in the amount of \$54,926 in the General Fund.

Also, during the audit period, the Fiscal Officer posted certain revenue transactions incorrectly. Several intergovernmental receipts such as estate tax, homestead and rollback allocation and deregulation reimbursements were recorded as taxes revenue instead of intergovernmental revenue. In 2008, the homestead and rollback allocation that was due to the Special Revenue Funds was recorded in the General Fund for both years. The following lists the net adjustments for each fund for the above errors as of December 31, 2008:

<u>Fund</u>	<u>Net Adjustment</u>
General	(\$8,581)
Gasoline Tax	(2,000)
Road and Bridge	4,555
Fire District	4,320
Note Retirement	1,706
Total	<u><u>\$0</u></u>

These misstatements were caused by management oversight. As a result, significant adjustments and reclassifications, with which the Township's management agrees, were made to the accompanying financial statements.

We recommend the Fiscal Officer refer to the Ohio Township Handbook for proper classification and take additional care in posting transactions to the Township's ledgers in order to ensure the Township's year-end financial statements reflect the appropriate sources of the Township's receipts and disbursements.

FINDING NUMBER 2008-006

Significant Deficiency

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

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007
(Continued)**

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

**FINDING NUMBER 2008-006
(Continued)**

Significant Deficiency (Continued)

At December 31, 2008, appropriations as approved by the Board of Trustees did not agree to the Township's ledgers or the budgetary statements for the following fund:

<u>Fund</u>	<u>Appropriations Per Board of Trustees</u>	<u>Amounts Per Township Reports</u>	<u>Variance</u>
General	\$114,282	\$114,732	(\$450)

At December 31, 2007, appropriations as approved by the Board of Trustees did not agree to the Township's ledgers or the budgetary statements for the following funds:

<u>Fund</u>	<u>Appropriations Per Board of Trustees</u>	<u>Amounts Per Township Reports</u>	<u>Variance</u>
General	\$56,780	\$56,580	\$200
2902 FEMA	0	9,196	(9,196)
2903 FEMA	0	22,337	(22,337)

At December 31, 2008, estimated receipts as certified by the County Budget Commission did not agree to the Township's ledgers or the budgetary statements for the following fund:

<u>Fund</u>	<u>Estimated Receipts per County Budget Commission</u>	<u>Amounts per Township Reports</u>	<u>Variance</u>
General	\$107,337	\$109,101	(\$1,764)

At December 31, 2007, estimated receipts as certified by the County Budget Commission did not agree to the Township's ledgers or the budgetary statements for the following funds:

<u>Fund</u>	<u>Estimated Receipts Per County Budget Commission</u>	<u>Amounts Per Township Reports</u>	<u>Variance</u>
Motor Vehicle License Tax	\$22,334	\$19,813	\$2,521
Road and Bridge	25,497	27,418	(1,921)
Fire District	31,667	31,277	390
2902 FEMA	5,500	0	5,500
2903 FEMA	5,500	0	5,500

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007
(Continued)**

<p>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</p>

**FINDING NUMBER 2008-006
(Continued)**

Significant Deficiency (Continued)

Due to budgetary information being improperly entered into the system, the management of the Township was not able to effectively monitor and report its budgetary vs. actual status throughout the year. In addition, this resulted in audit adjustments to the budgetary statements.

We recommend the Fiscal Officer accurately post estimated receipts as approved by the Budget Commission and appropriations as approved by the Board of Trustees into the computer system. This procedure will help ensure more useful comparisons of budget vs. actual activity, as well as provide management with an accurate monitoring tool throughout the year.

Officials' Response: We did not receive a response from Officials to the findings reported above.

**WINDSOR TOWNSHIP
MORGAN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2006-001	Ohio Rev. Code Section 5705.39 for appropriations exceeding estimated resources.	No	Not Corrected; Reissued as Finding 2008-002.
2006-002	Ohio Rev. Code Section 5705.41(B) for expenditures exceeding appropriations.	No	Not Corrected; Reissued as Finding 2008-003.
2006-003	Significant Deficiency was issued because receipts and disbursements were not properly classified.	No	Not Corrected; Reissued as Finding 2008-005.
2006-004	Significant Deficiency was issued because approved appropriations did not agree to the system and approved estimated receipts did not agree to the system.	No	Not Corrected; Reissued as Finding 2008-006.



Mary Taylor, CPA
Auditor of State

WINDSOR TOWNSHIP

MORGAN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 17, 2009**